
ORANGE COUNTY
INDUSTRIAL DEVELOPMENT AGENCY

TO

THE BANK OF NEW YORK,
as Trustee

INDENTURE OF TRUST

Dated as of June 1, 2006

Orange County Industrial Development Agency
Civic Facility Revenue Bonds
(Special Needs Facilities Pooled Program)

\$3,635,000 Series 2006G-1
\$220,000 Series 2006G-2 (Federally Taxable)

Record and Return to:
Harris Beach PLLC
99 Garnsey Road
Pittsford, New York 14534
Attention: Alex Neubert

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INDENTURE OF TRUST

THIS INDENTURE OF TRUST dated as of the date set forth on the cover page hereof (this "Indenture"), by and between the **ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation duly organized and existing under the laws of the State of New York (the "Agency"), having its principal office at 255-275 Main Street, County Government Center, Goshen, New York 10924, party of the first part, and **THE BANK OF NEW YORK**, a New York banking corporation duly authorized to accept and execute trusts of the character herein set out under the laws of the State of New York, as trustee under this Indenture (the "Trustee"), having its principal corporate trust office at 101 Barclay Street, Floor 21W, New York, New York 10286, party of the second part (capitalized terms used but not defined in the recitals below shall have the same meaning assigned to such terms in Section 1.01 hereof and Appendix B attached hereto and made a part hereof):

WITNESSETH:

WHEREAS, the New York State Industrial Development Agency Act, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act"), has been heretofore enacted by the Legislature of the State of New York for the purposes, among others, of providing for the creation of industrial development agencies in the several counties, cities, villages and towns in the State of New York, to promote, develop, encourage, assist and advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York and to improve their prosperity and standard of living; and

WHEREAS, the Agency has been heretofore established under said Enabling Act pursuant to Chapter 390 of the 1972 Laws of New York, as amended (which Chapter 390 of the 1972 Laws of New York, as amended, and the Enabling Act are herein collectively called the "Act"), and is authorized to acquire real property and interests therein, buildings and other improvements thereon and machinery and equipment in connection therewith for the purposes set forth above, and to sell the same as herein more particularly described; and

WHEREAS, the Agency is further authorized by the Act to issue its special obligation bonds payable solely from and secured by the revenues derived from the leasing or sale of the land, buildings and other improvements and the machinery and equipment so acquired; and

WHEREAS, to accomplish the purposes of the Act, the Agency has entered into negotiations with the Participant in connection with the financing or refinancing of the cost of the acquisition, renovation, improvement, equipping and furnishing of civic facilities for the Participant within Orange County, all for the purpose of providing services to people with developmental disabilities or other special needs; and

WHEREAS, the Participant will lease or sublease, as applicable, its civic facilities to the Agency pursuant to a Company Lease Agreement, dated as of even date herewith, between

the Participant and the Agency (as the same may be amended or supplemented, the "Company Lease"), and the Agency will sell its leasehold interest in such civic facilities under the Company Lease to the Participant pursuant to an Installment Sale Agreement, dated as of even date herewith, between the Agency and the Participant (as the same may be amended or supplemented, the "Installment Sale Agreement"); and

WHEREAS, the Agency has determined that Agency financial assistance is necessary to provide employment in, and is beneficial for the economy and prosperity of, the inhabitants of Orange County and is reasonably necessary to induce the Participant to proceed with the civic facilities; and

WHEREAS, as a result of such negotiations, the Participant has requested the Agency to issue the Initial Bonds to finance or refinance a portion of the costs of the civic facilities; and

WHEREAS, the Agency adopted the Bond Resolution authorizing the issuance of the Initial Bonds to finance or refinance a portion of the costs of the civic facilities and the sale of the Agency's leasehold interest in such civic facilities to the Participant pursuant to an Installment Sale Agreement; and

WHEREAS, to provide funds for a portion of the costs of financing or refinancing the civic facilities and for incidental and related costs and to provide funds to pay the costs and expenses of the issuance of the Initial Bonds hereinafter mentioned, the Agency has authorized the issuance of its Initial Bonds pursuant to the Act, the Bond Resolution and this Indenture; and

WHEREAS, simultaneously with the issuance and delivery of the Initial Bonds, two (2) non-cancelable bond insurance policies (collectively, the "Bond Insurance Policy") will be issued by ACA Financial Guaranty Corporation (the "Bond Insurer"), pursuant to separate Insurance Agreements, each dated as of even date herewith, each from the Participant to the Bond Insurer (each such Insurance Agreement, as the same may be amended or supplemented, a "Bond Insurance Agreement"), which Bond Insurance Policy will provide for the prompt payment of the principal of, interest and Sinking Fund Installments on the Initial Bonds when due, to the extent that the Trustee has not received sufficient funds for such payment; and

WHEREAS, concurrently with the execution hereof, in order to further secure the payment of the principal of, redemption premium, if any, and interest on the Initial Bonds and its obligations under the Bond Insurance Agreement, (i) the Participant and/or an affiliate will guarantee such payments and other obligations pursuant to a guaranty agreement from the Participant and/or an affiliate to the Trustee and the Bond Insurer, and (ii) the Participant and/or an affiliate and the Agency will grant a mortgage lien on and a security interest in each of the civic facilities owned by the Participant to the Trustee and the Bond Insurer; and

WHEREAS, additional moneys may be necessary to finance the cost of completing the civic facilities, providing funds in excess of the net proceeds of insurance or eminent domain to repair, relocate, replace, rebuild or restore the civic facilities in the event of damage, destruction or taking by eminent domain, or providing extensions, additions or

improvements to the civic facilities or refunding outstanding Bonds and provision should therefore be made for the issuance from time to time of additional bonds; and

WHEREAS, the Initial Bonds and the Trustee's Certificate to be endorsed thereon are all to be in substantially the respective forms in Appendix A attached hereto and made a part hereof, with necessary and appropriate variations, omissions and insertions as permitted or required by this Indenture.

WHEREAS, all things necessary to make the Bonds when authenticated by the Trustee and issued as in this Indenture provided, the valid, binding and legal special obligations of the Agency according to the import thereof, and to constitute this Indenture a valid pledge and assignment of the installment purchase payments, revenues and receipts herein made to the payment of the principal of, Sinking Fund Installments for, redemption premium, if any, and interest on the Bonds, have been done and performed, and the creation, execution and delivery of this Indenture, and the creation, execution and issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, THIS INDENTURE WITNESSETH:

That the Agency in consideration of the premises and of the acceptance by the Trustee of the trusts hereby created and of the purchase and acceptance of the Bonds by the Holders and owners thereof, and of the sum of One Dollar (\$1.00), lawful money of the United States of America, to it duly paid by the Trustee at or before the execution and delivery of these presents, and for other good and valuable consideration, the receipt of which is hereby acknowledged, and in order to secure the payment of the principal of the Bonds and the indebtedness represented thereby and the redemption premium, if any, and interest on the Bonds according to their tenor and effect and the performance and observance by the Agency of all the covenants expressed or implied herein and in the Bonds, does hereby grant, bargain, convey, transfer, grant a security interest in, pledge and assign unto The Bank of New York, as Trustee, and unto its respective successors in trust, and to their respective assigns, forever for the securing of the performance of the obligations of the Agency hereinafter set forth, the following:

GRANTING CLAUSES

I

All right, title and interest of the Agency in and to the Installment Sale Agreement, including all installment purchase payments, revenues and receipts payable or receivable thereunder, excluding, however, the Agency's Reserved Rights, which rights may be enforced by the Agency and the Trustee jointly or severally.

II

All moneys and securities from time to time held by the Trustee under the terms of this Indenture including amounts set apart and transferred to the Earnings Fund, the Project

Fund, the Renewal Fund, the Bond Fund, the Debt Service Reserve Fund or any special fund, and all investment earnings of any of the foregoing, subject to disbursements from the Earnings Fund, the Debt Service Reserve Fund, the Project Fund, the Renewal Fund or any such special fund in accordance with the provisions of the Installment Sale Agreement and this Indenture; provided, however, there is hereby expressly excluded from any assignment, pledge, lien or security interest any amounts set apart and transferred to the Rebate Fund; provided further that amounts held in the Tax-Exempt Bond Debt Service Reserve Account shall be held in trust in favor of the holders of Tax-Exempt Bonds only.

III

Any and all other property of every kind and nature from time to time which was heretofore or hereafter is by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred, as and for additional security hereunder, by the Agency or by any other person, firm or corporation with or without the consent of the Agency, to the Trustee which is hereby authorized to receive any and all such property at any time and at all times to hold and apply the same subject to the terms hereof.

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby conveyed and assigned, or agreed or intended so to be, to the Trustee and its successors in said Trust and to them and their assigns forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all Holders and owners of the Bonds issued under and secured by this Indenture, without privilege, priority or distinction as to lien or otherwise of any of the Bonds over any of the others of the Bonds, except as otherwise expressly provided in this Indenture, provided, however, that if the Agency, its successors or assigns, shall well and truly pay, or cause to be paid, the principal and any applicable redemption premium, of the Bonds and the interest due or to become due thereon, at the times and in the manner provided in the Bonds according to the true intent and meaning thereof and shall make the payments into the Bond Fund as required under this Indenture or shall provide, as permitted hereby, for the payment thereof by depositing or causing to be deposited with the Trustee sufficient amounts, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of this Indenture to be kept, performed and observed by it, and shall pay to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments this Indenture and the rights hereby granted shall cease, determine and be void; otherwise, this Indenture to be and remain in full force and effect.

THIS INDENTURE FURTHER WITNESSETH that, and it is expressly declared, all the Bonds issued and secured hereunder are to be issued, authenticated and delivered and all said installment purchase payments, revenues and receipts hereby pledged are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Agency has agreed and covenanted, and does hereby agree and covenant with the Trustee and with the respective Holders and owners, from time to time of the Bonds or any part thereof, as follows, that is to say:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. Terms not otherwise defined herein shall have the same meanings as used in Appendix B attached hereto and made a part hereof or in the Installment Sale Agreement or in the Tax Compliance Agreement hereinbelow defined. The following terms shall have the following meanings in this Indenture:

Act shall mean, collectively, the New York State Industrial Development Agency Act (constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York), as amended, and Chapter 390 of the 1972 Laws of New York, as amended.

Additional Bonds shall mean one or more series of additional bonds issued, executed, authenticated and delivered under this Indenture.

Affiliate shall mean a Person which directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with the Participant. The term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of management and policies of a Person, whether through the ownership of securities, by contract or otherwise.

Agency shall mean the Orange County Industrial Development Agency, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation of the State, duly organized and existing under the laws of the State, and any body, board, authority, agency or other governmental agency or instrumentality which shall hereafter succeed to the powers, duties, obligations and functions thereof.

Agency's Reserved Rights shall mean, collectively,

(i) the right of the Agency in its own behalf to receive all Opinions of Counsel, reports, financial statements, certificates, insurance policies or certificates, or other notices or communications required to be delivered to the Agency under the Installment Sale Agreement;

(ii) the right of the Agency to grant or withhold any consents or approvals required of the Agency under the Installment Sale Agreement;

(iii) the right of the Agency to enforce in its own behalf the obligation of the Participant to complete its Project;

(iv) the right of the Agency to exercise in its own behalf its rights under Section 2.4 of the Installment Sale Agreement with respect to the proceeds of leasehold title insurance;

(v) the right of the Agency to enforce or otherwise exercise in its own behalf all agreements of the Participant with respect to ensuring that the Participant's Facility shall always constitute a qualified "project" and a "civic facility" as defined in and as contemplated by the Act;

(vi) the right of the Agency to amend with the Participant the provisions of Section 4.3 of the Installment Sale Agreement without the consent of the Trustee, the Bond Insurer or any Bondholder;

(vii) the right of the Agency in its own behalf (or on behalf of the appropriate taxing authorities) to enforce, receive amounts payable under or otherwise exercise its rights under Sections 3.1, 4.3, 4.4, 4.5, 4.6, 4.7, 6.1, 6.2, 6.3, 6.6, 6.7(b)(3), 6.9, 6.12, 6.13, 6.14, 6.15, 6.21, 7.7, 8.5, 9.3, 9.10, 9.13, 9.17, 9.18 and 9.19 of the Installment Sale Agreement; and

(viii) the right of the Agency in its own behalf to declare an Event of Default under Section 7.1 of the Installment Sale Agreement with respect to any of the Agency's Reserved Rights.

Beneficial Owner shall mean, whenever used with respect to an Initial Bond, the Person in whose name such Initial Bond is recorded as the beneficial owner of such Initial Bond by the respective systems of DTC and each of the DTC Participants.

Bond Fund shall mean the Bond Fund established by Section 5.01 of this Indenture.

Bondholder, Holder of Bonds, Holder, holder, or owner shall mean any Person who shall be the registered owner of any Bond or Bonds.

Bond Insurance Policy shall mean, collectively, the bond insurance policies relating to the Initial Bonds issued by the Bond Insurer concurrently with the original issuance of the Initial Bonds insuring the scheduled payment when due of the principal of and interest and Sinking Fund Installments on the Initial Bonds as provided therein.

Bond Insurer shall mean ACA Financial Guaranty Corporation, a Maryland stock insurance company, or any successor thereto as issuer of the Bond Insurance Policy relating to the Initial Bonds.

Bond Insurer Disqualification Event shall mean any of the following events or circumstances:

(i) the Bond Insurer has failed to pay or has wrongfully dishonored any amount under the Bond Insurance Policy,

(ii) the Bond Insurance Policy shall at any time for any reason be determined under applicable law, by a court of final competent jurisdiction, to be null and void and not valid and binding on the Bond Insurer or the validity or enforceability thereof is being contested by the

Bond Insurer or by any governmental agency or authority which has taken control of the assets of the Bond Insurer in any bankruptcy, insolvency or similar proceedings and which shall be authorized under applicable law to so act on behalf of the Bond Insurer,

(iii) the Bond Insurer is temporarily restrained from making a payment under the Bond Insurance Policy by court order or by action of any governmental or quasi-governmental body, or

(iv) the Bond Insurance Policy is no longer in effect.

Bond Registrar shall mean the Trustee acting as registrar as provided in Section 3.10 of this Indenture.

Bonds shall mean the Initial Bonds and any Additional Bonds.

Business Day shall mean any day on which banks located in The City of New York are not required or authorized to remain closed and on which the New York Stock Exchange is not closed.

Capitalized Interest Account shall mean the special trust account of the Project Fund so designated, established pursuant to Section 5.01 of this Indenture.

Capitalized Interest Period shall have the meaning assigned to that term in Section 5.02(a) of this Indenture.

Cede & Co. shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Initial Bonds.

Code shall mean the Internal Revenue Code of 1986, as amended, including the regulations thereunder.

Company Lease shall mean the Company Lease Agreement, dated as of even date herewith, with respect to the Facility between the Participant and the Agency, and shall include any and all amendments thereof and supplements thereto hereafter made in conformity therewith and with this Indenture.

Controlled Entity shall mean, with respect to the Participant, any Person, 50% or more of the voting stock or equity interest of which is owned by the Participant.

Costs of Issuance shall mean the payment of the fees and expenses of the Trustee during the period of construction or renovation of a Project, legal and financial fees and expenses, fees of underwriters, printing and engraving costs, and all other costs and expenses incurred by or for the account of the Agency in connection with the preparation, authorization, sale, printing, and issuance of the Bonds, Blue Sky fees and expenses, Rating Agency fees, Bond Insurance Policy fees and the fees and expenses of counsel to the Bond Insurer, and the

preparation and execution of the Installment Sale Agreement and this Indenture and all other documents (including Project Documents) in connection therewith or herewith.

Costs of Issuance Account shall mean the special trust account of the Project Fund so designated, established pursuant to Section 5.01 of this Indenture.

County shall mean Orange County, New York.

Debt Service Reserve Fund shall mean the Debt Service Reserve Fund established by Section 5.01 of this Indenture.

Directing Party shall mean, in the event the consent, approval or direction of the Trustee or the Holders of Bonds Outstanding shall be required in connection with an action to be taken under this Indenture or under any other Security Document, the Holders of a majority in aggregate principal amount of the Bonds Outstanding voting in favor of taking a particular action unless (y) no Bond Insurer Disqualification Event shall have occurred and be continuing and (z) the principal amount of at least a majority in aggregate principal amount of the Bonds Outstanding shall be insured by the Bond Insurer, in which event the Directing Party shall mean the Bond Insurer; provided, however, for so long as no Bond Insurer Disqualification Event shall have occurred and be continuing, in all cases, the Bond Insurer shall be entitled to deliver such consent, approval and direction on behalf of the Holders of the Initial Bonds and any other Bonds it insures as provided in Sections 7.10(a)(iv), 11.05 and 12.04 hereof.

DTC shall mean The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.

DTC Participants shall mean those broker-dealers, banks and other financial institutions for which DTC holds Initial Bonds as securities depository.

Earnings Fund shall mean the Earnings Fund established by Section 5.01 of this Indenture.

Environmental Compliance and Indemnification Agreement shall mean the Environmental Compliance and Indemnification Agreement, dated as of even date herewith, among the Participant, the Trustee, the Bond Insurer and the Agency, and shall include any and all amendments thereof and supplements thereto hereafter made in conformity therewith and with this Indenture.

Event of Default shall have the meaning specified in Section 8.01 of this Indenture.

Facility shall mean, collectively, the Facility Equipment and the Facility Realty.

Facility Equipment shall mean the Facility Equipment as defined in the Installment Sale Agreement.

Facility Realty shall mean the Facility Realty as defined in the Installment Sale Agreement.

Government Obligations shall mean those Qualified Investments set forth in clause "(A)" of the definition of such term, which shall be non-callable and non-payable.

Guaranty Agreement shall mean the Guaranty Agreement, dated as of even date herewith, from the Participant (and, if applicable, an Affiliate) to the Trustee and the Bond Insurer, and shall include any and all amendments thereof and supplements thereto hereafter made in conformity therewith and with this Indenture.

Indenture shall mean this Indenture of Trust as from time to time amended or supplemented by Supplemental Indentures in accordance with Article XI of this Indenture.

Independent Engineer shall mean a Person (not an employee of either the Agency, the Participant or any Affiliate of any thereof) registered and qualified to practice engineering or architecture under the laws of the State, selected by the Participant, and approved in writing by the Bond Insurer and the Program Facilitator (which approval shall not be unreasonably withheld).

Installment Purchase Payment Account shall mean the special trust account of the Bond Fund so designated, established pursuant to Section 5.01 of this Indenture.

Installment Sale Agreement shall mean the Installment Sale Agreement, dated as of even date herewith, between the Agency and the Participant, and shall include any and all amendments thereof and supplements thereto hereafter made in conformity therewith and with this Indenture.

Interest Account shall mean the special trust account of the Bond Fund so designated, established pursuant to Section 5.01 of this Indenture.

Loss Event shall have the meaning set forth for such term in Section 5.1 of the Installment Sale Agreement.

Nationally Recognized Bond Counsel shall mean Harris Beach PLLC or other counsel acceptable to the Agency, the Bond Insurer and the Trustee and experienced in matters relating to tax exemption of interest on bonds issued by states and their political subdivisions.

Net Proceeds shall mean, when used with respect to any insurance proceeds or condemnation award, compensation or damages, the gross amount from any such proceeds, award, compensation or damages less all reasonable expenses (including reasonable attorneys' fees and expenses and any expenses of the Agency, the Bond Insurer or the Trustee) incurred in the collection thereof.

Notice Parties shall mean the Agency, the Participant, the Program Facilitator, the Bond Registrar, the Paying Agents, the Bond Insurer and the Trustee.

Opinion of Counsel shall mean a written opinion of counsel who may (except as otherwise expressly provided in the Installment Sale Agreement or any other Security Document) be counsel for the Participant or the Agency and who shall be acceptable to the Bond Insurer and the Trustee.

Outstanding, when used with reference to a Bond or Bonds, as of any particular date, shall mean such Bonds which have been issued, executed, authenticated and delivered under this Indenture, except:

(i) such Bonds cancelled by the Trustee because of payment or redemption prior to maturity or surrendered to the Trustee under this Indenture for cancellation;

(ii) any such Bond (or portion of a Bond) for the payment or redemption of which, in accordance with Section 10.01 of this Indenture, there has been separately set aside and held in the Redemption Account of the Bond Fund either: (A) moneys, and/or (B) Government Obligations in such principal amounts, of such maturities, bearing such interest and otherwise having such terms and qualifications as shall be necessary to provide moneys in an amount sufficient to effect payment of the principal or applicable Redemption Price of such Bond, together with accrued interest on such Bond to the payment or redemption date, which payment or redemption date shall be specified in irrevocable instructions given to the Trustee to apply such moneys and/or Government Obligations to such payment on the date so specified, provided, that, if such Bond (or portion thereof) is to be redeemed, notice of such redemption shall have been given as provided in this Indenture or provision satisfactory to the Trustee shall have been made for the giving of such notice;

(iii) such Bonds in exchange for or in lieu of which other Bonds shall have been authenticated and delivered under Article III of this Indenture; and

(iv) such Bonds paid pursuant to Section 3.08 of this Indenture;

provided, however, that in determining whether the Holders of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Bonds owned by the Participant or any Affiliate or Controlled Entity of the Participant shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Trustee actually knows to be so owned shall be so disregarded. Bonds which have been pledged in good faith may be regarded as Outstanding for such purposes if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Participant or any Affiliate or Controlled Entity of the Participant.

Paying Agent shall mean any paying agent for the Bonds appointed pursuant to this Indenture (and may include the Trustee) and its successor or successors and any other corporation which may at any time be substituted in its place pursuant to this Indenture.

Person shall mean any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

Principal Account shall mean the special trust account of the Bond Fund so designated, established pursuant to Section 5.01 of this Indenture.

Program Facilitator shall mean InterAgency Council of Mental Retardation and Developmental Disabilities Agencies, Inc. ("IAC"), as program facilitator under the Administration Agreement, dated as of even date herewith, between the Agency and IAC, and its successors in such capacity.

Project shall mean the Project as defined in the Installment Sale Agreement.

Project Account shall mean any of the special trust accounts of the Project Fund so designated, established pursuant to Section 5.01 of this Indenture.

Project Costs shall mean, with respect to the Project,

(i) all costs of engineering and architectural services with respect to the Project, including the cost of test borings, surveys, estimates, plans and specifications and for supervising construction, as well as for the performance of all other duties required by or consequent upon the proper construction of, and the making of alterations, renovations, additions and improvements in connection with, the completion of the Project;

(ii) all costs paid or incurred for labor, materials, services, supplies, machinery, equipment and other expenses and to contractors, suppliers, builders and materialmen in connection with the completion of the Project;

(iii) all costs in connection with the acquisition of the Facility Realty constituting a portion of the Project;

(iv) the interest on the Bonds during the construction or renovation of the Project;

(v) all costs of contract bonds and of insurance that may be required or necessary during the period of Project construction or renovation;

(vi) all costs of title insurance as provided in Section 2.4 of the Installment Sale Agreement;

(vii) Costs of Issuance;

(viii) all costs which the Participant shall be required to pay, under the terms of any contract or contracts, for the completion of the Project, including any amounts required to

reimburse the Participant for advances made for any item otherwise constituting a Project Cost or for any other costs incurred and for work done which are properly chargeable to the Project; and

(ix) all other costs and expenses relating to the completion of the Project or the issuance of Additional Bonds.

Project Costs shall not include (i) fees or commissions of real estate brokers, (ii) moving expenses, or (iii) operational costs.

Project Fund shall mean the Project Fund established by Section 5.01 of this Indenture.

Qualified Investments shall mean, to the extent permitted by applicable law, the following:

(A) 1. Cash deposits (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in the next paragraph).

2. Direct obligations of (including obligations issued or held in book entry form on the books of the Department of Treasury) the United States of America. In the event these securities are used for defeasance, they shall be non-callable and non-prepayable.

3. Obligations of the following federal agencies so long as such obligations are backed by the full faith and credit of the United States of America (in the event these securities are used for defeasance, they shall be non-callable and non-prepayable):

- a. U.S. Export-Import Bank (Eximbank)
- b. Rural Economic Community Development Administration
- c. Federal Financing Bank
- d. U.S. Maritime Administration
- e. U.S. Department of Housing and Urban Development (PHAs)
- f. General Services Administration
- g. Small Business Administration
- h. Government National Mortgage Association (GNMA)
- i. Federal Housing Administration
- j. Farm Credit System Financial Assistance Corporation

(B) To the extent permitted by law, the following obligations are "Qualified Investments" for all purposes other than defeasance investments in refunding escrow accounts:

1. Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America: (a) Senior debt obligations rated in the highest long-term rating category by at least two nationally recognized rating agencies issued by the Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC), (b) Senior debt obligations of the Federal Home Loan Bank System, and (c) Senior debt obligations of other Government Sponsored Agencies approved by the Bond Insurer.

2. U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks which either (a) have a rating on their short-term certificates of deposit on the date of purchase in the highest short-term rating category of at least two nationally recognized rating agencies, (b) are insured at all times by the Federal Deposit Insurance Corporation, or (c) are collateralized with direct obligations of the United States of America at one hundred two percent (102%) valued daily. All such certificates must mature no more than three hundred sixty (360) days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank).

3. Commercial paper which is rated at the time of purchase in the highest short-term rating category of at least two (2) nationally recognized rating agencies and which matures not more than two hundred seventy (270) days after the date of purchase.

4. Investments in (a) money market funds subject to SEC Rule 2a-7 and rated in the highest short-term rating category of at least two nationally recognized rating agencies, including such funds for which the Trustee or an affiliate of the Trustee serves as investment advisor, administrator, shareholder, servicing agent and/or custodian or sub-custodian, notwithstanding that (i) the Trustee charges and collects fees and expenses from such funds for services rendered, (ii) the Trustee charges and collects fees and expenses for services rendered pursuant to this Indenture and (iii) services performed for such funds and pursuant to this Indenture may converge at any time, and (b) public sector investment pools operated pursuant to SEC Rule 2a-7 in which the Agency's deposit shall not exceed 5% of the aggregate pool balance at any time and such pool is rated in one of the two highest short-term rating categories of at least two nationally recognized rating agencies.

5. Pre-refunded municipal obligations defined as follows: Any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and, (a) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest long-term rating category of at least two (2) nationally recognized rating agencies; or (b) (i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or direct obligations of the United States of America, which escrow may be applied only to the payment of such principal of

and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate.

6. General obligations of states with a short-term rating in one of the two (2) highest rating categories and a long-term rating in one (1) of the two (2) highest rating categories of at least two (2) nationally recognized rating agencies. In the event such obligations are variable rate obligations, the interest rate on such obligations must be reset not less frequently than annually.

7. Investment agreements approved in writing by the Bond Insurer (and supported by appropriate opinions of counsel).

8. Other forms of investments (including repurchase agreements) approved in writing by the Bond Insurer (and supported by appropriate opinions of counsel).

The value of the above investments, other than cash, shall be determined as follows: "Value," which shall be determined as of the end of each month, means that the value of any investments shall be calculated as follows:

1. As to investments the bid and asked prices of which are published on a regular basis in *The Wall Street Journal* (or, if not there, then in *The New York Times*): the average of the bid and asked prices for such investments so published on or most recently prior to such time of determination;

2. As to investments the bid and asked prices of which are not published on a regular basis in *The Wall Street Journal* or *The New York Times*: the average bid price at such price at such time of determination for such investments by any two nationally recognized government securities dealers (selected by the Trustee in its absolute discretion) at the time making a market in such investments or the bid price published by a nationally recognized pricing service;

3. As to certificates of deposit and bankers acceptances, the face amount thereof, plus accrued interest; and

4. As to any investment not specified above, the value thereof established by prior agreement between the Trustee and the Bond Insurer.

Rating Agency shall mean S&P and such other nationally recognized securities rating agency as shall have awarded a rating to the Bonds.

Rebate Fund shall mean the Rebate Fund established by Section 5.01 of this Indenture.

Record Date shall mean, with respect to any Interest Payment Date for the Initial Bonds, the close of business on the fifteenth (15th) day of the month next preceding such Interest Payment Date, or, if such day is not a Business Day, the next preceding Business Day.

Redemption Account shall mean the special trust account of the Bond Fund so designated, established pursuant to Section 5.01 of this Indenture.

Redemption Price shall mean, with respect to any Bond or a portion thereof, the principal amount thereof to be redeemed in whole or in part, plus the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or this Indenture.

Related Security Documents shall mean all Security Documents other than this Indenture.

Renewal Fund shall mean the Renewal Fund established by Section 5.01 of this Indenture.

Representation Letter means the Blanket Issuer Letter of Representations from the Agency to DTC, which shall be the binding obligation of the Agency.

S&P shall mean Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc., a corporation organized and existing under the laws of the State, its successors and their 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 Trustee, by notice to the other Notice Parties.

Series shall mean all of the Bonds designated as being of the same Series authenticated and delivered on original issuance in a simultaneous transaction, and any Bonds thereafter authenticated and delivered in lieu thereof or in substitution therefor pursuant to this Indenture.

Sinking Fund Installment shall mean the amount required by this Indenture as payable on a single future date for the retirement of any Outstanding Bonds of a Series which are expressed to mature after such future date, but does not include any amounts payable by reason only of the maturity of a Bond.

Sinking Fund Installment Account shall mean the special trust account of the Bond Fund so designated, which is established pursuant to Section 5.01 of this Indenture.

State shall mean the State of New York.

Supplemental Indenture shall mean any indenture supplemental to or amendatory of this Indenture, executed and delivered by the Agency and the Trustee in accordance with Article XI of this Indenture.

Tax-Exempt Bond Debt Service Reserve Account shall mean the special trust account of the Debt Service Reserve Fund so designated, established pursuant to Section 5.01 of this Indenture.

Tax Compliance Agreement shall mean the Tax Compliance Agreement, dated the Closing Date, between the Agency and the Participant, and shall include any and all amendments thereof and supplements thereto hereafter made in conformity therewith and herewith.

Trustee shall mean The Bank of New York, New York, New York, in its capacity as trustee under this Indenture, and its successors in such capacity and their assigns hereafter appointed in the manner provided in this Indenture.

Trust Estate shall mean all property, interests, revenues, funds, contracts, rights and other security granted to the Trustee under the Security Documents in accordance with this Indenture.

Underwriter shall mean, with respect to each Series of Bonds, Municipal Capital Markets Group, Inc. or any firm that either (i) is a underwriter of such Series of Bonds within the meaning of Section 2(a)(ii) of the Securities Act of 1933, as amended, or (ii) acts as placement agent with respect to such Series of Bonds.

Valuation Date shall mean the fifteenth day of the calendar month preceding each Interest Payment Date.

Section 1.02. Construction. (a) In this Indenture, unless the context otherwise requires:

(i) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this Indenture, refer to this Indenture, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of the execution and delivery of this Indenture.

(ii) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa.

(iii) Words importing persons shall include firms, associations, partnerships (including limited partnerships), limited liability companies, trusts, corporations and other legal entities, including public bodies, as well as natural persons.

(iv) Any headings preceding the texts of the several Articles and Sections of this Indenture, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Indenture, nor shall they affect its meaning, construction or effect.

(b) Whenever the Agency is named or referred to, it shall be deemed to include its successors and assigns whether so expressed or not. All of the covenants, stipulations, obligations and agreements by or on behalf of, and other provisions for the benefit of, the Agency contained in this Indenture shall bind and inure to the benefit of such successors and assigns and shall bind and inure to the benefit of any officer, board, commission, authority, agency or instrumentality to whom or to which there shall be transferred by or in accordance with law any right, power or duty of the Agency, or of its successors or assigns, the possession of which is necessary or appropriate in order to comply with any such covenants, stipulations, obligations, agreements or other provisions hereof.

(c) Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any Person, other than the Agency, the Trustee, the Bond Registrar, the Participant, the Paying Agents, the Holders of the Bonds, the Bond Insurer and the Underwriter any right, remedy or claim under or by reason of this Indenture or any covenant, condition or stipulation thereof. All the covenants, stipulations, promises and agreements herein contained by and on behalf of the Agency or the Trustee, as the case may be, shall be for the sole and exclusive benefit of the Agency, the Trustee, the Bond Registrar, the Participant, the Paying Agents, the Holders of the Bonds, the Bond Insurer and the Underwriter, to the extent applicable.

ARTICLE II

AUTHORIZATION AND ISSUANCE OF BONDS

Section 2.01. Authorized Amount of Bonds; Pledge Effected by this Indenture.

(a) No Bond may be authenticated and delivered under the provisions of this Indenture except in accordance with this Article.

(b) The proceeds of the Bonds deposited in the Project Fund and certain of the installment purchase payments, receipts and revenues derived from or in connection with the Facility, including moneys which are required to be set apart, transferred and pledged to the Earnings Fund, to the Bond Fund, to the Debt Service Reserve Fund, to the Renewal Fund or to certain special funds (including the investments, if any, thereof) (subject to disbursements from such Funds in accordance with the provisions of this Indenture) are pledged by this Indenture for the payment of the principal or Redemption Price, if any, of, and interest on, the Bonds; provided that the amounts held in the Tax-Exempt Bond Debt Service Reserve Account shall be held in trust in favor of the Holders of Tax-Exempt Bonds only. The Rebate Fund (including amounts on deposit therein) shall not be subject to any assignment, pledge, lien or security interest in favor of the Trustee or any Bondholder or any other Person. The Bonds shall be the special obligations of the Agency and shall be payable by the Agency as to the principal or Redemption Price, if any, of the Bonds, Sinking Fund Installments for the Bonds, and interest on the Bonds only from the Funds, special funds and installment purchase payments, revenues and receipts pledged therefor. The Bonds are additionally secured by a pledge and assignment of substantially all of the Agency's right, title and interest in and to the Installment Sale Agreement and the mortgage liens on and security interests in the Facility owned by the Participant of the Agency Mortgage. The payment of the principal of, redemption premium, if any, and interest on the Initial Bonds has been guaranteed by the Participant pursuant to the Guaranty Agreement. As additional security for the Initial Bonds, the Bond Insurance Policy provides for the prompt payment of the principal of, interest and Sinking Fund Installments on the Initial Bonds when due, to the extent that the Trustee has not received sufficient funds for such payment. The Bonds shall never constitute a debt of the State or the County, and neither the State nor the County shall be liable thereon, nor shall the Bonds be payable out of any funds of the Agency other than those pledged therefor.

Section 2.02. Issuance and Terms of the Initial Bonds. (a) The Initial Bonds are hereby authorized to be issued upon the terms as set forth in Appendix C attached hereto and made a part hereof.

(b) The principal or Redemption Price of the Initial Bonds shall be payable at the corporate trust office of the Trustee in New York, New York, as Paying Agent, or at the corporate trust office of any successor Paying Agent.

(c) Interest on the Initial Bonds shall be payable to the Person appearing on the registration books of the Bond Registrar as the registered owner thereof on the Record Date next preceding the Interest Payment Date (1) by check mailed on the Interest Payment Date to

the registered owner or (2) by wire transfer on the Interest Payment Date to any owner of at least \$1,000,000 in aggregate principal amount of the Initial Bonds upon written notice provided by the owner to the Trustee not later than five (5) days prior to the Record Date for such interest payment; except that if and to the extent there shall be a default in the payment of the interest due on any Interest Payment Date, the defaulted interest shall be paid to the owners in whose names the Initial Bonds are registered at the close of business on the fifth Business Day next preceding the date of payment of the defaulted interest. Interest payments made by check shall be mailed to each owner at his address as it appears on the registration books of the Bond Registrar on the applicable Record Date or at such other address as he may have filed with the Bond Registrar for that purpose and appearing on the registration books of the Bond Registrar on the applicable Record Date. Wire transfer payments of interest shall be made at such wire transfer address as the owner shall specify in his notice requesting payment by wire transfer.

(d) Each Initial Bond shall bear interest from the Bond Date indicated thereon, if authenticated prior to the first Interest Payment Date. If authenticated on or after the first Interest Payment Date, in exchange for or upon the registration of transfer of Initial Bonds, such Initial Bond shall bear interest from and including the Interest Payment Date next preceding the date of authentication thereof, unless the date of such authentication shall be an Interest Payment Date to which interest thereon has been paid in full or duly provided for, in which case, such Initial Bond shall bear interest from and including such Interest Payment Date.

(e) Anything in the Initial Bonds or in this Indenture to the contrary notwithstanding, the obligations of the Agency hereunder and under the Initial Bonds shall be subject to the limitation that payments of interest or other amounts on the Initial Bonds shall not be required to the extent that receipt of any such payment by a Holder of an Initial Bond would be contrary to the provisions of law applicable to such Holder which would limit the maximum rate of interest which may be charged or collected by such Holder of an Initial Bond.

Section 2.03. Redemption of Initial Bonds. (a) Optional Redemption. The Initial Bonds are subject to redemption as set forth in Appendix D attached hereto and made a part hereof.

(b) Extraordinary Redemption. The Initial Bonds are subject to redemption prior to maturity, at the option of the Agency exercised at the direction of the Participant, as a whole on any date (in the case of (y) an event described in clause (i) or (ii) below with respect to the last remaining Facility Component under the Company Lease and the Installment Sale Agreement, or (z) an event described in clause (iii) below) or in part on any Interest Payment Date in the case of an event described in clause (i) or (ii) below with respect to a Facility Component to the extent of the Net Proceeds received with respect thereto (or, if the Participant shall have been in default under the property insurance requirements of the Guaranty Agreement, to the extent of the net insurance proceeds as the Participant otherwise would have received by reason thereof) and to the extent that the affected Facility Component shall not be the last Facility Component remaining under the Company Lease or the Installment Sale Agreement, upon notice or waiver of notice as provided in this Indenture, at a Redemption Price of 100% of

the unpaid principal amount thereof plus accrued interest to the date of redemption if one or more of the following events described below shall have occurred:

(i) A Facility Component of the Participant shall have been damaged or destroyed to such extent that as evidenced by a certificate of an Independent Engineer filed with the Agency, the Bond Insurer and the Trustee (a) the Facility Component cannot be reasonably restored within a period of one (1) year from the date of such damage or destruction to the condition thereof immediately preceding such damage or destruction, (b) the Participant is thereby prevented or likely to be prevented from carrying on its normal operation at such Facility Component for a period of one (1) year from the date of such damage or destruction, or (c) the restoration cost of such Facility Component would exceed the total amount of all insurance proceeds, including any deductible amount, in respect of such damage or destruction; or

(ii) Title to, or the temporary use of, all or substantially all of a Facility Component of the Participant shall have been taken or condemned by a competent authority which taking or condemnation results, or is likely to result, in the Participant being thereby prevented or likely to be prevented from carrying on its normal operation at such Facility Component for a period of one (1) year from the date of such taking or condemnation, as evidenced by a certificate of an Independent Engineer filed with the Agency, the Bond Insurer and the Trustee; or

(iii) As a result of changes in the Constitution of the United States of America or of the State or of legislative or executive action of the State or any political subdivision thereof or of the United States of America or by final decree or judgment of any court after the contest thereof by the Participant, the Installment Sale Agreement becomes void or unenforceable or impossible of performance in accordance with the intent and purpose of the parties as expressed therein or unreasonable burdens or excessive liabilities are imposed upon the Participant by reason of the operation of the Facility.

If the Initial Bonds are to be redeemed in whole as a result of the occurrence of any of the events described above, the Participant is required by its Installment Sale Agreement to deliver to the Agency, the Bond Insurer and the Trustee a certificate of an Authorized Representative of the Participant stating that, as a result of the occurrence of the event giving rise to such redemption, the Participant has discontinued, or at the earliest practicable date will discontinue, its operation of the Facility for its intended purposes.

(c) Mandatory Sinking Fund Installment Redemption. Subject to the provisions of Section 5.05 hereof, the Initial Bonds shall be subject to mandatory redemption by the Agency prior to maturity as set forth in Appendix E attached hereto and made a part hereof.

(d) Mandatory Redemption from Excess Proceeds and Certain Other Amounts. The Initial Tax-Exempt Bonds are also subject to mandatory redemption by the Agency prior to maturity in whole at any time or in part by lot on any Interest Payment Date in

the event and to the extent (i) excess Initial Tax-Exempt Bond proceeds shall remain after the completion of the Project, (ii) excess title insurance or property insurance proceeds or condemnation awards shall remain after the application thereof pursuant to the Installment Sale Agreement and this Indenture, (iii) excess proceeds shall remain after the release or substitution by the Participant of Facility Realty or Facility Equipment pursuant to the Installment Sale Agreement, (iv) undisbursed Initial Tax-Exempt Bond proceeds allocable to a Facility of a Project with respect to which the Participant shall have given notice of its intent to abandon same pursuant to Section 2.3(c) of the Installment Sale Agreement, or (v) certain campaign funds received by the Participant and earmarked for specific Project Costs shall remain and not be required for completion of the Participant's Project or related Project Costs, in each case at a Redemption Price equal to one hundred percent (100%) of the principal amount of the Initial Tax-Exempt Bonds to be redeemed, together with interest accrued thereon to the date of redemption.

(e) Mandatory Redemption Upon Failure to Operate the Facility In Accordance With Applicable Law or Maintain Insurance. The Initial Bonds are also subject to mandatory redemption prior to maturity, at the option of the Agency, as a whole only, on any Interest Payment Date, in the event (i) the Agency shall determine that the Participant is not operating its Facility or any portion thereof as a qualified "project" and a "civic facility" under the Act, or is operating its Facility in violation of material applicable law, and the failure of the Participant to cure such noncompliance within the time periods set forth in the Installment Sale Agreement, or (ii) the Participant fails to obtain or maintain the public liability insurance with respect to its Facility required under Section 4.5 of the Installment Sale Agreement, and the Participant shall fail to cure such noncompliance within 10 days of the receipt by the Participant of written notice of such noncompliance from the Agency and a demand by the Agency on the Participant to cure such noncompliance, in either case, upon notice or waiver of notice as provided in this Indenture, at the Redemption Price of one hundred percent (100%) of the unpaid principal amount of the Initial Bonds, together with interest accrued thereon to the date of redemption.

(f) Redemption of the Initial Bonds permitted or required by this Article II shall be made as follows, and the Trustee shall give the notice of redemption required by Section 6.03 hereof in respect of each such redemption:

(i) Redemption shall be made pursuant to the optional redemption provisions of Section 2.03(a) or (b) hereof at such times as are permitted under such Section and in such principal amounts as the Participant shall request in a written notice to the Trustee in accordance with Section 8.1 of the Installment Sale Agreement.

(ii) Redemption shall be made pursuant to the mandatory Sinking Fund Installment redemption provisions of Section 2.03(c) hereof as and when required by such Section without the necessity of any request by, or notification from the Agency or from the Participant, but subject to the provisions of Section 5.05(d) and (f) hereof.

(iii) Redemption shall be made pursuant to the mandatory redemption provisions of Section 2.03(d) hereof at the earliest possible date following the deposit of the excess proceeds or other amounts in the Redemption Account of the Bond Fund, without the necessity of any instructions or further act of the Agency or the Participant.

(iv) Redemption shall be made pursuant to the mandatory redemption provisions of Section 2.03(e) hereof on the date specified therein in the event redemption is required under such circumstances, without the necessity of any instructions or further act of the Participant.

Section 2.04. Delivery of Initial Bonds. The Initial Bonds shall be executed in the form and manner set forth in this Indenture and shall be deposited with the Trustee and thereupon shall be authenticated by the Trustee. Upon payment to the Trustee of the proceeds of sale of the Initial Bonds including the interest, if any, accrued on the Initial Bonds to the date of delivery, the Initial Bonds shall be delivered by the Trustee on behalf of the Agency to or upon the order of the purchaser(s) thereof, but only upon receipt by the Trustee of:

(a) a copy, duly certified by the Secretary, Chairman, Administrative Director or any other Authorized Representative of the Agency, of the Bond Resolution;

(b) the original executed Bond Insurance Policy and an original executed counterpart of all Security Documents and Project Documents;

(c) a written opinion by Nationally Recognized Bond Counsel to the effect that the issuance of the Initial Bonds and the execution thereof have been duly authorized and that all conditions precedent to the delivery thereof have been fulfilled; and

(d) the written order to the Trustee executed by an Authorized Representative of the Agency to authenticate and deliver the Initial Bonds to the purchaser(s) therein identified upon payment to the Trustee for the account of the Agency of the purchase price therein specified, plus accrued interest, if any.

Section 2.05. Execution of Bonds. The Bonds shall be executed on behalf of the Agency by the manual or facsimile signature of the Chairman, Administrative Director or any other Authorized Representative of the Agency, and the seal of the Agency shall be affixed thereto or imprinted thereon and attested by the manual or facsimile signature of the Secretary or other Authorized Representative of the Agency. Any facsimile signatures shall have the same force and effect as if the appropriate officers had personally signed each of said Bonds. In case one or any of the officers who shall have signed or attested the Bonds or whose reproduced facsimile signature appears thereon shall cease to be such officer or officers before the Bonds so signed and attested shall have been actually issued and delivered, the Bonds may be issued and delivered as though the person who signed or attested or whose reproduced facsimile signature appears on the Bonds had not ceased to be such officer. Neither the members, directors, officers or agents of the Agency nor any person executing the Bonds shall be liable personally or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 2.06. Authentication. Only such Bonds as shall have endorsed thereon a certificate of authentication, in substantially the forms set forth in the Forms of Bond in Appendix A to this Indenture, duly executed by the Trustee, shall be entitled to any right or benefit under this Indenture. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Indenture unless and until such certificate of authentication on such Bond shall have been duly executed by the Trustee, and such certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Indenture. The Trustee shall note, with respect to each Bond to be authenticated under this Indenture in the space provided in the certificate of authentication for such Bond, the date of the authentication and delivery of such Bond. The Trustee's certificate of authentication on any Bond shall be deemed to have been duly executed if signed by an authorized officer or signatory of the Trustee, but it shall not be necessary that the same officer or signatory sign the certificate of authentication on all of the Bonds.

Section 2.07. Additional Bonds. (a) One or more Series of Additional Bonds may be issued, authenticated and delivered upon original issuance for the purpose of (i) completing a Project, (ii) providing funds in excess of Net Proceeds to repair, relocate, replace, rebuild or restore a Facility in the event of damage, destruction or taking by eminent domain, (iii) providing extensions, additions, improvements or facilities to a Facility, the purpose of which shall be to constitute a "project" and a "civic facility" within the meaning of the Act, or (iv) refunding Outstanding Bonds. Such Additional Bonds shall be payable from the installment purchase payments, receipts and revenues of the applicable Facility including such extensions, additions and improvements thereto. Prior to the issuance of a Series of Additional Bonds and the execution of a Supplemental Indenture in connection therewith, (i) the Agency and the Participant shall enter into an amendment to the Installment Sale Agreement, which shall provide, among other things, that the installment purchase payments payable under the Installment Sale Agreement shall be increased and computed so as to amortize in full the principal of and interest on such Additional Bonds and any other costs in connection therewith and (ii) only if the installment purchase payment obligations with respect to such Additional Bonds constitute Non-PPA Indebtedness for the Participant, the Participant shall deliver to the Bond Insurer and the Trustee either (I) a certificate of the Participant's chief executive officer or chief financial officer demonstrating a Total Debt Service Coverage Ratio of 1.25x for the most recent Fiscal Year for which audited financial statements exist or (II) a certificate of an independent certified public accountant not unacceptable to the Bond Insurer and the Trustee demonstrating that the estimated Total Net Revenues Available for Debt Service for the first full Fiscal Year following the estimated completion of the capital additions or repairs financed with the proceeds of such additional Non-PPA Indebtedness, or following the incurrence of Non-PPA Indebtedness for other purposes, will support a Total Debt Service Coverage Ratio of not less than 1.25x. In calculating the required ratios for the Participant, the independent certified public accountant shall take into account the Additional Bonds. In addition, the Participant and the Agency shall enter into an amendment to each Security Document to which they are a party which shall provide that the amounts guaranteed or otherwise secured thereunder be increased accordingly so as to secure the Additional Bonds.

(b) Each such Series of Additional Bonds shall be deposited with the Trustee and thereupon shall be authenticated by the Trustee. Upon payment to the Trustee of the proceeds of sale of the Additional Bonds, they shall be made available by the Trustee for pick-up by the order of the purchaser or purchasers thereof, but only upon receipt by the Trustee of:

(i) a copy of the resolution, duly certified by the Secretary or other Authorized Representative of the Agency, authorizing, issuing and awarding the Additional Bonds to the purchaser or purchasers thereof and providing the terms thereof and authorizing the execution of any Supplemental Indenture and any amendments of or supplements to the Company Lease and Installment Sale Agreement;

(ii) original executed counterparts of the Supplemental Indenture and an amendment of or supplement to the Company Lease and Installment Sale Agreement expressly providing that, to the extent applicable, for all purposes of the Supplemental Indenture and the Installment Sale Agreement, the Facility referred to therein and the premises sold thereunder shall include the buildings, structures, improvements, machinery, equipment or other facilities being financed, and the Bonds referred to therein shall mean and include the Additional Bonds being issued as well as the Bonds now being issued and any Additional Bonds theretofore issued;

(iii) a written opinion by Nationally Recognized Bond Counsel, to the effect that the issuance of the Additional Bonds and the execution thereof have been duly authorized and that all conditions precedent to the delivery thereof have been fulfilled and that the issuance of the Additional Bonds will not cause the interest on any Series of Tax-Exempt Bonds Outstanding to become includable in gross income for federal income tax purposes;

(iv) a certificate of an Authorized Representative of the Participant to the effect that each Security Document to which it is a party continues in full force and effect and that there is no Event of Default nor any event which upon notice or lapse of time or both would become an Event of Default;

(v) written evidence from the Rating Agency by which the Bonds Outstanding are then rated to the effect that it has reviewed the documentation pertaining to the issuance of the Additional Bonds, and that the issuance of such Additional Bonds will not result in a withdrawal, a suspension or a reduction of the long and short-term ratings then assigned to the Bonds then Outstanding by the Rating Agency;

(vi) an original, executed counterpart of the amendment to each Security Document; and

(vii) a written order to the Trustee executed by an Authorized Representative of the Agency to authenticate and make available for pick-up the Additional Bonds to the purchaser or purchasers therein identified upon payment to the Trustee of the purchase price therein specified, plus accrued interest, if any.

(c) Each Series of Additional Bonds issued pursuant to this Section shall be equally and ratably secured under this Indenture with the Initial Bonds and all other Series of Additional Bonds, if any, issued pursuant to this Section, without preference, priority or distinction of any Bond over any other Bonds except as expressly provided in or permitted by this Indenture (including, without limitation, the exception that only the Initial Bonds shall have the benefit of the Bond Insurance Policy).

(d) Notwithstanding anything herein to the contrary, no Additional Bonds shall be issued unless there remain in effect the Company Lease, the Installment Sale Agreement, the Agency Mortgage and the Guaranty Agreement of the Participant that has not satisfied its installment purchase payment obligations in accordance with the Installment Sale Agreement and this Indenture and at the time of issuance there is no Event of Default nor any event which upon notice or lapse of time or both would become an Event of Default.

Section 2.08. Book-Entry Only Bonds. (a) Except as provided in subsection (c) below, the Holder of all of the Initial Bonds shall be DTC (the "Securities Depository") and the Initial Bonds shall be registered in the name of Cede & Co., as nominee for DTC. Payment of interest for any Initial Bond registered in the name of Cede & Co. shall be made by wire transfer of New York Clearing House or equivalent same day funds to the account of Cede & Co. on the Interest Payment Date for the Initial Bonds at the address indicated for Cede & Co. in the registration books of the Agency kept by the Trustee. It is anticipated that during the term of the Initial Bonds, the Securities Depository will make book-entry transfers among its participants and receive and transmit payment of principal of, Sinking Fund Installments for, redemption premium, if any, and interest on, the Initial Bonds to the participants until and unless the Trustee authenticates and delivers replacement bonds to the Beneficial Owners as described in paragraph (c) below.

(b) The Initial Bonds shall be initially issued in the form of a separate single authenticated fully registered certificate for each Series and maturity thereof. Upon initial issuance, the ownership of such Initial Bonds shall be registered in the registration books of the Agency kept by the Trustee in the name of Cede & Co., as nominee of DTC. The Trustee, the Bond Registrar, the Paying Agent and the Agency shall treat DTC (or its nominee) as the sole and exclusive Holder of the Initial Bonds registered in its name for the purposes of payment of the principal, Sinking Fund Installments, or Redemption Price of or interest on the Initial Bonds, selecting the Initial Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders under this Indenture, registering the transfer of Initial Bonds, obtaining any consent or other action to be taken by Holders of the Initial Bonds and for all other purposes whatsoever; and neither the Trustee, the Bond Registrar, the Paying Agent, the Participant, the Bond Insurer nor the Agency shall be affected by any notice to the contrary. Neither the Trustee, the Bond Registrar, the Paying Agent, the Bond Insurer nor the Agency shall have any responsibility or obligation to any DTC Participant, any Person claiming a beneficial ownership interest in the Initial Bonds under or through DTC or any DTC Participant, or any other Person which is not shown on the registration books of the Trustee as being a Holder, with respect to the accuracy of any records maintained by DTC or any DTC Participant; the payment of DTC or any DTC Participant of any amount in respect of the principal, Sinking Fund

Installments, or Redemption Price of or interest on the Initial Bonds; any notice which is permitted or required to be given to Bondholders under this Indenture or any other Security Documents; the selection by DTC or any DTC Participant of any Person to receive payment in the event of a partial redemption of the Initial Bonds; or any consent given or other action taken by DTC as Bondholder. The Trustee shall pay all principal of, Sinking Fund Installments and redemption premium, if any, and interest on the Initial Bonds only to or upon the order of (as that term is used in the Uniform Commercial Code as adopted in the State) DTC, and all such payments shall be valid and effective to fully satisfy and discharge the Agency's obligations with respect to the principal of, Sinking Fund Installments, and redemption premium, if any, and interest on the Initial Bonds to the extent of the sum or sums so paid. Except as otherwise provided in subsection (c) below, no Person other than DTC shall receive an authenticated Initial Bond certificate evidencing the obligation of the Agency to make payments of principal of, Sinking Fund Installments, and redemption premium, if any, and interest pursuant to this Indenture. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions of this Indenture with respect to transfers of Bonds, the word "Cede & Co." in this Indenture shall refer to such new nominee of DTC.

(c) In the event the Agency determines that it is in the best interest of the Beneficial Owners that they be able to obtain Initial Bond certificates, the Agency may notify DTC and the Trustee, whereupon DTC will notify the DTC Participants, of the availability through DTC of Initial Bond certificates. In such event, the Trustee shall issue, transfer and exchange Initial Bond certificates as requested by DTC in appropriate amounts within the guidelines set forth in this Indenture. DTC may determine to discontinue providing its services with respect to the Initial Bonds at any time by giving written notice to the Agency and the Trustee and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the Agency and the Trustee shall be obligated to deliver Initial Bond certificates as described in this Indenture (at the sole cost and expense of the Participants). In the event Initial Bond certificates are issued, the provisions of this Indenture shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of, Sinking Fund Installments, redemption premium, if any, and interest on such certificates. Whenever DTC requests the Agency and the Trustee to do so, the Agency will direct the Trustee (at the sole cost and expense of the Participants) to cooperate with DTC in taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the Initial Bonds to any DTC Participant having Initial Bonds credited to its DTC account or (ii) to arrange for another securities depository to maintain custody of certificates evidencing the Initial Bonds.

(d) Notwithstanding any other provision of this Indenture to the contrary, so long as any Initial Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal of, Sinking Fund Installments, and redemption premium, if any, and interest on such Initial Bond and all notices with respect to such Initial Bond shall be made and given, respectively, to DTC as provided in the Representation Letter.

(e) In connection with any notice or other communication to be provided to Bondholders pursuant to this Indenture or any other Security Document by the Agency or the Trustee with respect to any consent or other action to be taken by Bondholders, the Agency or the Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible. Such notice to DTC shall be given only when DTC is the sole Bondholder.

(f) NEITHER THE AGENCY, THE PARTICIPANT, THE BOND INSURER NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO THE DTC PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (2) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT, SINKING FUND INSTALLMENTS, REDEMPTION PRICE OF OR INTEREST ON THE INITIAL BONDS; (3) THE DELIVERY BY DTC OR ANY DTC PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THIS INDENTURE TO BE GIVEN TO BONDHOLDERS; OR (4) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE INITIAL BONDS.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE INITIAL BONDS, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE INITIAL BONDHOLDERS OR REGISTERED HOLDERS OF THE INITIAL BONDS SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE INITIAL BONDS.

(g) For so long as the Holder of all of the Initial Bonds shall be DTC, and all Initial Bonds shall be registered in the name of Cede & Co. as nominee for DTC, and unless all Initial Bonds are being redeemed or retired in whole, Initial Bonds shall not be required to be presented to the Trustee under Sections 5.05(b), 5.14, 6.02, 6.04 or 6.05 hereof.

(h) In the event the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the Participant, with the consent of the Agency, which shall not be unreasonably withheld, may appoint a successor Securities Depository provided the Trustee receives written evidence satisfactory to the Trustee with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Trustee upon its receipt of an Initial Bond or Bonds for cancellation shall cause the delivery of Initial Bonds to the successor Securities Depository in appropriate denominations and form as provided herein.

Section 2.09. Limitation of Agency's Liability. Anything in this Indenture, the Bonds, the Installment Sale Agreement or any other Project Document to the contrary notwithstanding, any obligations of the Agency under this Indenture or the Bonds or under the Installment Sale Agreement or under any other Project Document or related document for the payment of money shall not subject the Agency to any pecuniary or other liability nor create a debt of the State or the County and neither the State nor the County shall be liable on any obligation so incurred, but any such obligation shall be a special obligation of the Agency secured and payable solely as provided in this Indenture.

ARTICLE III

GENERAL TERMS AND PROVISIONS OF BONDS

Section 3.01. Date of Bonds. The Initial Bonds shall be dated as set forth in Appendix C attached hereto (subject to the provisions set forth below with respect to transfers and exchanges). Bonds authenticated prior to the first Interest Payment Date shall bear interest from their date of original issuance. Bonds issued in exchange for or upon the registration of transfer of Bonds on or after the first Interest Payment Date thereon shall bear interest from and including the Interest Payment Date next preceding the date of the authentication thereof, unless the date of such authentication shall be an Interest Payment Date to which interest on the Bonds has been paid in full or duly provided for, in which case they shall bear interest from and including such Interest Payment Date; provided that if, as shown by the records of the Trustee, interest on the Bonds shall be in default, Bonds issued in exchange for or upon the registration of transfer of Bonds shall bear interest from the date to which interest has been paid in full on the Bonds, or if no interest has been paid on the Bonds, the date of the first delivery of fully executed and authenticated Bonds hereunder.

Section 3.02. Form and Denominations. Bonds shall be issued in fully registered form, without coupons, in any denomination not exceeding the aggregate principal amount of Bonds of the same series, maturity and interest rate as the Bond for which the denomination is to be specified, all as set forth in Appendix C attached hereto. Subject to the provisions of Section 3.03 hereof, the Bonds shall be in substantially the form set forth in Appendix A attached hereto, with such variations, omissions and insertions as are permitted or required by this Indenture.

Section 3.03. Legends. Each Initial Bond shall contain on the face thereof a legend as set forth in Appendix A attached hereto. The Bonds may in addition contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of this Indenture as may be necessary or desirable to comply with custom or otherwise as may be determined by the Agency prior to the delivery thereof.

Section 3.04. Medium of Payment. The principal or Redemption Price, if applicable, of and interest on the Bonds shall be payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. Such payment may be made as provided in Section 2.02 hereof.

Section 3.05. Bond Details. Subject to the provisions hereof, the Bonds shall be dated, shall mature in such years and such amounts, shall bear interest at such rate or rates per annum, shall be subject to redemption on such terms and conditions and shall be payable as to principal or Redemption Price, if applicable, and interest at such place or places as shall be specified in this Indenture. All Bonds of a Series maturing in any particular year shall bear interest at the same rate or rates per annum.

Section 3.06. Interchangeability, Transfer and Registry. (a) Each Bond shall be transferable only upon compliance with the restrictions on transfer set forth on such Bond and only upon the books of the Agency, which shall be kept for such purpose at the principal corporate trust office of the Trustee, by the registered owner thereof in person or by his duly authorized attorney-in-fact with a guaranty of the signature thereon by a member of the Stock Exchanges Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program in accordance with Securities and Exchange Commission Rule 17Ad-15, upon presentation thereof together with a written instrument of transfer in the form appearing on such Bond, duly executed by the registered owner or his duly authorized attorney-in-fact with signature guaranteed. Upon the transfer of any Bond the Trustee shall prepare and issue in the name of the transferee one or more new Bonds of the same aggregate principal amount, Series and maturity as the surrendered Bond; provided, that if the Bond submitted for transfer shall be in a principal amount less than the minimum authorized denomination, such Bond may be transferred in whole only.

(b) Any Bond, upon surrender thereof at the principal corporate trust office of the Trustee with a written instrument of transfer in the form appearing on such Bond, duly executed by the registered owner or his duly authorized attorney-in-fact, with a guaranty of the signature thereon by a member of the Stock Exchanges Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program in accordance with Securities and Exchange Commission Rule 17Ad-15, may, at the option of the owner thereof, be exchanged for an equal aggregate principal amount of Bonds of the same Series and maturity of any other authorized denominations. However, the Trustee will not be required to (i) transfer or exchange any Bonds during the period between a Record Date and the following Interest Payment Date or during the period of fifteen (15) days next preceding any day for the mailing of notice of redemption of Bonds to be redeemed, or (ii) transfer or exchange any Bonds selected, called or being called for redemption in whole or in part.

(c) The Agency, the Participant, the Bond Registrar, the Bond Insurer, the Trustee and any Paying Agent may deem and treat the Person in whose name any Bond shall be registered as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price, if any, of and interest on such Bond and for all other purposes, and all payments made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Agency, the Participant, the Bond Registrar, the Bond Insurer, the Trustee nor any Paying Agent shall be affected by any notice to the contrary.

Section 3.07. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Agency shall execute, and thereupon the Trustee shall authenticate and deliver, a new Bond of like Series, maturity and unpaid principal amount as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and in substitution for the Bond destroyed, stolen or lost, upon filing with the Trustee evidence reasonably satisfactory to it that such Bond has been destroyed, stolen or lost, and upon

furnishing the Agency and the Trustee with indemnity satisfactory to the Trustee and to the Agency and complying with such other reasonable regulations as the Trustee may prescribe and paying such expenses as the Agency and the Trustee may incur. All Bonds so surrendered to the Trustee shall be cancelled by it. Every new Bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is destroyed, lost or stolen, shall, with respect to such Bond, constitute an additional contractual obligation of the Agency whether or not the destroyed, lost or stolen Bond shall be found and shall be enforceable at any time, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Bonds duly issued hereunder. In the event any such destroyed, stolen or lost Bond shall have matured, or be about to mature, the Agency may, instead of issuing a new Bond, cause the Trustee to pay the same without surrender thereof upon compliance with the condition in the first sentence of this Section out of moneys held by the Trustee and available for such purpose. All Bonds shall be held and owned upon the express condition (to the extent lawful) that the foregoing provisions are exclusive with respect to the replacement or payment of any mutilated, destroyed or lost or stolen Bond and shall preclude any and all other rights and remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments or other securities without their surrender.

Section 3.08. Cancellation of Bonds. All Bonds paid or redeemed, either at or before maturity, shall be delivered to the Trustee when such payment or redemption is made, and such Bonds together with all Bonds purchased by the Trustee, shall thereupon be promptly cancelled. Bonds so cancelled shall be held by the Trustee or, upon the written request of the Agency, delivered to the Agency.

Section 3.09. Requirements With Respect to Transfers. In all cases in which the privilege of transferring Bonds is exercised, the Agency shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of this Indenture. All Bonds surrendered in any such transfer shall forthwith be cancelled by the Trustee. For every such transfer of Bonds, the Agency or the Trustee may, as a condition precedent to the privilege of making such transfer, make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such transfer and may charge a reasonable sum sufficient to pay the cost of preparing each new Bond issued upon such transfer, which sum or sums shall be paid by the Person requesting such transfer.

Section 3.10. Bond Registrar. The Trustee shall also be Bond Registrar for the Bonds, and shall maintain a register showing the names of all registered Holders of Bonds, Bond numbers and amounts, and other information appropriate to the discharge of its duties hereunder. The Trustee shall make available to the Participant for its inspection during normal business hours the registration books for the Bonds, as may be requested by the Participant in connection with any purchase or tender offer by it with respect to the Bonds.

ARTICLE IV

APPLICATION OF BOND PROCEEDS

Section 4.01. Application of Proceeds of Initial Bonds. Upon the receipt by the Trustee of the original proceeds of the sale and delivery of the Initial Bonds, including the amount received as accrued interest, if any, thereon, the Trustee shall apply such proceeds as set forth in Appendix F attached hereto and made a part hereof.

ARTICLE V

CUSTODY AND INVESTMENT OF FUNDS

Section 5.01. Creation of Funds and Accounts. (a) The Agency hereby establishes and creates those special trust Funds, Accounts and Subaccounts comprising such Funds as set forth in Appendix G attached hereto and made a part hereof.

(b) There shall be established, (v) in the Project Fund a Project Account for the Participant, (w) in the Bond Fund an Installment Purchase Payment Account for the Participant, (x) in the Renewal Fund an account for the Participant, (y) in the Debt Service Reserve Fund a Tax-Exempt Bond Debt Service Reserve Account for the Participant, and (z) in the Earnings Fund an Account for the Participant.

(c) All of the Funds, Accounts and Subaccounts created hereunder shall be held by the Trustee. All moneys and investments deposited with the Trustee shall be held in trust and applied only in accordance with this Indenture and shall be trust funds for the purposes of this Indenture.

Section 5.02. Project Fund. (a) There shall be deposited in the Account of the Project Fund any and all amounts required to be deposited therein pursuant to Sections 4.01 and 5.07 hereof or otherwise required to be deposited therein pursuant to the Installment Sale Agreement or this Indenture. The amounts in the Project Fund shall be subject to a security interest, lien and charge in favor of the Trustee until disbursed as provided herein.

The Trustee shall apply the amounts in the Participant's Capitalized Interest Account of the Project Fund for the payment of interest on the Tax-Exempt Bonds as the same shall become due until the earlier of the Completion Date for the Participant's Project (as evidenced in accordance with the provisions of Section 2.2 of the Installment Sale Agreement) or the exhaustion of amounts in such Account (the "Capitalized Interest Period"). On each Interest Payment Date during the Capitalized Interest Period, the Trustee shall transfer from the Participant's Capitalized Interest Account of the Project Fund to the Interest Account of the Bond Fund an amount which, together with any amounts on deposit in such Account and available therefor, shall be sufficient to pay the interest on the Tax-Exempt Bonds becoming due on such Interest Payment Date. Upon the Completion Date for the Project, the Trustee shall transfer any balance remaining in the Participant's Capitalized Interest Account of the Project Fund, first, to the Participant's Project Account of the Project Fund to pay any remaining Project Costs and, second, the balance to the Redemption Account of the Bond Fund.

(b) The Trustee shall apply the amounts on deposit in each Project Account of the Project Fund to the payment or reimbursement, to the extent the same have been paid by or on behalf of the Participant or the Agency, of Project Costs to the extent requisitioned hereunder in accordance with the Installment Sale Agreement and the Tax Compliance Agreement.

The Trustee is hereby authorized to disburse from the Project Account of the Project Fund the amount required for the payment of Project Costs related to the Project and is

directed to issue its checks (or, at the direction of the Participant, make wire transfers) for each disbursement from the Project Account, upon a requisition submitted to the Trustee and signed by an Authorized Representative of the Participant; provided, however, that in connection with those Projects not completed and not operating on the Closing Date, the Trustee shall retain in the Project Account an amount equal to the greater of (y) \$60,000 and (z) the lesser of \$500,000 and one percent (1%) of the original amount deposited in the Project Account allocated separately to such incomplete Project with respect to a Facility as certified to the Trustee by the Participant or its counsel (or as provided in Appendix H attached hereto and made a part hereof), until an Authorized Representative of the Participant (i) shall file the completion certificate for such Facility as provided in Section 5.02(e), (ii) shall deposit a sum of money of its own funds with an escrow agent pursuant to the Escrow Agreement if required by the Agency, and (iii) shall submit a requisition as set forth herein for the release of the final payment of Project Costs related to such Facility. The Trustee shall not be required to issue such disbursement sooner than five (5) Business Days after the submission of such requisition. Such requisition shall be as set forth in the Form of Requisition from the Project Account attached and made a part of the Appendices hereto. Each such requisition shall be accompanied by bills or invoices (stamped "paid" if reimbursement is to be made to the Participant) or other evidence satisfactory to the Trustee. The Trustee shall be entitled to rely conclusively on the correctness and accuracy of such requisition as well as the propriety of the signature thereon.

(c) The Trustee shall keep and maintain adequate records pertaining to the Project Fund and all disbursements therefrom and shall furnish copies of same to the Agency, the Program Facilitator, the Bond Insurer or the Participant to which such disbursements relate upon reasonable written request.

(d) The Trustee shall on specific written request furnish within a reasonable time period a written statement of disbursements from the Project Account of the Project Fund, enumerating, among other things, item, cost, amount disbursed, date of disbursement and the person to whom payment was made, together with copies of all bills, invoices or other evidences submitted to the Trustee for such disbursement, to the Agency, the Program Facilitator, the Bond Insurer and the Participant.

(e) The completion of any capital improvements as part of the Project shall be evidenced as set forth in Section 2.2 of the Installment Sale Agreement including the filing of the certificate of the Authorized Representative of the Participant. Upon the filing of such certificate, the balance in the Capitalized Interest Account, if any, and the Project Account (after giving effect to any transfer to such Account pursuant to Section 5.02(a) hereof) in excess of the amount, if any, stated in such certificate for the payment of any remaining part of the costs of the Project, shall, after making any transfer to the Rebate Fund as directed pursuant to the Tax Compliance Agreement and Section 5.08 hereof, be deposited by the Trustee in the Redemption Account of the Bond Fund to be applied to the extent sufficient to effect the redemption of Bonds at the earliest practicable date. Upon payment of all the costs and expenses incident to the completion of the Project, any balance of such remaining amount in the Capitalized Interest Account and the Project Account, together with any amount on deposit in the Account in the Earnings Fund derived from transfers made thereto from the Project Fund, shall, after making

any such transfer to the Rebate Fund, and after depositing in the Tax-Exempt Bond Debt Service Reserve Account an amount equal to any deficiency therein, be deposited in the Redemption Account of the Bond Fund to be applied to the extent sufficient to effect the redemption of Bonds at the earliest practicable date as provided herein. The Trustee shall promptly notify the Participant of any amounts so deposited in the Redemption Account of the Bond Fund pursuant to this Section 5.02(e).

(f) In the event the Participant shall be required to or shall elect to cause the Bonds to be redeemed in whole pursuant to the Installment Sale Agreement, the balance in the Capitalized Interest Account and the Project Account, together with the balance in the Tax-Exempt Bond Debt Service Reserve Account and the balance in the Account in the Earnings Fund (after making any transfer to the Rebate Fund as directed pursuant to the Tax Compliance Agreement and Section 5.08 hereof), shall be deposited in the Redemption Account of the Bond Fund. In the event the unpaid principal amount of the Bonds shall be accelerated upon the occurrence of an Event of Default described in Section 8.01(a)(iv) hereof caused by the Participant, the balance in the Capitalized Interest Account and the Project Account, together with the balance in the Tax-Exempt Bond Debt Service Reserve Account and in the Account in the Earnings Fund (after making any transfer to the Rebate Fund as directed pursuant to the Tax Compliance Agreement and Section 5.08 hereof), shall be deposited in the Bond Fund as provided in Section 8.04(b) hereof.

(g) Except as provided in Section 5.07 hereof, all earnings on amounts held in the Project Account shall be transferred by the Trustee and deposited in the Account in the Earnings Fund. Any transfers by the Trustee of amounts to the Rebate Fund shall first be drawn by the Trustee from the Account in the Earnings Fund prior to drawing any amounts from the Project Account in the Project Fund.

(h) The Trustee shall apply the amounts on deposit in the Costs of Issuance Account of the Project Fund to the payment of Costs of Issuance incurred in connection with the issuance of Bonds.

The Trustee is hereby authorized to disburse from the Costs of Issuance Account the amount required for the payment of Costs of Issuance described in the preceding paragraph. The Trustee is hereby directed to issue its checks (or, at the direction of the Agency, make wire transfers) for each disbursement from the Costs of Issuance Account upon a requisition submitted to the Trustee and signed by the Agency. The Trustee shall be entitled to rely conclusively on the correctness and accuracy of such requisition as well as the propriety of the signature thereon.

Section 5.03. Payments into Renewal Fund; Application of Renewal Fund.

(a) The Net Proceeds resulting from any Loss Event (as defined in Section 5.1 of the Installment Sale Agreement) with respect to the Facility, together with any other amounts so required to be deposited therein under the Installment Sale Agreement or the Agency Mortgage, shall be deposited in the Renewal Fund. The amounts in the Renewal Fund shall be subject to a security interest, lien and charge in favor of the Trustee until disbursed as provided herein.

(b) In the event the Bonds shall be subject to redemption in whole or in part (either by reason of such Loss Event or otherwise) pursuant to the terms thereof or this Indenture, and the Participant shall have so directed the Trustee in writing within ninety (90) days of the occurrence of such Loss Event, the Trustee shall, after making any transfer to the Rebate Fund as directed pursuant to the Tax Compliance Agreement and Section 5.08 hereof, transfer the amounts deposited in the Renewal Fund to the Redemption Account of the Bond Fund to be applied to the extent sufficient to effect the redemption of Bonds at the earliest practicable date as provided herein.

If, on the other hand,

(A) such Bonds shall not be subject to optional redemption in whole or in part (whether by reason of such Loss Event or otherwise), or

(B) such Bonds shall be subject to optional redemption in whole or in part (whether by reason of such Loss Event or otherwise) and the Participant shall have failed to direct the Trustee, within ninety (90) days of the occurrence of the Loss Event, to transfer the amounts deposited in the Renewal Fund to the Redemption Account of the Bond Fund to be applied to the extent sufficient to effect the redemption of Bonds at the earliest applicable date as provided herein, or

(C) the Participant shall have notified the Trustee of its intent to rebuild, replace, repair and restore its Facility,

the Trustee shall apply the amounts on deposit in the Renewal Fund, after making any transfer to the Rebate Fund as directed pursuant to the Tax Compliance Agreement and Section 5.08 hereof, to such rebuilding, replacement, repair and restoration.

(c) If an Event of Default shall exist at the time of the receipt by the Trustee of the Net Proceeds in the Renewal Fund, the Trustee shall promptly request the specific written direction of the Bond Insurer (only if a Bond Insurer Disqualification Event shall not have occurred and be continuing and if it insures a majority in aggregate principal amount of the Bonds Outstanding affected by such Event of Default) or the Holders of a majority in aggregate principal amount of the Bonds Outstanding affected by such Event of Default, with the written consent of the Bond Insurer (only if it insures at least a majority in aggregate principal amount of the Bonds then Outstanding and if a Bond Insurer Disqualification Event shall not have occurred and be continuing), and shall thereupon apply such Net Proceeds, after making any transfer to the Rebate Fund as directed pursuant to the Tax Compliance Agreement and Section 5.08 hereof, to the rebuilding, replacement, repair and restoration of the applicable Facility, or for deposit in the Redemption Account of the Bond Fund as directed by the Bond Insurer (only if a Bond Insurer Disqualification Event shall not have occurred and be continuing and if it insures a majority in aggregate principal amount of the Bonds Outstanding affected by such Event of Default) or the Holders of a majority in aggregate principal amount of the Bonds Outstanding affected by such Event of Default, with the written consent of the Bond Insurer (only if it insures at least a majority in aggregate principal amount of the Bonds then Outstanding and if a Bond

Insurer Disqualification Event shall not have occurred and be continuing) (or, if no such direction shall be received within ninety (90) days after request therefor by the Trustee shall have been made, for deposit in the Redemption Account of the Bond Fund to be applied to the extent sufficient to effect the redemption of Bonds at the earliest applicable date as provided herein). With respect to any consent, approval or direction of any Holder of Outstanding Bonds required in this paragraph, for so long as no Bond Insurer Disqualification Event shall have occurred and be continuing, in all cases, the Bond Insurer shall be entitled to deliver such consent, approval and direction on behalf of the Holders of the Initial Bonds and any other Bonds it insures as provided in Sections 7.10(a)(iv), 11.05 and 12.04 hereof.

(d) The Trustee is hereby authorized to apply the amounts in the Renewal Fund to the payment (or reimbursement to the extent the same have been paid by or on behalf of the Participant or the Agency) of the costs required for the rebuilding, replacement, repair and restoration of the Facility upon specific written instructions from the Participant. The Trustee is further authorized and directed to issue its checks for each disbursement from the Renewal Fund upon a requisition submitted to the Trustee and signed by an Authorized Representative of the Participant. Such requisition shall (i) state the requisition number, (ii) specify the nature of each item and certify the same to be correct and proper under this Section and Section 5.1 of the Installment Sale Agreement and that such item has been properly paid or incurred as a cost of the Facility, (iii) certify that none of the items for which the requisition is made has formed the basis for any disbursement theretofore made from the Renewal Fund, (iv) certify that the payee and amount stated with respect to each item in the requisition are correct and that such item is due and owing, (v) specify the name and address of the Person to whom payment is due or has been made, (vi) certify that no Event of Default shall exist and be continuing under this Indenture (to the best of the Participant's knowledge) or the Installment Sale Agreement or any other Project Document to which the Participant is a party, or any condition, event or act which, with notice or lapse of time or both would constitute such an Event of Default, (vii) certify that such Authorized Representative of the Participant has no knowledge of any vendor's lien, mechanic's lien or security interest which should be satisfied or discharged before the payment as requisitioned is made or which will not be discharged by such payment, and (viii) if the payment is a reimbursement to the Participant for costs or expenses of the Participant incurred by reason of work performed or supervised by officers or employees of the Participant or any Affiliate, certify that such officers or employees were specifically employed for such purpose and that the amount to be paid does not exceed the actual cost thereof to the Participant. Each such requisition shall be accompanied by bills, invoices or other evidences satisfactory to the Trustee. The Trustee shall be entitled to rely conclusively on such requisition. The Trustee shall keep and maintain adequate records pertaining to each Account of the Renewal Fund and all disbursements therefrom and shall furnish copies of same to the Agency, the Bond Insurer and the Participant to which such disbursements relate upon reasonable written request therefor.

(e) The date of completion of the restoration of the Facility shall be evidenced to the Agency, the Bond Insurer and the Trustee by a certificate of an Authorized Representative of the Participant stating (i) the date of such completion, (ii) that all labor, services, machinery, equipment, materials and supplies used therefor and all costs and expenses in connection therewith have been paid for, (iii) that the Facility has been restored to substantially its condition

immediately prior to the Loss Event, or to a condition of at least equivalent value, operating efficiency and function, (iv) that all property of such Facility is subject to the Company Lease and Installment Sale Agreement and the mortgage lien and security interest of the Agency Mortgage, if applicable, (v) the Rebate Amount applicable with respect to the Net Proceeds and the earnings thereon (with a statement as to the determination of the Rebate Amount and a specific written direction to the Trustee of any required transfer to the Rebate Fund), and (vi) that the restored Facility is ready for occupancy, use and operation for its intended purposes. Notwithstanding the foregoing, such certificate shall state (x) that it is given without prejudice to any rights of the Participant against third parties which exist at the date of such certificate or which may subsequently come into being, (y) that it is given only for the purposes of this Section and Section 5.1 of the Installment Sale Agreement, and (z) that no Person other than the Agency, the Bond Insurer or the Trustee may benefit therefrom. Such certificate shall be accompanied by (i) a certificate of occupancy, if required, and any and all permissions, licenses or consents required of governmental authorities for the occupancy, operation and use of the Facility for the purposes contemplated by the Installment Sale Agreement; and (ii) a certificate of an Authorized Representative of the Participant that all costs of rebuilding, repair, restoration and reconstruction of the Facility have been paid in full, together with releases of mechanics' liens by all contractors and materialmen who supplied work, labor, services, machinery, equipment, materials or supplies in connection with the rebuilding, repair, restoration and reconstruction of the Facility (or, to the extent that any such costs shall be the subject of a bona fide dispute, evidence to the Trustee and the Bond Insurer that such costs have been appropriately bonded or that the Participant shall have posted a surety or security at least equal to the amount of such costs).

(f) All earnings on amounts on deposit in the Renewal Fund shall be transferred by the Trustee and deposited in the Earnings Fund. Any transfers by the Trustee of amounts to the Rebate Fund shall first be drawn by the Trustee from the Earnings Fund prior to drawing any amounts from the Renewal Fund.

(g) Any surplus remaining in the Renewal Fund after the completion of the rebuilding, replacement, repair and restoration of the Facility shall, after making any transfer to the Rebate Fund as directed pursuant to the Tax Compliance Agreement and Section 5.08 hereof, and after depositing in the Tax-Exempt Bond Debt Service Reserve Account an amount equal to any deficiency therein, be transferred by the Trustee to the Redemption Account of the Bond Fund to be applied to the extent sufficient to effect the redemption of Bonds at the earliest practicable date as provided herein.

Section 5.04. Payments into Bond Fund. The Trustee shall promptly deposit the following receipts into the designated Account or Subaccount of the Bond Fund:

(a) The interest accruing on any Series of Bonds from the date of original issuance thereof to the date of delivery, if any, which shall be credited to the Interest Account of the Bond Fund and applied to the payment of interest on such Series of Bonds.

(b) Excess or remaining amounts in an Account in the Project Fund required by Section 5.02 hereof to be deposited (i) in the Redemption Account of the Bond Fund, which shall be kept segregated from any other moneys within such Account, or (ii) in the Bond Fund.

(c) Amounts in an Account in the Renewal Fund required by Section 5.03 hereof to be deposited to the Redemption Account of the Bond Fund.

(d) Installment purchase payments received by the Trustee pursuant to Section 3.3(a) of the Installment Sale Agreement, which shall be deposited in the Installment Purchase Payment Account.

(e) Advance installment purchase payments received by the Trustee pursuant to Section 8.1 of the Installment Sale Agreement, which shall be deposited in and credited to the Redemption Account of the Bond Fund.

(f) Any amounts transferred from the Participant's Account in the Earnings Fund pursuant to Section 5.07(c) hereof, which shall be deposited in and credited to the Installment Purchase Payment Account of the Bond Fund.

(g) Any amounts transferred from the Tax-Exempt Bond Debt Service Reserve Account pursuant to Section 5.06 hereof, which shall be deposited in and credited to the Interest Account, the Principal Account, the Sinking Fund Installment Account or the Redemption Account, as the case may be, of the Bond Fund, and applied only to the payment of the Tax-Exempt Bonds.

(h) The excess amounts referred to in Section 5.05(d) hereof, which shall be deposited in and credited to the Installment Purchase Payment Account.

(i) Any amounts transferred from the Redemption Account pursuant to Section 5.05(g) hereof, which shall be deposited to the Installment Purchase Payment Account.

(j) All other receipts when and if required by the Installment Sale Agreement or by this Indenture or by any other Security Document to be paid into the Bond Fund, which shall be credited (except as provided in Section 8.04 hereof) to the Redemption Account of the Bond Fund.

(k) Any amounts paid by the Bond Insurer pursuant to the Bond Insurance Policy, which shall be deposited in and credited to the Interest Account, the Principal Account, the Sinking Fund Installment Account or the Redemption Account, as the case may be, of the Bond Fund.

(l) Amounts disbursed from the Capitalized Interest Account of the Project Fund for the payment of interest on the Tax-Exempt Bonds during the Capitalized Interest Period, which shall be credited to the Interest Account of the Bond Fund and applied to the payment of interest on the Tax-Exempt Bonds.

Section 5.05. Application of Bond Fund Moneys. (a) The Trustee shall (i) on each Interest Payment Date pay or cause to be paid out of the Interest Account in the Bond Fund the interest due on the Bonds, and (ii) further pay out of the Interest Account of the Bond Fund any amounts required for the payment of accrued interest upon any purchase or redemption (including any mandatory Sinking Fund Installment redemption) of Bonds.

(b) The Trustee shall on each principal payment date on the Bonds pay or cause to be paid to the respective Paying Agents therefor out of the Principal Account of the Bond Fund, the principal amount, if any, due on the Bonds (other than such as shall be due by mandatory Sinking Fund Installment redemption), upon the presentation and surrender of the requisite Bonds (such presentation and surrender not being required if Cede & Co. is the Holder of the Bonds).

(c) There shall be paid from the Sinking Fund Installment Account of the Bond Fund to the Paying Agents on each Sinking Fund Installment payment date in immediately available funds the amounts required for the Sinking Fund Installment due and payable with respect to Bonds which are to be redeemed from Sinking Fund Installments on such date (accrued interest on such Bonds being payable from the Interest Account of the Bond Fund). Such amounts shall be applied by the Paying Agents to the payment of such Sinking Fund Installment when due. The Trustee shall call for redemption, in the manner provided in Article VI hereof, Bonds for which Sinking Fund Installments are applicable in a principal amount equal to the Sinking Fund Installment then due with respect to such Bonds. Such call for redemption shall be made even though at the time of mailing of the notice of such redemption sufficient moneys therefor shall not have been deposited in the Bond Fund.

(d) Amounts in the Redemption Account of the Bond Fund shall be applied, at the specific written direction of the Participant, as promptly as practicable, to the purchase of Bonds at prices not exceeding the Redemption Price thereof applicable on the earliest date upon which such Bonds are next subject to redemption pursuant to Section 2.03(a) hereof, plus accrued interest to the date of redemption. Any amount in the Redemption Account not so applied to the purchase of Bonds by forty-five (45) days prior to the next date on which such Bonds are so redeemable shall be applied to the redemption of such Bonds on such redemption date. Any amounts deposited in the Redemption Account and not applied within twelve (12) months of their date of deposit to the purchase or redemption of Bonds (except if held in accordance with Section 10.01 hereof) shall be transferred to the Installment Purchase Payment Account. Upon the purchase of any Bonds by the Participant out of advance installment purchase payments as provided in this subsection, or upon the redemption by the Participant of any Bonds, an amount equal to the principal of such Bonds so purchased or redeemed shall be credited against the next ensuing and future Sinking Fund Installments for such Bonds in direct chronological order (unless the Participant shall instruct the Trustee in writing to credit such purchases in a different order) of the due dates of such Sinking Fund Installments until the full principal amount of such Bonds so purchased or redeemed shall have been so credited. The portion of any such Sinking Fund Installment remaining after the deduction of such amounts so credited shall constitute and be deemed to be the amount of such Sinking Fund Installment for the purposes of any calculation thereof under this Indenture. The Bonds to be purchased or

redeemed shall be selected by the Trustee in the manner provided in Section 6.02 hereof. Amounts in the Redemption Account to be applied to the redemption of Bonds shall be paid to the respective Paying Agents on or before the redemption date and applied by them on such redemption date to the payment of the Redemption Price of the Bonds being redeemed plus interest on such Bonds accrued to the redemption date.

(e) In connection with purchases of Bonds out of the Bond Fund as provided in this Section, the Participant shall arrange and the Trustee shall execute such purchases (through brokers or otherwise, and with or without receiving tenders) at the specific written direction of the Participant. The payment of the purchase price shall be made out of the moneys deposited in the Redemption Account of the Bond Fund and the payment of accrued interest shall be made out of moneys deposited in the Interest Account of the Bond Fund.

(f) The Agency shall receive a credit in respect of Sinking Fund Installments for any Bonds which are subject to mandatory Sinking Fund Installment redemption and which are delivered by the Agency or the Participant to the Trustee on or before the forty-fifth (45th) day next preceding any Sinking Fund Installment payment date and for any Bonds which prior to said date have been purchased or redeemed (otherwise than through the operation of the Sinking Fund Installment Account) and cancelled by the Trustee and not theretofore applied as a credit against any Sinking Fund Installment (whether pursuant to Section 5.05(d) hereof or otherwise). Each Bond so delivered, cancelled or previously purchased or redeemed shall be credited by the Trustee at one hundred percent (100%) of the principal amount thereof against the obligation of the Agency on such Sinking Fund Installment payment date with respect to Bonds of such Series and maturity and the principal amount of such Bonds to be redeemed by operation of the Sinking Fund Installment Account on the due date of such Sinking Fund Installment shall be reduced accordingly, and any excess over such principal amount shall be credited on future Sinking Fund Installments in direct chronological order, and the principal amount of Bonds to be redeemed by application of Sinking Fund Installment payments shall be accordingly reduced.

(g) Moneys in the Redemption Account of the Bond Fund which are not set aside or deposited for the redemption or purchase of Bonds shall be transferred by the Trustee to the Installment Purchase Payment Account.

(h) The Trustee shall on the Business Day before (1) each Interest Payment Date transfer from the Participant's Installment Purchase Payment Account to the Interest Account an amount equal to the interest due and payable on the Bonds and (2) each Interest Payment Date which is also a principal payment date or Sinking Fund Installment payment date transfer from the Installment Purchase Payment Account to the Principal Account or the Sinking Fund Installment Account, as applicable, an amount equal to such principal or Sinking Fund Installment due and payable on the Bonds.

Section 5.06. Debt Service Reserve Fund. (a) If on any Interest Payment Date or redemption date on the Tax-Exempt Bonds the amount in the Interest Account of the Bond Fund available to pay interest on the Tax-Exempt Bonds (after taking into account amounts available to be transferred to the Interest Account from the Project Fund) shall be less than the amount of

interest then due and payable on the Tax-Exempt Bonds, or if on any principal payment date on the Tax-Exempt Bonds the amount in the Principal Account available to pay principal on the Tax-Exempt Bonds shall be less than the amount of principal of the Tax-Exempt Bonds then due and payable, or if on any Sinking Fund Installment payment date for the Tax-Exempt Bonds the amount in the Sinking Fund Installment Account of the Bond Fund available to pay Sinking Fund Installments on the Tax-Exempt Bonds shall be less than the amount of the Sinking Fund Installment then due and payable on the Tax-Exempt Bonds, in each case, after giving effect to all payments received by the Trustee in immediately available funds by 10:00 A.M. (New York City time) on such date from or on behalf of the Participant or the Agency on account of such interest, principal or Sinking Fund Installment on the Tax-Exempt Bonds, the Trustee forthwith shall transfer moneys from the Tax-Exempt Bond Debt Service Reserve Account in the Debt Service Reserve Fund, first, to such Interest Account, second to such Principal Account, and third, to such Sinking Fund Installment Account, all to the extent necessary to make good any such deficiency; provided, however, any such moneys so transferred from the Tax-Exempt Bond Debt Service Reserve Account shall only be applied to payment of the Tax-Exempt Bonds.

(b) The Trustee shall give to the Participant on or prior to each Installment Purchase Payment Date on which the Participant is obligated pursuant to Section 3.3 of the Installment Sale Agreement to pay to the Trustee amounts in respect of (i) principal or Redemption Price of, any Sinking Fund Installment for, or any interest on, any Bonds or (ii) any deficiency in the Tax-Exempt Bond Debt Service Reserve Account, telephonic notice (to be promptly confirmed in writing) specifying (y) the amounts to become due and payable by the Participant to the Trustee on such date in respect of each of the principal or Redemption Price of, Sinking Fund Installment for, and interest on any Bonds and any such deficiency in the Tax-Exempt Bond Debt Service Reserve Account, and (z) the amounts then available in any of the Funds or Accounts held by the Trustee hereunder for the payment of any such amount. The failure of the Trustee to deliver such notice or any defect in such notice shall not relieve the Agency from any of its obligations hereunder or the Participant from any of its obligations under any of the Security Documents.

(c) Whenever the amount on deposit in the Tax-Exempt Bond Debt Service Reserve Account, together with the amount in the Installment Purchase Payment Account, is sufficient to pay in full all Outstanding Tax-Exempt Bonds, the amount on deposit in the Tax-Exempt Bond Debt Service Reserve Account shall be transferred to the Installment Purchase Payment Account, provided, however, that the amounts so transferred from such Account shall only be applied to the payment of the Tax-Exempt Bonds.

(d) No letter of credit, surety bond, insurance policy or other credit facility may be credited to the Debt Service Reserve Fund without the prior written consent of the Bond Insurer.

Section 5.07. Payments into Earnings Fund; Application of Earnings Fund.

(a) The amounts in the Earnings Fund shall be subject to a security interest, lien and charge in favor of the Trustee for the benefit of the Holders of the Bonds, subject to the provisions hereof, until disbursed as provided herein.

(b) All investment income or earnings on amounts held in the Project Fund, the Tax-Exempt Bond Debt Service Reserve Account, the Renewal Fund or any other special Fund, Account or Subaccount created for the benefit of the Participant (other than the Rebate Fund or the Bond Fund) shall be deposited upon receipt by the Trustee into the Earnings Fund; provided, however, there shall not be deposited in the Earnings Fund any amounts received from the investment of moneys in obligations described in Section 103(a) of the Code which are also not specified private activity bonds within the meaning of Section 57(a)(5)(C) of the Code. The Trustee shall keep separate accounts of all amounts deposited in each Account of the Earnings Fund and by journal entry indicate the Fund, Account and Subaccount, as applicable, source of the income or earnings.

(c) On the first Business Day following the receipt by the Trustee of a certificate of written direction from an Authorized Representative of the Program Facilitator delivered by the Program Facilitator to the Trustee pursuant to the Tax Compliance Agreement including certifying that the Yield (as defined in the Tax Compliance Agreement) on the Nonpurpose Investments (as defined in the Tax Compliance Agreement) does not exceed the Yield on the Tax-Exempt Bonds, the Trustee shall withdraw from the Earnings Fund that amount, if any, as is directed by such certificate to be deposited in the Rebate Fund and deposit, to the extent available, such amount in the Rebate Fund. Any amounts remaining in the Earnings Fund following such transfer will be deposited into the Project Fund until completion of the Project and to the Installment Purchase Payment Account thereafter.

Section 5.08. Payments into Rebate Fund; Application of Rebate Fund. (a) The Rebate Fund and the amounts deposited therein shall not be subject to a security interest, pledge, assignment, lien or charge in favor of the Trustee, the Bond Insurer, any Bondholder or any other Person.

(b) The Trustee, on the first Business Day following the receipt of a certificate of written direction from an Authorized Representative of the Program Facilitator pursuant to the Tax Compliance Agreement including certifying that the Yield (as defined in the Tax Compliance Agreement) on the Nonpurpose Investments (as defined in the Tax Compliance Agreement) does not exceed the Yield on the Tax-Exempt Bonds, shall deposit in the Rebate Fund that amount from the Earnings Fund, to the extent available, as shall be so specified in such certificate of written direction. If there has been delivered to the Trustee a certification of the Rebate Amount (as defined in the Tax Compliance Agreement) in conjunction with the completion of the Project or the restoration of the Facility, pursuant to Section 2.2 of the Installment Sale Agreement and Section 5.03(e) hereof, respectively, the Trustee shall at the specific written direction of an Authorized Representative of the Program Facilitator deposit in the Rebate Fund such amount so specified in such certification as required in order that the amount held in the Rebate Fund after such deposit is equal to the Rebate Amount calculated at the completion of the Project or the restoration of the Facility as aforesaid. The amount deposited in the Rebate Fund pursuant to the previous sentences shall be withdrawn from the Earnings Fund.

(c) In the event that the amount on deposit in the Rebate Fund exceeds the Rebate Amount as determined in accordance with the Tax Compliance Agreement, the Trustee, upon the receipt of written instructions from an Authorized Representative of the Program Facilitator, shall, after the completion date of the Project, withdraw such excess amount and deposit in the Installment Purchase Payment Account the amount of such excess as such amount is so set forth in such written instructions from the Program Facilitator.

(d) The Trustee, upon the receipt of written instructions from an Authorized Representative of the Program Facilitator, shall pay to the United States, out of amounts in the Rebate Fund, (i) not less frequently than once each five (5) years after the Closing Date, an amount such that, together with prior amounts paid to the United States, the total paid to the United States is equal to 90% of the Rebate Amount with respect to the Tax-Exempt Bonds as of the date of such payment and (ii) notwithstanding the provisions of Section 10.01 hereof, not later than thirty (30) days after the date on which all Tax-Exempt Bonds have been paid in full, 100% of the Rebate Amount as of the date of payment.

Section 5.09. Transfer to Rebate Fund. The Trustee shall have no obligation under this Indenture to transfer any amounts to the Rebate Fund unless the Trustee shall have received specific written instructions from the Program Facilitator to make such transfer.

Section 5.10. Investment of Funds and Accounts. (a) Amounts in any Fund, Account or Subaccount established under this Indenture may, if and to the extent then permitted by law, be invested only in Qualified Investments provided that, (i) moneys derived from the Bond Insurance Policy shall be held uninvested; and (ii) the weighted average maturity of investments in the Debt Service Reserve Fund may not exceed ten (10) years at any time unless such Qualified Investment shall mature or be subject to redemption by the holder of such Qualified Investment, without penalty, not later than the date when the amounts will be needed by the Trustee to pay debt service payments on the Bonds on any Interest Payment Date. Any investment herein authorized is subject to the condition that no portion of the proceeds derived from the sale of the Bonds shall be used, directly or indirectly, in such manner as to cause any Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code. Moneys deposited in the Redemption Account of the Bond Fund pursuant to Section 5.02(e) hereof shall not be invested at a Yield (as defined in the Tax Compliance Agreement) which is greater than the Yield on the Tax-Exempt Bonds except to the extent invested in obligations the interest on which is not included in gross income for federal income tax purposes and that is also not an item of tax preference under Section 57(a)(5)(c) of the Code. Such investments shall be made by the Trustee only at the specific written request of an Authorized Representative of the Program Facilitator (including telecopy); and if such investment is to be in one or more certificates of deposit, then such written request shall include written assurance to the effect that such investment complies with the Tax Compliance Agreement. Any investment hereunder shall be made in accordance with the Tax Compliance Agreement, and the Program Facilitator shall so certify to the Trustee with each such investment direction as referred to below. Such investments shall mature in such amounts and at such times as may be necessary to provide funds when needed to make payments from the applicable Fund, Account or Subaccount. Net income or gain received and collected from such investments shall be credited and losses charged to (i) the

Rebate Fund with respect to the investment of amounts held in the Rebate Fund, (ii) the Bond Fund with respect to the investment of amounts held in the Bond Fund, and (iii) the Participant's Account in the Earnings Fund with respect to the investment of amounts held in any other Fund, Account or Subaccount.

(b) No sooner than ten (10) days prior to each Installment Purchase Payment Date under the Installment Sale Agreement, the Trustee shall notify the Participant of the amount of such net investment income or gain received and collected subsequent to the last such installment purchase payment and the amount then available in the various Accounts and Subaccounts of the Bond Fund, the Earnings Fund and the Debt Service Reserve Fund.

(c) Upon the specific written direction of an Authorized Representative of the Program Facilitator, the Trustee shall sell at the best price reasonably obtainable by it, or present for redemption or exchange, any obligations in which moneys shall have been invested to the extent necessary to provide cash in the respective Funds, Accounts or Subaccounts, to make any payments required to be made therefrom, or to facilitate the transfers of moneys or securities between various Funds, Accounts and Subaccounts as may be required from time to time pursuant to the provisions of this Article. The Trustee shall not be liable for losses, fees, taxes or other charges incurred as a result of actions taken in good faith in accordance with this Section 5.10. As soon as practicable after any such sale, redemption or exchange, the Trustee shall give notice thereof to the Agency, the Bond Insurer and the Program Facilitator.

(d) In the case of the Tax-Exempt Bond Debt Service Reserve Account, a "surplus" means the amount by which the amount on deposit therein is in excess of the Tax-Exempt Bond Debt Service Reserve Requirement. On each Valuation Date and upon any withdrawal from the Tax-Exempt Bond Debt Service Reserve Account, the Trustee shall determine the amount on deposit in the Tax-Exempt Bond Debt Service Reserve Account. If on any such date a deficiency in the Account exists, the Trustee shall notify the Agency, the Bond Insurer and the Participant of such deficiency and that such deficiency must be replenished by the Participant by depositing, commencing with the month immediately following the creation of such deficiency, the amount of such deficiency in accordance with Section 3.3(b) of the Installment Sale Agreement. If a surplus exists, the Trustee shall notify the Agency, the Bond Insurer and the Program Facilitator thereof and, subject to the requirements of the Tax Compliance Agreement, shall, upon written instructions of the Program Facilitator, withdraw such surplus amount and deposit the amount of such surplus to the Project Fund prior to the completion of the Project, and thereafter to the Installment Purchase Payment Account in the Bond Fund.

(e) Neither the Trustee nor the Agency shall be liable for any loss, fee, tax or other charge arising from, or any depreciation in the value of any obligations in which moneys of the Funds, Accounts and Subaccounts shall be invested in accordance with this Indenture or in connection with any liquidation of an investment hereunder. The investments authorized by this Section 5.10 shall at all times be subject to the provisions of applicable law, as amended from time to time.

(f) In computing the amount in any Fund, Account or Subaccount, obligations purchased as an investment of moneys therein shall be valued as provided in the definition of "Qualified Investments".

Section 5.11. Application of Moneys in Certain Funds for Retirement of Bonds. Notwithstanding any other provisions of this Indenture, if on any Interest Payment Date or redemption date the amounts held in the Funds established under this Indenture (other than the Earnings Fund and the Rebate Fund) are sufficient to pay one hundred percent (100%) of the Redemption Price of all Outstanding Bonds and the interest accruing on such Bonds to the next date on which such Bonds are redeemable or payable, as the case may be, whichever is earlier, the Trustee shall so notify the Agency, the Bond Insurer and the Program Facilitator. Upon receipt of written instructions from the Program Facilitator directing such redemption or payment, the Trustee shall proceed to redeem all such Outstanding Bonds in the manner provided for redemption of such Bonds by this Indenture.

Section 5.12. Moneys to be Held in Trust. All moneys required to be deposited with or paid to the Trustee for the credit of any Fund, Account or Subaccount under any provision of this Indenture and all investments made therewith shall be held by the Trustee in trust for the benefit of the Bondholders, subject to the provisions hereof, and while held by the Trustee constitute part of the Trust Estate, other than the Rebate Fund, and be subject to the lien hereof.

Section 5.13. Payment to the Agency from the Funds. After payment in full of the Bonds (in accordance with Section 10.01 hereof) and the payment of all fees, charges and expenses of the Agency, the Trustee, the Bond Registrar, the Paying Agents, the Bond Insurer and the Program Facilitator and all other amounts required to be paid hereunder and under each of the other Project Documents, and the payment of any amounts which the Trustee is directed to rebate to the federal government pursuant to this Indenture and the Tax Compliance Agreement, all amounts remaining in any Fund shall be paid to the Agency upon the expiration or sooner or later termination of the term of the Installment Sale Agreement as provided in Section 6.10 of the Installment Sale Agreement.

Section 5.14. 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, and funds sufficient to pay any such Bond shall have been made available to the Trustee for the benefit of the Holder or Holders thereof, all liability of the Agency to the Holder thereof for the payment of such Bond shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to pay such funds to the Person entitled thereto or if the Person is not known to the Trustee, to hold such funds, without liability for interest thereon, for the benefit of the Holder of such Bond, who shall thereafter be restricted exclusively to such funds, for any claim of whatever nature on his part under this Indenture or on, or with respect to, such Bond. Funds remaining with the Trustee as above and unclaimed for the earlier of two (2) years or the applicable statutory escheat period shall be paid to the Participant. After the payment of such unclaimed moneys to the Participant, the Holder of such Bond shall thereafter look only to the Participant for the payment thereof, and

all obligations of the Trustee or such Paying Agent with respect to such moneys shall thereupon cease.

Section 5.15. Payment Procedure Under the Bond Insurance Policy. As long as the Bond Insurance Policy shall be in force and effect, the Trustee agrees to comply with following payment procedure under the Bond Insurance Policy:

(a) If, on the second (2nd) Business Day prior to any Interest Payment Date, there are not on deposit sufficient moneys available in the funds and accounts created herein to pay all principal of and interest on the Initial Bonds due on the second (2nd) following Business Day, the Trustee shall immediately notify the Bond Insurer or its designee on the same Business Day by telephone or electronic mail, confirmed in writing by registered or certified mail, of the amount of the deficiency.

(b) If the deficiency is made up in whole or in part prior to or on the Interest Payment Date, the Trustee shall so notify the Bond Insurer or its designee.

(c) In addition, if the Trustee has notice that any Bondholder of the Initial Bonds has been required to disgorge payments of principal or interest on the Initial Bonds pursuant to a final non-appealable order by a court of competent jurisdiction that such payment constitutes an avoidable preference to such Bondholder within the meaning of any applicable bankruptcy laws, then the Trustee shall notify the Bond Insurer or its designee of such fact by telephone or electronic notice, confirmed in writing by registered or certified mail.

(d) The Trustee is hereby irrevocably designated, appointed, directed and authorized to act as attorney-in-fact for holders of the Initial Bonds as follows:

(i) if and to the extent there is a deficiency in amounts required to pay interest on the Initial Bonds, the Trustee shall (A) execute and deliver to the Bond Insurer, in form satisfactory to the Bond Insurer, an instrument appointing the Bond Insurer as agent for such holders in any legal proceeding related to the payment of such interest and an assignment to the Bond Insurer of the claims for interest to which such deficiency relates and which are paid by the Bond Insurer, (B) receive as designee of the respective holders (and not as Trustee) in accordance with the tenor of the Bond Insurance Policy payment from the Bond Insurer with respect to the claims for interest so assigned, and (C) disburse the same to such respective holders; and

(ii) if and to the extent of a deficiency in amounts required to pay principal of the Initial Bonds, the Trustee shall (A) execute and deliver to the Bond Insurer, in form satisfactory to the Bond Insurer, an instrument appointing the Bond Insurer as agent for such holder in any legal proceeding related to the payment of such principal and an assignment to the Bond Insurer of the Initial Bonds surrendered to the Bond Insurer in an amount equal to the principal amount thereof as has not previously been paid or for which moneys are not held by the

Trustee and available for such payment (but such assignment shall be delivered only if payment from the Bond Insurer is received), (B) receive as designee of the respective holders (and not as Trustee) in accordance with the tenor of the Bond Insurance Policy payment therefor from the Bond Insurer, and (C) disburse the same to such holders.

(e) Payments with respect to claims for interest on and principal of Initial Bonds disbursed by the Trustee from proceeds of the Bond Insurance Policy shall not be considered to discharge the obligation of the Agency with respect to such Initial Bonds, and the Bond Insurer shall become the owner of such unpaid Initial Bonds and claims for the interest in accordance with the tenor of the assignment made to it under the provisions of this subsection or otherwise.

(f) Irrespective of whether any such assignment is executed and delivered, the Agency and the Trustee hereby agree for the benefit of the Bond Insurer that:

(i) they recognize that to the extent the Bond Insurer makes payments directly or indirectly (as by paying through the Paying Agent), on account of principal of or interest on the Initial Bonds, the Bond Insurer will be subrogated to the rights of such holders to receive the amount of such principal and interest from the Agency, with interest thereon as provided and solely from the sources stated in the Security Documents and the Initial Bonds; and

(ii) they will accordingly pay to the Bond Insurer the amount of such principal and interest, with interest thereon as provided in the Security Documents and the Initial Bonds, but only from the sources and in the manner provided herein for the payment of principal of and interest on the Initial Bonds to holders, and will otherwise treat the Bond Insurer as the owner of such rights to the amount of such principal and interest.

ARTICLE VI

REDEMPTION OF BONDS

Section 6.01. Privilege of Redemption and Redemption Price. Bonds or portions thereof subject to redemption prior to maturity shall be redeemable, upon mailed notice as provided in this Article, at the times, at the Redemption Prices and upon such terms in addition to and consistent with the terms contained in this Article as shall be specified in Section 2.03 of this Indenture and in said Bonds.

Section 6.02. Selection of Bonds to be Redeemed. In the event of redemption of less than all the Outstanding Bonds of the same Series and maturity, the particular Bonds or portions thereof to be redeemed shall be selected by the Trustee from among Bonds of each maturity to be redeemed in \$5,000 increments in the case of the Tax-Exempt Bonds (and in \$1,000 increments in the case of the Taxable Bonds) in such manner as the Trustee in its discretion may deem fair and equitable, except that Bonds to be redeemed from Sinking Fund Installments shall be redeemed by lot, provided, however, that the Trustee shall not select Bonds for redemption which would result in a Holder with a principal amount of Bonds less than the minimum denomination to the extent practicable. In the event of a redemption of less than all the Outstanding Bonds of the same Series stated to mature on different dates, the principal amount of such Series of Bonds to be redeemed from a given maturity shall be selected by the Participant causing the redemption, in consultation with the Program Facilitator, of the Outstanding Series of Bonds to be redeemed and by lot within a maturity, provided that in selecting the principal amount of Bonds to be redeemed from a given maturity, the Participant shall specifically designate in writing principal amounts so as to minimize the number of Bonds Outstanding in amounts of less than \$5,000. The portion of Bonds of any Series to be redeemed in part shall be in the principal amount of an authorized denomination thereof to the extent practicable and, in selecting Bonds of a particular Series for redemption, the Trustee shall treat each such Bond as representing that number of Bonds of such Series which is obtained by dividing the principal amount of such registered Bond by \$5,000 in the case of the Tax-Exempt Bonds (and in \$1,000 increments in the case of the Taxable Bonds) (referred to below as a "unit"). If it is determined that one or more, but not all, of the units of principal amount represented by any such Bond is to be called for redemption, then, upon notice of intention to redeem such unit or units, the Holder of such Bond shall forthwith surrender such Bond to the Trustee for (a) payment to such Holder of the Redemption Price of the unit or units of principal amount called for redemption and (b) delivery to such Holder of a new Bond or Bonds of such Series in the aggregate unpaid principal amount of the unredeemed balance of the principal amount of such Bond. New Bonds of the same Series and maturity representing the unredeemed balance of the principal amount of such Bond shall be issued to the registered Holder thereof, without charge therefor. If the Holder of any such Bond of a denomination greater than a unit shall fail to present such Bond to the Trustee for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the unit or units of principal amount called for redemption (and to that extent only).

Section 6.03. Notice of Redemption. When redemption of any Bonds is requested or required pursuant to this Indenture, at the sole cost and expense of the Participant, the Trustee shall give notice of such redemption in the name of the Agency, specifying the name of the Series, CUSIP number, Bond numbers, the date of original issue of such Series, the date of mailing of the notice of redemption, maturities, interest rates and principal amounts of the Bonds or portions thereof to be redeemed, the redemption date, the Redemption Price, and the place or places where amounts due upon such redemption will be payable (including the name and telephone number of the Trustee) and specifying the principal amounts of the Bonds or portions thereof to be payable and, if less than all of the Bonds of any maturity are to be redeemed, the numbers of such Bonds or portions thereof to be so redeemed. Such notice shall further state that on such date there shall become due and payable upon each Bond or portion thereof to be redeemed the Redemption Price thereof together with interest accrued to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable. Such notice may set forth any additional information relating to such redemption. The Trustee, in the name and on behalf of the Agency, (i) shall mail a copy of such notice by certified mail (if there is but one Holder of the Bonds to be redeemed or first class mail if there is more than one such Holder), return receipt, postage prepaid, not more than 60 nor less than 30 days prior to the date fixed for redemption, to the Bond Insurer and to the registered owners of any Bonds which are to be redeemed, at their last addresses, if any, appearing upon the registration books, but any defect in such notice shall not affect the validity of the proceedings for the redemption of such Series of Bonds with respect to which proper mailing was effected; and (ii) cause notice of such redemption to be sent to at least two (2) of the national information services that disseminate redemption notices. Any notice mailed as provided in this Section shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. In the event of a postal strike, the Trustee shall give notice by other appropriate means selected by the Trustee in its discretion. If any Bond shall not be presented for payment of the Redemption Price within sixty (60) days of the redemption date, the Trustee shall mail a second notice of redemption to such Holder by certified mail (if there is but one such Holder or first class mail if there is more than one such Holder), return receipt, postage prepaid. Any amounts held by the Trustee due to non-presentment of Bonds for payments on or after any redemption date shall be retained by the Trustee for a period of at least one year after the final maturity date of such Bonds. Further, if any Holders of Bonds shall constitute registered depositories, the notice of redemption described in the first sentence of this Section 6.03 shall be mailed to such Holders at least two (2) days prior to the mailing of such notice to all Holders.

If notice of redemption shall have been given as aforesaid, the Bonds of such Series called for redemption shall become due and payable on the redemption date, provided, however, that with respect to any optional redemption of the Bonds of a Series, such notice shall state that such redemption shall be conditional upon the receipt by the Trustee on or prior to the date fixed for such redemption of moneys sufficient to pay the principal of, redemption premium, if any, and interest on the Bonds of such Series to be redeemed, and that if such moneys shall not have been so received said notice shall be of no force and effect and the Agency shall not be required to redeem the Bonds of such Series. In the event that such notice of redemption contains such a condition and such moneys are not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the

notice of redemption was given, that such moneys were not so received. If a notice of redemption shall be unconditional, or if the conditions of a conditional notice of redemption shall have been satisfied, then upon presentation and surrender of the Bonds of such Series so called for redemption at the place or places of payment, such Series of Bonds shall be redeemed.

Under no circumstances shall the Trustee be required to expend any of its own funds for any purpose for which funds are to be disbursed under this Indenture.

Section 6.04. Payment of Redeemed Bonds. (a) Notice having been given in the manner provided in Section 6.03 hereof, the Bonds or portions thereof so called for redemption shall become due and payable on the redemption dates so designated at the Redemption Price, plus interest accrued and unpaid to the redemption date. If, on the redemption date, moneys for the redemption of all the Bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be held by the Paying Agents so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the redemption date, (i) interest on the Bonds or portions thereof so called for redemption shall cease to accrue and become payable, (ii) the Bonds or portions thereof so called for redemption shall cease to be entitled to any lien, benefit or security under this Indenture, and (iii) the Holders of the Bonds or portions thereof so called for redemption shall have no rights in respect thereof, except to receive payment of the Redemption Price together with interest accrued to the redemption date. If said moneys shall not be so available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

(b) Payment of the Redemption Price plus interest accrued to the redemption date shall be made to or upon the order of the registered owner only upon presentation of such Bonds for cancellation and exchange as provided in Section 6.05 hereof; provided, however, that any Holder of at least \$1,000,000 in aggregate principal amount of Bonds may, by written request to the Trustee no later than five (5) days prior to the date of redemption direct that payments of Redemption Price and accrued interest to the date of redemption be made by wire transfer as soon as practicable after tender of the Bonds in federal funds at such wire transfer address as the owner shall specify to the Trustee in such written request.

Section 6.05. Cancellation of Redeemed Bonds. (a) All Bonds redeemed in full under the provisions of this Article, shall forthwith be cancelled and returned to the Agency and no Bonds shall be executed, authenticated or issued hereunder in exchange or substitution therefor, or for or in respect of any paid portion of a Bond.

(b) If there shall be drawn for redemption less than all of a Bond, as described in Section 6.02 hereof, except when DTC is the Holder of the Bonds pursuant to Section 2.08 hereof, the Agency shall execute and the Trustee shall authenticate and deliver, upon the surrender of such Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount of the Bond so surrendered, a Bond or Bonds of like Series and maturity in any of the authorized denominations.

Section 6.06. No Partial Redemption After Default. Anything in this Indenture to the contrary notwithstanding, if there shall have occurred and be continuing an Event of Default under Section 8.01(a)(i) or (ii) hereof but no "Event of Default" shall exist under any Related Security Document, there shall be no redemption of less than all of the Bonds Outstanding. If there shall have occurred and be continuing an Event of Default described in Section 8.01(a)(iv) hereof, the Participant giving rise to such Event of Default may only initiate redemption of all Outstanding Bonds or a redemption of less than all Outstanding Bonds if such partial redemption shall cure such Event of Default.

ARTICLE VII

PARTICULAR COVENANTS

Section 7.01. Agency's Obligations Not to Create A Pecuniary Liability. Each and every covenant herein made, including all covenants made in the various sections of this Article VII, is predicated upon the condition that any obligation for the payment of money incurred by the Agency shall not subject the Agency to any pecuniary or other liability nor create a debt of the State or the County and neither the State nor the County shall be liable on any obligation so incurred, and the Bonds shall not be payable out of any funds of the Agency other than those pledged therefor but shall be payable by the Agency solely from the installment purchase payments, revenues and receipts derived from or in connection with the Facility pledged to the payment thereof in the manner and to the extent in this Indenture specified and nothing in the Bonds, in the Installment Sale Agreement, in the Agency Mortgage, in this Indenture or in any other Project Document shall be considered as pledging any other funds or assets of the Agency.

Section 7.02. Payment of Principal and Interest. The Agency covenants that it will from the sources herein contemplated promptly pay or cause to be paid the principal or Redemption Price, if applicable, of, Sinking Fund Installments for, and interest on the Bonds, together with interest accrued thereon to the date of redemption, at the place, on the dates and in the manner provided in this Indenture and in the Bonds according to the true intent and meaning thereof. All covenants, stipulations, promises, agreements and obligations of the Agency contained herein shall be deemed to be covenants, stipulations, promises, agreements and obligations of the Agency and not of any member, officer, director, employee or agent thereof in his individual capacity, and no resort shall be had for the payment of the principal of, redemption premium, if any, Sinking Fund Installments for, or interest on the Bonds or for any claim based thereon or hereunder against any such member, officer, director, employee or agent or against any natural person executing the Bonds. Neither the Bonds, the interest thereon, nor the Redemption Price thereof shall ever constitute a debt of the State or of the County and neither the State nor the County shall be liable on any obligation so incurred, and the Bonds shall not be payable out of any funds of the Agency other than those pledged therefor. The Agency shall not be required under this Indenture or the Installment Sale Agreement or any other Project Document to expend any of its funds other than (i) the proceeds of the Bonds then remaining in the Trust Estate, (ii) the installment purchase payments, revenues and receipts and other moneys held or derived from or in connection with the Facility and pledged to the payment of the Bonds, (iii) any income or gains therefrom, and (iv) the Net Proceeds of any insurance proceeds, condemnation awards, compensation or damages received with respect to each Facility.

Section 7.03. Performance of Covenants; Authority. The Agency covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in any and every Bond executed, authenticated and delivered hereunder and in all proceedings pertaining thereto. The Agency covenants that it is duly authorized under the Constitution and laws of the State, including particularly and without limitation the Act, to issue the Bonds authorized hereby and to execute this Indenture, to sell its

leasehold interest in the Facility under the Company Lease pursuant to the Installment Sale Agreement, to mortgage and grant a security interest in the property described in and mortgaged by the Agency Mortgage, to assign the Installment Sale Agreement and to pledge the installment purchase payments, revenues and receipts hereby pledged in the manner and to the extent herein set forth; that all action on its part for the issuance of the Bonds and the execution and delivery of this Indenture has been duly and effectively taken; and that the Bonds in the hands of the Holders thereof are and will be the valid and enforceable special obligations of the Agency according to the import thereof.

Section 7.04. Books and Records; Certificate as to Defaults. The Agency and the Trustee each covenant and agree that, so long as any of the Bonds shall remain Outstanding, proper books of record and account will be kept showing complete and correct entries of all transactions relating to the Projects and the respective Facility, and that the Bond Insurer and the Holders of any of the Bonds shall have the right at all reasonable times to inspect all records, accounts and data relating thereto. In this regard, so long as the Installment Sale Agreement is in full force and effect, records furnished by the Agency and the Participant to, or kept by, the Trustee in connection with its duties as such shall be deemed to be in compliance with the Agency's obligations under this Section 7.04. Within thirty (30) days after receiving the certificate from the Participant as provided in Section 6.6(b) of the Installment Sale Agreement, the Trustee shall render to the Agency and the Bond Insurer a statement that moneys received by the Trustee pursuant to the Installment Sale Agreement were applied by it to the payment of the principal or Redemption Price, if applicable, of, Sinking Fund Installments for, and interest on the Bonds, at the place, on the dates and in the manner provided in this Indenture and that the Trustee has no actual knowledge of any defaults under this Indenture or the Installment Sale Agreement or any other Security Document or specifying the particulars of such defaults which may exist.

Section 7.05. Installment Sale Agreement. It is understood and agreed that the Agency has sold its leasehold interest in the Facility under the Company Lease to the Participant pursuant to the Installment Sale Agreement. The Installment Sale Agreement or a memorandum thereof will be recorded in the office of the Clerk-Recorder of Orange County, and an executed copy will be on file in the office of the Agency and in the principal corporate trust office of the Trustee. Reference is hereby made to the Installment Sale Agreement for a detailed statement of the terms and conditions thereof and for a statement of the rights and obligations of the parties thereunder. All covenants and obligations of the Participant under the Installment Sale Agreement shall be enforceable either by the Agency or by the Trustee, to whom, in its own name or in the name of the Agency, is hereby granted the right, to the extent provided therefor in this Section 7.05 and subject to the provisions of Section 9.02 hereof, to enforce all rights of the Agency and all obligations of the Participant under the Installment Sale Agreement, whether or not the Agency is enforcing such rights and obligations. The Trustee shall take such action in respect of any matter as is provided to be taken by it in the Installment Sale Agreement (including, without limitation, Sections 4.2 and 6.4 thereof) upon compliance or noncompliance by the signatory Participant and the Agency with the provisions of the Installment Sale Agreement relating to the same.

Section 7.06. Creation of Liens; Indebtedness; Sale of Facility. It is the intention of the Agency and the Trustee that each Agency Mortgage is and will continue to be a first lien upon the property of the Facility subject to such Agency Mortgage (subject to Permitted Encumbrances), and that the Installment Sale Agreement relating to such Facility be subject and subordinate to the lien of such Agency Mortgage. The Agency shall not create or suffer to be created, or incur or issue any evidences of indebtedness secured by, any lien or charge upon or pledge of the revenues and installment purchase payments derived from or in connection with a Facility and assigned to the Trustee under this Indenture, except the lien, charge and pledge created by this Indenture, the Company Lease and the Installment Sale Agreement, and, if applicable, the Agency Mortgage relating to such Facility except as specifically permitted under this Indenture, the Agency Mortgage or the Installment Sale Agreement, so long as any of the Bonds are Outstanding. The Agency further covenants and agrees not to sell, convey, transfer, lease, mortgage or encumber the Facility or any part thereof except as specifically permitted under this Indenture, the Agency Mortgage or the Installment Sale Agreement, so long as any of the Bonds are Outstanding.

Section 7.07. Ownership; Instruments of Further Assurance. The Trustee on behalf of the Agency, subject to Section 7.05 hereof and upon the specific written direction of any Bondholder, shall defend the interest of the Agency to each Facility and every part thereof for the benefit of the Holders of the Bonds against the claims and demands of all persons whomsoever. The Agency covenants that it will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such Supplemental Indentures and such further acts, instruments and transfers as may be necessary for the better assuring, transferring, conveying, pledging, assigning and confirming unto the Trustee all and singular the property described herein and in the Agency Mortgages subject to the liens, pledge and security interests of this Indenture and the Agency Mortgages and the installment purchase payments, revenues and receipts pledged hereby to the payment of the principal or Redemption Price, if any, of, Sinking Fund Installments for, and interest on the Bonds. Any and all property hereafter acquired which is of the kind or nature herein provided to be and become subject to the lien, pledge and security interest hereof and of an Agency Mortgage shall ipso facto, and without any further conveyance, assignment or act on the part of the Agency or the Trustee, become and be subject to the lien, pledge and security interest of this Indenture and such Agency Mortgage as fully and completely as though specifically described herein and therein, but nothing in this sentence contained shall be deemed to modify or change the obligations of the Agency heretofore made by this Section 7.07.

Section 7.08. Security Agreement; Recording and Filing. (a) This Indenture constitutes a "security agreement" within the meaning of the New York State Uniform Commercial Code-Secured Transactions. The Agency shall cause this Indenture and all Supplemental Indentures to be recorded as a lien encumbering an interest in real property through delivery hereof and thereof to a title insurance company engaged by the Participant for due recordation, in the office of the Clerk-Recorder of Orange County, or in such other office(s) as may be at the time provided by law as the proper place for the recordation thereof. In addition, the security interest of the Trustee, as created by this Indenture and of the Trustee and the Bond Insurer created by each Agency Mortgage, in (i) the personal property and fixtures

described herein and therein and (ii) the rights and other intangible interests described herein and therein, shall be perfected by the filing of financing statements at the direction of the Agency in the office of the Secretary of State of the State in the City of Albany, New York, and in the office of the Clerk-Recorder of Orange County, which financing statements shall be in accordance with the New York State Uniform Commercial Code-Secured Transactions. Subsequent to the foregoing recordation and filings, this Indenture shall be re-recorded and re-indexed, and financing and continuation statements shall be filed and re-filed, by the Trustee whenever in the Opinion of Counsel (which opinion shall be addressed to the Trustee, the Agency and the Bond Insurer) such action is necessary to preserve the lien and security interest hereof and of the Agency Mortgage; and in addition, such financing or continuation statements as become necessary to preserve the lien and security interest of this Indenture and the Agency Mortgage shall be filed and re-filed by the Trustee in said office of the Secretary of State and in the office of the Clerk-Recorder of Orange County. Any such re-recordings, re-indexings, filings or re-filings shall be prepared by the Participant and accompanied with any fees or requisite charges. The Trustee will promptly notify the Participant, the Agency and the Bond Insurer of any such filings.

(b) The Agency and the Trustee acknowledge that, as of the Closing Date,

(i) Section 9-515(b) of the New York State Uniform Commercial Code-Secured Transactions provides that an initial financing statement filed in connection with a "public-financed transaction" is effective for a period of 30 years after the date of filing if such initial financing statement indicates that it is filed in connection with a public financed transaction,

(ii) Section 9-102(67) of the New York State Uniform Commercial Code-Secured Transactions defines a public-finance transaction as a secured transaction in connection with which, in substance, (x) bonds are issued, (y) all or a portion of the Bonds have an initial stated maturity of at least 20 years, and (z) the debtor, obligor, secured party or assignee with respect to the collateral or secured obligation is a governmental unit of a state, and

(iii) subject to any future change in law, the initial financing statement as shall be filed with respect to the security interest described above shall therefore have an effective period of five (5) years after the date of filing, for the purpose of determining the date by which continuation statements shall be filed.

(c) On or before the fifth anniversary after the date of this Indenture and on or before each fifth anniversary of such date thereafter, the Participant will deliver to the Trustee, the Bond Insurer and the Agency an Opinion of Counsel of the Participant addressed to the Trustee, the Bond Insurer and the Agency stating that all appropriate steps on the part of the Agency, the Participant, the Bond Insurer and the Trustee then requisite to the perfection of the security interest of the Trustee and the Bond Insurer, as applicable, in and to all property and interests which by the terms hereof and of the Agency Mortgage are to be subjected to the lien and security interest of this Indenture and of the Agency Mortgage have been taken; and stating

that no filing or recording and no re-filing or re-recording of any instrument is necessary during the five-year period immediately succeeding the date of such Opinion in order to comply with this Section, or if such filing or recording or re-filing or re-recording is necessary, setting forth the requirements with respect thereto, and accompanied by the necessary documentation, fees and charges referred to above.

(d) Any filings with respect to Uniform Commercial Code financing statements may be made electronically, and the Agency shall have the right to designate a company (which shall be reasonably acceptable to the Trustee) to facilitate the filing of Uniform Commercial Code financing statements.

(e) The Trustee acknowledges and agrees (on behalf of itself and the Bondholders) that neither the Agency, nor any of its directors, members, officers, employees, servants, agents, persons under its control or supervision, or attorneys (including Bond Counsel to the Agency), shall have any responsibility or liability whatsoever related in any way to the filing or re-filing of any Uniform Commercial Code financing statements or continuation statements, or the perfection or continuation of perfection of any security interests, or the recording or rerecording of any document, or the failure to effect any act referred to in this Section, or the failure to effect any such act in all appropriate filing or recording offices, or the failure of sufficiency of any such act so effected.

(f) All costs (including reasonable attorneys' fees and expenses) incurred in connection with the effecting of the requirements specified in this Section shall be paid by the Participant.

Section 7.09. Records Held by the Trustee. Upon reasonable written request, the Trustee shall make available to the Participant and the Bond Insurer, for its inspection during normal business hours, its records with respect to the Project and Facility, and to the Underwriter information pertaining to the Participant and the amounts held in any Fund, Account or Subaccount hereunder.

Section 7.10. Rights of the Bond Insurer With Respect to the Initial Bonds.

(a) The Agency and the Trustee hereby agree for the benefit of the Bond Insurer, that:

(i) to the extent the Bond Insurer makes payments under the Bond Insurance Policy on account of the principal or Redemption Price of, Sinking Fund Installments for, or interest on the Initial Bonds, the Bond Insurer will be subrogated to the rights of the Holders of the Initial Bonds to receive the amount so paid, solely from the sources provided therefor in this Indenture,

(ii) a notice that is required by this Indenture or any other of the Security Documents to be given to the Holders of the Initial Bonds, shall also be given to the Bond Insurer,

(iii) any provision of this Indenture or any other Security Document expressly recognizing or granting rights in or to the Bond Insurer may not be amended in

any manner which affects the rights or remedies of the Bond Insurer hereunder or thereunder without the prior written consent of the Bond Insurer,

(iv) if the consent, approval or direction of the Holders of the Initial Bonds shall be required in connection with any action to be taken under this Indenture or under any other Security Document, then, for so long as no Bond Insurer Disqualification Event shall have occurred and be continuing, the Bond Insurer shall be entitled to deliver such consent, approval or direction on behalf of the Holders of the Initial Bonds (except in connection with those matters referred to in Section 8.12 (with respect to waivers of any default in payment), Section 11.03(a)(i), (ii), (iii), (iv) or (v) hereof, or in Section 12.03(i) hereof, with respect to which the consent of 100% of the Holders of the Initial Bonds, together with the consent of the Bond Insurer, shall be required), provided, however, that if a Bond Insurer Disqualification Event shall have occurred and be continuing, the Bond Insurer shall nevertheless be able to exercise the rights as Holder of the Initial Bonds which it owns (whether by subrogation or otherwise),

(v) if the consent, approval or direction of the Bond Insurer shall be required on its own behalf (as distinguished from a consent, approval or direction on behalf of the Holders of the Initial Bonds) in connection with any action to be taken under this Indenture or under any other Security Document, the consent, approval or direction of the Bond Insurer shall not be required for so long as a Bond Insurer Disqualification Event shall have occurred and be continuing,

(vi) to the extent that the principal or Sinking Fund Installments for, or interest on the Initial Bonds shall be paid by the Bond Insurer pursuant to the Bond Insurance Policy, that portion of the Initial Bonds so paid shall remain Outstanding for all purposes and not be considered defeased or otherwise satisfied and paid, and the Bond Insurer shall be deemed to be the Holder of the Initial Bonds to the extent so paid, and

(vii) if the Bond Insurance Policy shall no longer be in effect, and all amounts owed to the Bond Insurer under the Bond Insurance Agreement shall have been paid in full, all approvals, directions or consents of the Bond Insurer required under the Security Documents shall instead be delivered by the Holders of a majority in aggregate principal amount of the Initial Bonds Outstanding.

(b) The Bond Insurer shall be entitled to pay principal, Sinking Fund Installments or interest on the Initial Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment (as such terms are defined in the Bond Insurance Policy) by the Agency or the Participant and any amounts due on the Initial Bonds as a result of acceleration of the maturity thereof in accordance with this Indenture, whether or not the Bond Insurer has received a Notice (as defined in the Bond Insurance Policy) of Nonpayment or a claim upon the Bond Insurance Policy.

Section 7.11. Consents of the Trustee. Except as expressly provided to the contrary in this Indenture (including Section 7.10 hereof) or in any other Security Document, all

provisions in this Indenture and each other Security Document regarding consents, directions, approvals or requests by the Trustee shall, for so long as any Bonds shall be Outstanding, be upon the written direction of the Directing Party.

ARTICLE VIII

EVENTS OF DEFAULT; REMEDIES OF BONDHOLDERS

Section 8.01. Events of Default; Acceleration of Due Date. (a) Each of the following events is hereby defined as and shall constitute an "Event of Default":

(i) Failure in the payment of the interest on any Bond when the same shall become due and payable;

(ii) Failure in the payment of the principal or Redemption Price, if applicable, or Sinking Fund Installments, of any Bonds, when the same shall become due and payable, whether at the stated maturity thereof or upon proceedings for redemption thereof or otherwise, or interest accrued thereon to the date of redemption after notice of redemption therefor or otherwise;

(iii) Failure of the Agency to observe or perform any covenant, condition or agreement in the Bonds or hereunder on its part to be performed (except as set forth in Section 8.01(a)(i) or (ii) hereof) and (A) continuance of such failure for a period of thirty (30) days after receipt by the Agency and the Participant of written notice specifying the nature of such default from the Trustee or the Holders of more than twenty-five percent (25%) in aggregate principal amount of the Bonds Outstanding, or (B) if by reason of the nature of such default the same can be remedied, but not within the said thirty (30) days, the Agency fails, or the Participant fails, to proceed with reasonable diligence after receipt of said notice to cure the same within ninety (90) days of the receipt of said notice or fails to continue with reasonable diligence its efforts to cure the same;

(iv) The occurrence of an "Event of Default" under the Installment Sale Agreement or any other Security Document; or

(v) If the Bond Insurance Policy shall then be in effect, notification received by the Trustee from the Bond Insurer in writing that an "event of default" has occurred under the Bond Insurance Agreement and is continuing beyond any grace period provided therein.

Upon the occurrence of an Event of Default, the Trustee shall identify the Bonds affected thereby in the same manner as the Trustee would select Bonds in connection with a partial redemption pursuant to Section 6.02 hereof.

(b) Upon the happening and continuance of any Event of Default under Section 8.01(a)(iv), unless the principal of the Bonds shall have already become due and payable, either the Trustee (upon the direction of the Bond Insurer to the extent that (y) a Bond Insurer Disqualification Event shall not have occurred and be continuing and (z) the aggregate principal amount of the Outstanding Initial Bonds and any other Outstanding Bonds the Bond Insurer insures constitute at least a majority of the principal amount of all Bonds Outstanding)

(by notice in writing to the Agency and the Participant) or the Holders of over twenty-five percent (25%) in aggregate principal amount of the Bonds Outstanding (by notice in writing to the Agency, the Participant, the Bond Insurer and the Trustee), with the written consent of the Bond Insurer (only if it insures at least a majority in aggregate principal amount of the Bonds then Outstanding and if a Bond Insurer Disqualification Event shall not have occurred and be continuing), may declare the principal or Redemption Price, if any, of Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon such declaration the same shall become and be immediately due and payable, anything in this Indenture or in any of the Bonds contained to the contrary notwithstanding. With respect to any consent, approval or direction of any Holder of Outstanding Bonds required in this paragraph, for so long as no Bond Insurer Disqualification Event shall have occurred and be continuing, in all cases, the Bond Insurer shall be entitled to deliver such consent, approval and direction on behalf of the Holders of the Initial Bonds and any other Bonds it insures as provided in Sections 7.10(a)(iv), 11.05 and 12.04 hereof.

(c) If there shall occur an Event of Default under Section 7.1(d) or (e) of the Installment Sale Agreement, the unpaid principal of all the Bonds and the interest accrued thereon shall be due and payable immediately without the necessity of any declaration or other action by the Trustee or any other Person.

(d) The right of the Trustee or of the Holders of over twenty-five percent (25%) in aggregate principal amount of the Bonds Outstanding to make any such declaration as aforesaid, however, is subject to the condition that if, at any time before such declaration, (i) all overdue installments of principal of and interest on all of the Bonds which shall have matured by their terms and the unpaid Redemption Price of the Bonds or principal portions thereof to be redeemed has been paid by or for the account of the Agency, (ii) all other Events of Default have been otherwise remedied, (iii) the reasonable and proper charges, expenses and liabilities of the Trustee, shall either be paid by or for the account of the Agency or provision satisfactory to the Trustee shall be made for such payment and the Facility shall not have been sold or relet or otherwise encumbered, (iv) all defaults have been otherwise remedied as provided in this Article VIII, and (v) with respect to only the Initial Bonds and any other Bonds insured by the Bond Insurer, the Bond Insurer (for so long as no Bond Insurer Disqualification Event shall have occurred and be continuing) or the Holders of a majority in aggregate principal amount of the Bonds Outstanding (with the written consent of the Bond Insurer (only if it insures at least a majority in aggregate principal amount of the Bonds then Outstanding and if a Bond Insurer Disqualification Event shall not have occurred and be continuing), shall have waived in writing any such Event of Default, then and in every such case any such default and its consequences shall ipso facto be deemed to be annulled, but no such annulment shall extend to or affect any subsequent default or impair or exhaust any right or power consequent thereon. With respect to any consent, approval or direction of any Holder of Outstanding Bonds required in this paragraph, for so long as no Bond Insurer Disqualification Event shall have occurred and be continuing, in all cases, the Bond Insurer shall be entitled to deliver such consent, approval and direction on behalf of the Holders of the Initial Bonds and any other Bonds it insures as provided in Sections 7.10(a)(iv), 11.05 and 12.04 hereof.

(e) Pursuant to the Installment Sale Agreement, the Agency has granted to the Participant full authority for the account of the Agency to perform any covenant or obligation the non-performance of which is alleged in any notice received by the Participant to constitute a default hereunder, in the name and stead of the Agency with full power to do any and all things and acts to the same extent that the Agency could do and perform any such things and acts with power of substitution. The Trustee agrees to accept such performance by the Participant as performance by the Agency.

Section 8.02. Enforcement of Remedies. (a) Upon the occurrence and continuance of any Event of Default, then and in every case the Trustee may proceed, and upon the written request of the Bond Insurer (only if it insures at least a majority in aggregate principal amount of the Bonds then Outstanding and if a Bond Insurer Disqualification Event shall not have occurred and be continuing) or the Holders of over twenty-five percent (25%) in aggregate principal amount of the Bonds Outstanding, with the written consent of the Bond Insurer (only if it insures at least a majority in aggregate principal amount of the Bonds then Outstanding and if a Bond Insurer Disqualification Event shall not have occurred and be continuing), shall proceed, to protect and enforce its rights and the rights of the Bondholders under the Act, the Bonds, the Installment Sale Agreement, this Indenture and under any other Security Document forthwith by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, whether for the specific performance of any covenant or agreement contained in this Indenture or in any other Security Document or in aid of the execution of any power granted in this Indenture or in any other Security Document or in the Act or for the enforcement of any legal or equitable rights or remedies as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights or to perform any of its duties under this Indenture or under any other Security Document. In addition to any rights or remedies available to the Trustee hereunder or elsewhere, upon the occurrence and continuance of an Event of Default the Trustee may take such action, without notice or demand, as it deems advisable. With respect to any consent, approval or direction of any Holder of Outstanding Bonds required in this paragraph, for so long as no Bond Insurer Disqualification Event shall have occurred and be continuing, in all cases, the Bond Insurer shall be entitled to deliver such consent, approval and direction on behalf of the Holders of the Initial Bonds and any other Bonds it insures as provided in Sections 7.10(a)(iv), 11.05 and 12.04 hereof.

(b) In the enforcement of any right or remedy under this Indenture, under any other Security Document or under the Act, the Trustee shall be entitled to sue for, enforce payment on and receive any or all amounts then or during any default becoming, and any time remaining, due from the Agency, for principal, interest, Sinking Fund Installments, Redemption Price, or otherwise, under any of the provisions of this Indenture, of any other Security Document or of the Bonds, and unpaid, with interest on overdue payments at the rate or rates of interest specified in the Bonds, together with any and all costs and expenses of collection and of all proceedings under this Indenture, under any such other Security Document and under the Bonds, without prejudice to any other right or remedy of the Trustee, of the Bond Insurer or of the Bondholders, and to recover and enforce judgment or decree against the Agency, but solely as provided in this Indenture and in the Bonds, for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect (but solely from the Trust Estate) in any

manner provided by law, the moneys adjudged or decreed to be payable. The Trustee shall file proof of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee, the Bond Insurer and the Bondholders allowed in any judicial proceedings relative to the Participant or the Agency or their creditors or property.

(c) Regardless of the occurrence of an Event of Default, the Trustee, if requested in writing by the Bond Insurer (only if it insures at least a majority in aggregate principal amount of the Bonds then Outstanding and if a Bond Insurer Disqualification Event shall not have occurred and be continuing) or the Holders of over twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding, with the written consent of the Bond Insurer (only if it insures at least a majority in aggregate principal amount of the Bonds then Outstanding and if a Bond Insurer Disqualification Event shall not have occurred and be continuing), and in each case furnished with reasonable security and indemnity, shall institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient to prevent any impairment of the security under this Indenture or under any other Security Document by any acts which may be unlawful or in violation of this Indenture or of such other Security Document or of any resolution authorizing any Bonds, and such suits and proceedings as the Trustee may be advised shall be necessary or expedient to preserve or protect its interests and the interests of the Bondholders; provided, that such request shall not be otherwise than in accordance with the provisions of law and of this Indenture and shall not be unduly prejudicial to the interests of the Holders of the Bonds not making such request. With respect to any consent, approval or direction of any Holder of Outstanding Bonds required in this paragraph, for so long as no Bond Insurer Disqualification Event shall have occurred and be continuing, in all cases, the Bond Insurer shall be entitled to deliver such consent, approval and direction on behalf of the Holders of the Initial Bonds and any other Bonds it insures as provided in Sections 7.10(a)(iv), 11.05 and 12.04 hereof.

Section 8.03. [Reserved]

Section 8.04. Application of Revenues and Other Moneys After Default.

(a) With respect to Events of Default described in Section 8.01(a)(i), (ii) or (iii) hereof, all moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article or under any other Security Document shall, after payment of any amounts due and owing under Section 4.3 of the Installment Sale Agreement, after payment of any unpaid Rebate Amount in accordance with the Tax Compliance Agreement and after payment of 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 or the Bond Insurer, be deposited in the Bond Fund and all moneys so deposited and available for payment of the Bonds shall be applied, subject to Section 9.04 hereof, as follows:

(A) Unless the principal of all of the Bonds shall have become due and payable,

First - To the payment to the Persons entitled thereto of all installments of interest then due on the Bonds, in the order of the maturity of the

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

Second - To the payment to the Persons entitled thereto of the unpaid principal or Redemption Price, if any, of any of the Bonds or principal installments which shall have become due (other than Bonds or principal installments called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), in the order of their due dates, with interest on such Bonds, at the rate or rates expressed thereon, from the respective dates upon which they become due and, if the amount available shall not be sufficient to pay in full Bonds or principal installments due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the Persons entitled thereto without any discrimination or privilege.

(B) If the principal of all the Bonds shall have become due and payable, to the payment to the Bondholders of the principal and interest (at the rate or rates expressed in the Bonds) then due and unpaid upon the Bonds and, if applicable, to the Redemption Price of the Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or preference.

The provisions of this Section 8.04(a) shall survive the payment in full of the Initial Bonds and, upon such payment, if any amounts remain unpaid under the Bond Insurance Agreement, the Trustee shall assign to the Bond Insurer all of the right, title and interest of the Trustee in the Trust Estate (with respect to the Initial Bonds), and the Bond Insurer shall be entitled to exercise all of the rights and remedies available to the Trustee under this Indenture, including, without limitation, those provided in this Article VIII, where applicable, and the Bond Insurer shall be subrogated to the right, title and interest of the Trustee and the Bondholders in and to the Trust Estate, the Security Documents, and any other security held for the payment of the Initial Bonds.

(b) With respect to Events of Default described in Section 8.01(a)(iv) or (v), all moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article or under any other Security Document shall, after payment of any amounts due and owing under Section 4.3 of the Installment Sale Agreement, after payment of any unpaid Rebate Amount in accordance with the Tax Compliance Agreement and after payment of 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 or the Bond Insurer, be deposited in the Installment Purchase Payment Account established for the Participant causing such Event of Default and all moneys so deposited and available for payment

of the Bonds identified pursuant to Section 8.01(a) shall be applied, subject to Section 9.04 hereof, as follows:

(c) Unless the principal of all of such Bonds shall have become or have been declared due and payable,

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

Second - To the payment to the Persons entitled thereto of the unpaid principal or Redemption Price, if any, of any of such Bonds or principal installments which shall have become due (other than Bonds or principal installments called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), in the order of their due dates, with interest on such Bonds, at the rate or rates expressed thereon, from the respective dates upon which they become due and, if the amount available shall not be sufficient to pay in full Bonds or principal installments due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the Persons entitled thereto without any discrimination or privilege.

(d) If the principal of all such Bonds shall have become or have been declared due and payable, to the payment to the Bondholders of the principal and interest (at the rate or rates expressed in such Bonds) then due and unpaid upon such Bonds and if applicable to the Redemption Price of such Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any such Bond over any other such Bond, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or preference.

(e) If the principal of all such Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of this Article VIII, then, subject to the provisions of Section 8.04(a)(B) hereof which shall be applicable in the event that the principal of all such Bonds shall later become due and payable, the moneys shall be applied in accordance with the provisions of Section 8.04(a)(A) hereof.

(f) Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever

the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates shall cease to accrue; provided, however, that to the extent principal or Redemption Price of the Bonds Outstanding, together with accrued interest thereon, shall have been declared to be due and payable pursuant to Section 8.01 hereof, such date of declaration shall be the date from which interest shall cease to accrue. The Trustee shall give such written notice to all Bondholders as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Holder of any Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 8.05. Actions by Trustee. (a) All rights of actions under this Indenture, under any other Security Document or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Holders of the Bonds, and any recovery of judgment shall, subject to the provisions of Section 8.04 hereof, be for the equal benefit of the Holders of the Outstanding Bonds, or if the Bonds are no longer Outstanding, the Bond Insurer until payment in full of all obligations due and owing under the Bond Insurance Agreement, and thereafter to the Participant.

(b) In the event a Bond Insurer Disqualification Event shall have occurred and be continuing, the Trustee shall proceed to protect and enforce its rights and the rights of the Bondholders under the Bond Insurance Policy, by such suits, actions or special proceedings in equity or at law, as the Trustee shall deem necessary and appropriate (subject, however, to the provisions of Section 9.02 hereof).

Section 8.06. Bond Insurer or Majority Bondholders Control Proceedings. Anything in this Indenture to the contrary notwithstanding, the Bond Insurer (only if a Bond Insurer Disqualification Event shall not have occurred and be continuing and if the Bond Insurer insures at least a majority in aggregate principal amount of the Bonds then Outstanding) or the Holders of a majority in aggregate principal amount of the Bonds then Outstanding, with the written consent of the Bond Insurer (only if it insures at least a majority in aggregate principal amount of the Bonds then Outstanding and if a Bond Insurer Disqualification Event shall not have occurred and be continuing), 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, or for the appointment of a receiver or any other proceedings hereunder; provided, that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture; provided, however, that in connection with an Event of Default described (y) in Section 8.01(a)(iv) hereof, only the Holders of a majority in aggregate principal amount of the Bonds affected thereby, as identified in accordance with Section 8.01(a) hereof, or the Bond Insurer (but only with respect to the Initial Bonds and any other Bonds it insures) may direct the remedial proceedings pursuant to this Section 8.06; and (z) in Section 8.01(a)(v) hereof, only the Bond Insurer may direct the remedial proceedings pursuant to

this Section 8.06 with respect to the Initial Bonds and any other Bonds it insures. With respect to any consent, approval or direction of any Holder of Outstanding Bonds required in this Section, for so long as no Bond Insurer Disqualification Event shall have occurred and be continuing, in all cases, the Bond Insurer shall be entitled to deliver such consent, approval and direction on behalf of the Holders of the Initial Bonds and any other Bonds it insures as provided in Sections 7.10(a)(iv), 11.05 and 12.04 hereof.

Section 8.07. Individual Bondholder Action Restricted. (a) No Holder of any Bond shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provisions of this Indenture or of any other Security Document or the execution of any trust under this Indenture or for any remedy under this Indenture or under any other Security Document, unless such Holder shall have previously given to the Trustee written notice of the occurrence of an Event of Default as provided in this Article, and the Holders of over twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding shall have filed a written request with the Trustee, and shall have offered it reasonable opportunity either to exercise the powers granted in this Indenture or in such other Security Document or by the Act or by the laws of the State or to institute such action, suit or proceeding in its own name, and unless such Holders shall have offered to the Trustee adequate security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused to comply with such request for a period of sixty (60) days after receipt by it of such notice, request and offer of indemnity, it being understood and intended that no one or more Holders of Bonds shall have any right in any manner whatever by his, its or their action to affect, disturb or prejudice the pledge created by this Indenture, or to enforce any right under this Indenture except in the manner herein provided; and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner provided in this Indenture and, subject to the provisions of Section 8.04 hereof, be for the equal benefit of all Holders of the Outstanding Bonds.

(b) Nothing in this Indenture, in any other Security Document or in the Bonds contained shall affect or impair the right of any Bondholder to payment of the principal or Redemption Price, if applicable, of, Sinking Fund Installments for, and interest on any Bond at and after the maturity thereof, or the obligation of the Agency to pay the principal or Redemption Price, if applicable, of, Sinking Fund Installments for, and interest on each of the Bonds to the respective Holders thereof at the time, place, from the source and in the manner herein and in said Bonds expressed.

Section 8.08. Effect of Discontinuance of Proceedings. In case any proceedings taken by the Trustee on account of any Event of Default shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then and in every such case, the Agency, the Trustee, the Bond Insurer and the Bondholders affected thereby shall be restored, respectively, to their former positions and rights hereunder, and all rights, remedies, powers and duties of the Trustee shall continue as in effect prior to the commencement of such proceedings.

Section 8.09. Remedies Not Exclusive. No remedy by the terms of this Indenture conferred upon or reserved to the Trustee or to the Holders of the Bonds or to the Bond Insurer is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to any other remedy given under this Indenture or now or hereafter existing at law or in equity or by statute.

Section 8.10. Delay or Omission. No delay or omission of the Trustee or of any Holder of the Bonds or of the Bond Insurer to exercise any right or power arising upon any default shall impair any right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Article to the Trustee, the Bond Insurer and the Holders of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient by the Trustee, the Bond Insurer or by the Bondholders.

Section 8.11. Notice of Default. The Trustee shall promptly mail to the Agency, the Bondholders, the Participant, the Bond Insurer and the Program Facilitator, by first class mail, postage prepaid, written notice of the occurrence of any Event of Default. The Trustee shall not, however, be subject to any liability to any Bondholder by reason of its failure to mail any notice required by this Section.

Section 8.12. Waivers of Default. (a) The Trustee shall waive any default hereunder and its consequences and rescind any declaration of acceleration only upon the written request of the Directing Party; provided, however, that there shall not be waived without the consent of the Holders of all the Bonds Outstanding and affected thereby (a) any default in the payment of the principal of any Outstanding Bonds at the date specified therein or (b) any default in the payment when due of the interest on any such Bonds, unless, prior to such waiver, all arrears of interest, with interest (to the extent permitted by law) at the rate borne by the Bonds on overdue installments of interest in respect of which such default shall have occurred, and all arrears of payment of principal when due, as the case may be, and all expenses of the Trustee in connection with such default shall have been paid or provided for, and provided further, that any Event of Default under Section 8.01(a)(v) hereof may only be waived upon the written request of the Bond Insurer (and in such case no consent of any Bondholder shall be required), and in case of any such waiver or rescission or in case any proceeding taken by the Trustee on account of any such default shall have been discontinued or abandoned or determined adversely to the Trustee, then and in every such case the Agency, the Trustee, the Bond Insurer and the Bondholders shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon.

(b) So long as no Bond Insurer Disqualification Event shall have occurred and be continuing, the Bond Insurer shall have the right to annul a declaration of acceleration of the Initial Bonds under Section 8.01(b) hereof.

ARTICLE IX

TRUSTEE AND PAYING AGENTS

Section 9.01. Appointment and Acceptance of Duties. (a) The Bank of New York, New York, New York, is hereby appointed as Trustee. The Trustee shall signify its acceptance of the duties and obligations of the Trustee hereunder and under each Security Document by executing this Indenture and agrees to perform said trusts as a corporate trustee ordinarily would under a corporate mortgage subject to the express terms and conditions herein. All provisions of this Article IX shall be construed as extending to and including all the rights, duties and obligations imposed upon the Trustee under the Installment Sale Agreement and under any other Security Document to which it shall be a party as fully for all intents and purposes as if this Article IX were contained in the Installment Sale Agreement and each such other Security Document. The Trustee shall provide prior written notice to the Bond Insurer with regard to any change of the name of the Trustee.

(b) The Bank of New York, New York, New York, is hereby appointed as Paying Agent for the Bonds. The Agency may also from time to time appoint one or more other Paying Agents in the manner and subject to the conditions set forth in Section 9.09 for the appointment of a successor Paying Agent. Each Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Indenture by executing and delivering to the Agency, and in the case of all Paying Agents other than the Trustee, to the Trustee a written acceptance thereof. The principal offices of the Paying Agents are designated as the respective offices or agencies of the Agency for the payment of the principal or Redemption Price, if applicable, of, Sinking Fund Installments for, and interest on the Bonds. The Paying Agent shall provide prior written notice to the Bond Insurer with regard to any change of the name of the Paying Agent.

Section 9.02. Indemnity. The Trustee shall be under no obligation to institute any suit, or to take any remedial action under this Indenture or under any other Security Document or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers under this Indenture, or under any other Security Document, until it shall be indemnified to its satisfaction against any and all reasonable compensation for services, costs and expenses, outlays, and counsel fees and expenses and other disbursements, and against all liability not due to its willful misconduct or gross negligence.

Section 9.03. Responsibilities of Trustee. (a) The Trustee shall have no responsibility in respect of the validity or sufficiency of this Indenture or of any other Security Document or the security provided hereunder or thereunder or the due execution of this Indenture by the Agency, or the due execution of any other Security Document by any party (other than the Trustee) thereto, or in respect of the title or the value of any Facility, or in respect of the validity of the Bonds authenticated and delivered by the Trustee in accordance with this Indenture or to see to the recording or filing of this Indenture or any other document or instrument whatsoever except as otherwise provided in Section 7.08. The recitals, statements

and representations contained in this Indenture and in the Bonds shall be taken and be construed as made by and on the part of the Agency and not by the Trustee, and the Trustee does not assume any responsibility for the correctness of the same; provided, however, that the Trustee shall be responsible for its representation contained in its certificate on the Bonds and for its responsibility as to filing, refiling, recording and rerecording as contained in Section 7.08 referred to above.

(b) The Trustee shall not be liable or responsible because of the failure of the Agency to perform any act required of it by this Indenture or because of the loss of any moneys arising through the insolvency or the act or default or omission of any depositary other than itself in which such moneys shall have been deposited under this Indenture or a Tax Compliance Agreement. The Trustee shall not be responsible for the application of any of the proceeds of the Bonds or any other moneys deposited with it and paid out, invested, withdrawn or transferred in accordance with this Indenture or a Tax Compliance Agreement or for any loss resulting from any such investment. The Trustee shall not be liable in connection with the performance of its duties under the Installment Sale Agreement, under this Indenture or under any other Security Document except for its own willful misconduct or gross negligence. The immunities and exemptions from liability of the Trustee shall extend to its directors, officers, employees, agents and servants and persons under the Trustee's control or supervision.

(c) The Trustee, prior to the occurrence of an Event of Default (as defined in Section 8.01) and after curing of all Events of Default which may have occurred, if any, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture. In case an Event of Default has occurred (which has not been cured), the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise as a prudent man would exercise under the circumstances in the conduct of his own affairs. The Trustee shall not be charged with knowledge of the occurrence of an Event of Default unless, (i) the Trustee has not received any certificate, financial statement, insurance notice or other document regularly required to be delivered to the Trustee under an Installment Sale Agreement or any other Security Document, (ii) the Trustee has not received payment of any amount required to be remitted to the Trustee under an Installment Sale Agreement or any other Security Document, (iii) an officer in the corporate trust department of the Trustee has actual knowledge thereof, or (iv) the Trustee has received written notice thereof from the Participant, the Agency, the Bond Insurer or any Bondholder.

(d) The Trustee shall not be liable or responsible for the failure of the Participant to effect or maintain insurance on the Facility as provided in the Installment Sale Agreement and the Guaranty Agreement nor shall it be responsible for any loss, fee, tax or other charge by reason of want or insufficiency in insurance or by reason of the failure of any insurer in which the insurance is carried to pay the full amount of any loss against which it may have insured the Agency, the Participant, the Trustee, the Bond Insurer or any other Person.

(e) The Trustee shall cause to be filed those continuation statements, any additional financing statements and all other instruments required by it by Section 7.08 hereof.

(f) The Trustee shall on the same date as it shall render the statement required of it by Section 7.04 of this Indenture, make annual reports to the Agency, the Bond Insurer, the Program Facilitator and the Participant of all moneys received and expended during the preceding year by it under this Indenture and of any Event of Default actually known to it under the Installment Sale Agreement, this Indenture or any other Security Document.

(g) With respect to the Tax Compliance Agreement, the Trustee shall not be required to make any payment of a Rebate Amount or any transfer of funds or take any other action required to be taken thereunder except upon the receipt of a written certificate of direction of an Authorized Representative of the Program Facilitator delivered to the Trustee in accordance with the terms of the Tax Compliance Agreement. Notwithstanding any provision of the Tax Compliance Agreement or any other Security Document, nothing in the Tax Compliance Agreement, either expressed or implied, shall be deemed to impose upon the Trustee any responsibility for the legal sufficiency of the Tax Compliance Agreement to effect compliance with the Code nor any duty to independently review or verify any information or calculation furnished to the Trustee by the Program Facilitator.

Section 9.04. Compensation. The Trustee and Paying Agents shall be entitled to receive and collect from the Participant as provided in the Installment Sale Agreement payment or reimbursement for reasonable fees and expenses for services rendered hereunder and under each other Security Document and all advances, counsel fees (including expenses) and other expenses reasonably and necessarily made or incurred by the Trustee or Paying Agents in connection therewith. Upon an Event of Default (as defined in Section 8.01 hereof), but only upon an Event of Default, the Trustee and Paying Agents shall have a first right of payment prior to payment on account of the principal of or interest on any Bonds, upon the revenues (but not including any amounts held by the Trustee under Sections 10.01 or 13.02 hereof, any amounts required to satisfy amounts due under Section 4.3 of the Installment Sale Agreement or any amounts paid under the Bond Insurance Policy) for the foregoing advances, fees, costs and expenses incurred. The provisions of this Section shall survive the termination of this Indenture.

Section 9.05. Evidence on Which Trustee May Act. (a) In case at any time it shall be necessary or desirable for the Trustee to make any investigation respecting any fact preparatory to taking or not taking any action, or doing or not doing anything, as such Trustee, and in any case in which this Indenture provides for permitting or taking any action, it may rely conclusively upon any certificate required or permitted to be filed with it under the provisions of this Indenture, and any such certificate shall be evidence of such fact to protect it fully in any action that it may or may not take, or in respect of anything it may or may not do, in good faith, by reason of the supposed existence of such fact.

(b) The Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Indenture, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or document which it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person, or to have been prepared and furnished pursuant to any of the provisions of this

Indenture, or, at the sole cost and expense of the Participant, and when determined necessary in the reasonable discretion of the Trustee, upon the written opinion of any attorney (who may be an attorney for the Agency or an employee of the Participant), engineer, appraiser, architect or accountant believed by the Trustee to be qualified in relation to the subject matter.

Section 9.06. Trustee and Paying Agents May Deal in Bonds. Any national banking association, bank or trust company acting as a Trustee or Paying Agent, and its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Bonds, and may join in any action which any Bondholder may be entitled to take with like effect as if such association, bank or trust company were not such Trustee or Paying Agent.

Section 9.07. Resignation or Removal of Trustee. The Trustee may resign and thereby become discharged from the trusts created under this Indenture for any reason by giving written notice by first class mail, postage prepaid, to the Agency, the Program Facilitator, the Participant, the Bond Insurer and the Holders of all Bonds not less than sixty (60) days before such resignation is to take effect, but such resignation shall not take effect until the appointment and acceptance thereof of a successor Trustee pursuant to Section 9.08 hereof.

The Trustee may be removed at any time by an instrument or concurrent instruments in writing filed with the Trustee (with a copy to the Bond Insurer) and signed by the Agency or the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding or their attorneys-in-fact duly authorized. Such removal shall become effective either upon the appointment and acceptance of such appointment by a successor Trustee or at the date specified in the instrument of removal. The Trustee shall promptly give notice of such filing to the Agency, the Program Facilitator and the Participant. No removal shall take effect until the appointment and acceptance thereof of a successor Trustee pursuant to Section 9.08 hereof.

If the Trustee shall resign or shall be removed, such Trustee must transfer and assign to the successor Trustee, not later than the date of the acceptance by the successor Trustee of its appointment as such, or thirty (30) days from the date specified in the instrument of removal or resignation, if any, whichever shall last occur, (i) all amounts (including all investments thereof) held in any Fund, Account or Subaccount under this Indenture, together with a full accounting thereof, (ii) all records, files, correspondence, registration books, Bond inventory, all information relating to this Indenture and to Bond payment status (i.e., outstanding principal balances, principal payment and interest payment schedules, Sinking Fund Installment schedules, pending notices of redemption, payments made and to whom, delinquent payments, default or delinquency notices, deficiencies in any Fund, Account or Subaccount balance, etc.) and all such other information (in whatever form) relating to all Funds, Accounts and Subaccounts in the possession of the Trustee being removed or resigning, and (iii) all Security Documents and other documents or agreements, including, without limitation, all Uniform Commercial Code Financing Statements, all insurance policies or certificates, letters of credit or other instruments provided to the Trustee being removed or resigning (clauses (i), (ii) and (iii), together with the Trust Estate, being collectively referred to as the "Trust Corpus").

Section 9.08. Successor Trustee. (a) If at any time the Trustee shall be dissolved or otherwise become incapable of acting or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator thereof, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs, the position of Trustee shall thereupon become vacant. If the position of Trustee shall become vacant for any of the foregoing reasons or for any other reason or if the Trustee shall resign, the Participant shall cooperate with the Agency and the Agency (upon reasonable prior notice to the Bond Insurer) shall appoint a successor Trustee and shall use its best efforts to obtain acceptance of such trust by the successor Trustee within sixty (60) days from such vacancy or notice of resignation. Within twenty (20) days after such appointment and acceptance, the Agency shall notify in writing the other Notice Parties and the Holders of all Bonds.

(b) In the event of any such vacancy or resignation and if a successor Trustee shall not have been appointed within sixty (60) days of such vacancy or notice of resignation, the Holders of a majority in aggregate principal amount of the Bonds then Outstanding, by an instrument or concurrent instruments in writing, signed by such Bondholders or their attorneys-in-fact thereunto duly authorized and filed with the Agency, or the Agency, may appoint a successor Trustee which shall, immediately upon its acceptance of such trusts, and without further act, supersede the predecessor Trustee. If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section 9.08, within ninety (90) days of such vacancy or notice of resignation, the Holder of any Bond then Outstanding, the Agency or any retiring Trustee or the Participant may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor Trustee.

(c) Any successor Trustee appointed under this Section shall be a national banking association or a bank or trust company duly organized under the laws of any state of the United States authorized to exercise corporate trust powers under the laws of the State and authorized by law and its charter to perform all the duties imposed upon it by this Indenture and each other Security Document. At the time of its appointment, any successor Trustee shall (y) have a capital stock and surplus aggregating not less than \$100,000,000, and (z) have an investment grade rating of at least "Baa3" or "P-3" or be otherwise acceptable to the Rating Agency.

(d) Any predecessor Trustee shall transfer to any successor Trustee appointed under this Section as a result of a vacancy in the position the Trust Corpus by a date not later than thirty (30) days from the date of the acceptance by the successor Trustee of its appointment as such. Where no vacancy in the position of the Trustee has occurred, the transfer of the Trust Corpus shall take effect in accordance with the provisions of Section 9.07 hereof.

(e) Every successor Trustee shall execute, acknowledge and deliver to its predecessor, and also to the Agency, an instrument in writing accepting such appointment, and thereupon such successor Trustee, without any further act, deed, or conveyance, shall become fully vested with all moneys, estates, properties, rights, immunities, powers and trusts, and subject to all the duties and obligations, of its predecessor, with like effect as if originally named

as such Trustee; but such predecessor shall, nevertheless, on the written request of its successor or of the Agency, and upon payment of the compensation, expenses, charges and other disbursements of such predecessor which are due and payable pursuant to Section 9.04 hereof, execute and deliver an instrument certifying the transfer and delivery to such successor Trustee of all the estate, properties, rights, immunities, powers and trusts of such predecessor and the Trust Corpus, including the Bond Insurance Policy, all property and moneys, together with a full accounting thereof, held by it under this Indenture to its successor. Should any instrument in writing from the Agency be required by any successor Trustee for more fully and certainly vesting in such Trustee the estate, properties, rights, immunities, powers and trusts vested or intended to be vested in the predecessor Trustee, any such instrument in writing shall, on request, be executed, acknowledged and delivered by the Agency. Any successor Trustee shall promptly notify the other Notice Parties of its appointment as Trustee.

(f) Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a national banking association or a bank or trust company duly organized under the laws of any state of the United States and shall be authorized by law and its charter to perform all the duties imposed upon it by this Indenture and each other Security Document, shall be the successor to such Trustee without the execution or filing of any paper or the performance of any further act.

Section 9.09. Resignation or Removal of Paying Agent; Successor. (a) Any Paying 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 prior written notice to the Agency, the Bond Insurer and the Trustee. Any Paying Agent may be removed at any time by an instrument filed with such Paying Agent and the Trustee and signed by the Agency. Any successor Paying Agent shall be appointed by the Agency, and shall be a commercial bank or trust company duly organized under the laws of any state of the United States or a national banking association, having a capital stock and surplus aggregating at least \$40,000,000, having an investment grade rating of at least "Baa3" or "P-3" or be otherwise acceptable to the Rating Agency, and willing and able to accept the office on reasonable and customary terms and authorized by law and its charter to perform all the duties imposed upon it by this Indenture.

(b) In the event of the resignation or removal of any Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor, or if there be no successor, to the Trustee. In the event that for any reason there shall be a vacancy in the office of any Paying Agent, the Trustee shall act as such Paying Agent.

Section 9.10. Appointment of Co-Trustee. (a) It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction denying or restricting the right of banking corporations or associations to transact business as trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture or under any other Security Document, and in particular in case of the enforcement of any such documents on default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise

any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional institution as a separate trustee or co-trustee at the expense of the Participant. The following provisions of this Section are adapted to these ends.

(b) In the event that the Trustee appoints an additional institution as a separate trustee or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate trustee or co-trustee but only to the extent necessary to enable such separate trustee or co-trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate trustee or co-trustee shall run to and be enforceable by either of them. Such co-trustee may be removed by the Trustee at any time, with or without cause.

(c) Should any instrument in writing from the Agency be required by the separate trustee or co-trustee so appointed or removed by the Trustee for more fully and certainly vesting in and confirming to it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Agency. In case any separate trustee or co-trustee, or a successor to either, shall become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such separate trustee or co-trustee.

(d) No trustee shall be liable for the acts or omissions of any other trustee hereunder.

Section 9.11. Notice to Rating Agency. The Trustee shall provide the Rating Agency, if the Bonds should be rated, with written notice, if practicable, in advance or, if not practicable, promptly following, the effective date of (i) the appointment of any successor Trustee, (ii) any amendments to the Security Documents, or (iii) the redemption in whole or other payment in full of the Bonds or any Series thereof. A copy of any amendment or supplement to this Indenture or any other Security Document made pursuant to Section 11.03 or Section 12.03 hereof shall be delivered to the Rating Agency then rating the Bonds. The Trustee agrees to inform the Rating Agency of the above as a matter of courtesy and accommodation. However, the Trustee shall have no liability or obligation to the Rating Agency or to any other Person in the event that it should fail to furnish any such information a document.

Section 9.12. Trustee Not to Take into Account the Bond Insurance Policy. Notwithstanding any other provision of this Indenture to the contrary, in determining whether the rights of Bondholders will be adversely affected by any action taken pursuant to the terms and provisions of this Indenture, the Trustee (or Paying Agent) shall consider the effect on the Bondholders as if the Bond Insurance Policy did not exist.

ARTICLE X

DISCHARGE OF INDENTURE

Section 10.01. Defeasance. (a) If the Agency shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of all Bonds the principal or Redemption Price, if applicable, of, Sinking Fund Installments for, interest and all other amounts due or to become due thereon or in respect thereof, at the times and in the manner stipulated therein and in this Indenture, and all fees and expenses and other amounts due and payable under this Indenture and the Installment Sale Agreement, and any other amounts required to be rebated to the federal government pursuant to the Tax Compliance Agreement or this Indenture, shall be paid in full, and if all amounts due and owing to the Bond Insurer under the Bond Insurance Agreement shall be paid in full, then the pledge of any installment purchase payments, revenues or receipts from or in connection with the Security Documents or the Facility under this Indenture and the estate and rights hereby granted, and all covenants, agreements and other obligations of the Agency to the Bondholders hereunder shall thereupon cease, terminate and become void and be discharged and satisfied and the Bonds shall thereupon cease to be entitled to any lien, benefit or security hereunder, except as to moneys or securities held by the Trustee or the Paying Agents as provided below in this subsection. At the time of such cessation, termination, discharge and satisfaction, (1) the Trustee shall cancel and discharge the lien of this Indenture and of the Agency Mortgage and execute and deliver to the Participant all such instruments as may be appropriate to satisfy such liens, including the termination of financing statements, and to evidence such discharge and satisfaction, and (2) the Trustee and the Paying Agents shall pay over or deliver to the Agency or the Participant in accordance with Section 6.10 of the Installment Sale Agreement, or on their order, all moneys or securities held by them pursuant to this Indenture which are not required (i) for the payment of principal or Redemption Price, if applicable, of, Sinking Fund Installments for, or interest on Bonds not theretofore surrendered for such payment or redemption, (ii) for the payment of all such other amounts due or to become due under the Security Documents, or (iii) for the payments of any amounts the Trustee has been directed to pay to the federal government under the Tax Compliance Agreement or this Indenture. If the Agency shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of the Outstanding Bonds of a particular Series, or of a particular maturity or particular Bonds within a maturity of a particular Series, the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Indenture, such Bonds shall cease to be entitled to any lien, benefit or security under this Indenture, and all covenants, agreements and obligations of the Agency to the Holders of such Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

(b) If the Agency shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of some or all Bonds the principal or Redemption Price, if applicable, of, interest and all other amounts due or to become due thereon or in respect thereof, at the times and in the manner stipulated therein and in this Indenture, and all fees and expenses and other amounts due and payable under this Indenture, the Installment Sale Agreement and the Bond Insurance Agreement, and any other amounts required to be rebated to the federal government pursuant to the Tax Compliance Agreement or this Indenture, shall be paid in full, then the

pledge of any installment purchase payments, revenues or receipts from or in connection with the Security Documents or the Facility under this Indenture and the estate and rights hereby granted, and all covenants, agreements and other obligations of the Agency to such Bondholders hereunder shall thereupon cease, terminate and become void and be discharged and satisfied and such Bonds shall thereupon cease to be entitled to any lien, benefit or security hereunder, except as to moneys or securities held by the Trustee or the Paying Agents as provided below in this subsection. At the time of such cessation, termination, discharge and satisfaction, (1) the Trustee shall cancel and discharge the portion of the lien of the Agency Mortgage and execute and deliver to the Participant all such instruments as may be appropriate to satisfy such liens, including the termination of financing statements, and to evidence such discharge and satisfaction, and (2) the Trustee and the Paying Agents shall pay over or deliver to the Agency or the Participant in accordance with Section 6.10 of the Installment Sale Agreement, or on its order, all moneys or securities held by them pursuant to this Indenture which are not required (i) for the payment of principal or Redemption Price, if applicable, of, Sinking Fund Installments for, or interest on such Bonds not theretofore surrendered for such payment or redemption, (ii) for the payment of all such other amounts due or to become due under the Security Documents, or (iii) for the payments of any amounts the Trustee has been directed to pay to the federal government under the Tax Compliance Agreement or this Indenture.

(c) Bonds or interest installments for the payment or redemption of which moneys (or Government Obligations which shall not be subject to call or redemption prior to maturity and the full and timely payment of the principal of and interest on which when due, together with the moneys, if any, set aside at the same time, will provide funds sufficient for such payment or redemption) shall then be set aside and held in trust by the Trustee or Paying Agents, whether at or prior to the maturity or the redemption date of such Bonds, shall be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section, if (i) in case any such Bonds are to be redeemed prior to the maturity thereof, all action necessary to redeem such Bonds shall have been taken and notice of such redemption shall have been duly given or provision satisfactory under the requirements of this Indenture to the Trustee shall have been made for the giving of such notice, and (ii) if the maturity or redemption date of any such Bond shall not then have arrived, provision shall have been made by deposit with the Trustee or other methods satisfactory to the Trustee for the payment to the Holders of any such Bonds upon surrender thereof, whether or not prior to the maturity or redemption date thereof, of the full amount to which they would be entitled by way of principal or Redemption Price and interest and all other amounts then due under the Security Documents to the date of such maturity or redemption, and provision satisfactory to the Trustee shall have been made for the mailing of a notice to the Holders of such Bonds that such moneys are so available for such payment.

(d) Prior to any defeasance becoming effective as provided in Section 10.01(c) above, there shall have been delivered to the Agency, to the Bond Insurer and to the Trustee (A) an opinion of Nationally Recognized Bond Counsel to the effect that interest on any Tax-Exempt Bonds being discharged by such defeasance will not become subject to federal income taxation by reason of such defeasance, (B) a verification from an independent certified public accountant or firm of independent certified public accountants (in each case reasonably satisfactory to the Agency, the Bond Insurer and the Trustee) to the effect that the moneys and/or

Government Obligations are sufficient, without reinvestment, to pay the principal of, interest on, and redemption premium, if any, of the Bonds to be defeased, and (C) a reasoned Opinion of Counsel experienced in bankruptcy matters to the effect that payments of principal of and interest on the Bonds from the proceeds of any such deposit to effectuate a defeasance hereunder shall not constitute voidable preferences in a case commenced under the Federal Bankruptcy Code by or against the Participant or the Agency, and in case of insolvency, the escrow deposit will not be treated as part of the estate of the Agency or the Participant.

(e) If the Bonds are rated by the Rating Agency, then the Trustee shall give notice to the Rating Agency that rated the Bonds of any defeasance of all or any of the Bonds.

(f) Notwithstanding anything herein to the contrary, (1) in the event that the principal of and/or interest due on the Initial Bonds shall be paid by the Bond Insurer pursuant to the Bond Insurance Policy, the Initial Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Agency, and the assignment and pledge of the Trust Estate with respect to the Initial Bonds shall continue and run to the benefit of the Bond Insurer, and the Bond Insurer shall be subrogated to any and all rights of the Holders of the Initial Bonds and (2) any escrow agreement executed in connection with a defeasance of the Initial Bonds in accordance with this paragraph shall provide that: (i) any substitution of securities shall require a verification report from an independent certified public accountant (reasonably satisfactory to the Bond Insurer) and the prior written consent of the Bond Insurer, (ii) the Agency will not exercise any optional redemption of Initial Bonds secured by the escrow agreement or any other redemption other than mandatory sinking fund installment redemptions unless (1) the right to make any such redemption has been expressly reserved in the escrow agreement and such reservation has been disclosed in detail in the official statement for any refunding bonds, and (2) as a condition of any such redemption there shall be provided to the Bond Insurer a verification report from an independent certified public accountant (reasonably satisfactory to the Bond Insurer) as to the sufficiency of escrow receipts without reinvestment to meet the escrow requirements remaining following such redemption, and (iii) the Agency shall not amend the escrow agreement or enter into a forward purchase agreement or other agreement with respect to rights in the escrow without the prior written consent of the Bond Insurer.

(g) No provision of this Section 10.01, including any defeasance of Bonds, shall limit the rights of the Holder of any Bonds under Section 3.06, 3.07 or 3.09 hereof until such Bonds have been paid in full.

ARTICLE XI

AMENDMENTS OF INDENTURE

Section 11.01. Limitation on Modifications. This Indenture shall not be modified or amended in any respect except as provided in and in accordance with and subject to the provisions of this Article.

Section 11.02. Supplemental Indentures Without Bondholders' Consent or Bond Insurer's Consent. (a) The Agency and the Trustee may, from time to time and at any time, enter into Supplemental Indentures without consent of the Bondholders or the Bond Insurer (but with notices of such Supplemental Indenture to the Bond Insurer), for any of the following purposes:

(i) To cure any formal defect, omission or ambiguity in this Indenture or in any description of property subject to the lien hereof, if such action is not materially adverse to the interests of the Bondholders.

(ii) To grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, authority or security which may lawfully be granted or conferred and which are not contrary to or inconsistent with this Indenture as theretofore in effect.

(iii) To add to the covenants and agreements of the Agency in this Indenture other covenants and agreements to be observed by the Agency which are not contrary to or inconsistent with this Indenture as theretofore in effect.

(iv) To add to the limitations and restrictions in this Indenture other limitations and restrictions to be observed by the Agency which are not contrary to or inconsistent with this Indenture as theretofore in effect.

(v) To confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, this Indenture, of the properties of any Facility, or revenues or other income from or in connection with any Facility or of any other moneys, securities or funds, or to subject to the lien or pledge of this Indenture additional revenues, properties or collateral.

(vi) To modify or amend such provisions of this Indenture as shall, in the opinion of Nationally Recognized Bond Counsel, be necessary to assure that the interest on the Tax-Exempt Bonds not be includable in gross income for federal income tax purposes.

(vii) To effect any other change herein which, in the judgment of the Trustee, is not to the material prejudice of the Trustee or the Bondholders.

(viii) To modify, amend or supplement this Indenture or any Supplemental Indenture in such manner as to permit the qualification hereof and thereof

under the Trust Indenture Act of 1939 or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of the United States of America or of any of the states of the United States of America, and, if they so determine, to add to this Indenture or any Supplemental Indenture such other terms, conditions and provisions as may be permitted by said Trust Indenture Act of 1939 or similar federal statute.

(b) Before the Agency and the Trustee shall enter into any Supplemental Indenture pursuant to this Section, there shall have been filed with the Trustee an opinion of Nationally Recognized Bond Counsel addressed to the Agency, the Bond Insurer and the Trustee stating that such Supplemental Indenture is authorized or permitted by this Indenture and complies with its terms, and that upon execution it will be valid and binding upon the Agency in accordance with its terms.

Section 11.03. Supplemental Indentures With Bondholders' Consent. (a) Subject to the terms and provisions contained in this Article, the Holders of not less than a majority in aggregate principal amount of the Bonds affected thereby and then Outstanding shall have the right from time to time to consent to and approve the entering into by the Agency and the Trustee of any Supplemental Indenture as shall be deemed necessary or desirable by the Agency for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained herein. Nothing herein contained shall permit, or be construed as permitting, (i) a change in the times, amounts or currency of payment of the principal or Redemption Price, if applicable, of, Sinking Fund Installments for, or interest on any Outstanding Bonds, a change in the terms of redemption or maturity of the principal of or the interest on any Outstanding Bonds, or a reduction in the principal amount of or the Redemption Price of any Outstanding Bond or the rate of interest thereon, or any extension of the time of payment thereof, without the consent of the Holder of such Bond, (ii) the creation of a lien upon or pledge of revenues or installment purchase payments from or in connection with a Facility other than the liens or pledge created by this Indenture and the applicable Agency Mortgage, except as provided in this Indenture with respect to Additional Bonds, (iii) a preference or priority of any Bond or Bonds over any other Bond or Bonds, (iv) a reduction in the aggregate principal amount of Bonds required for consent to such Supplemental Indenture, or (v) a modification, amendment or deletion with respect to any of the terms set forth in this Section 11.03(a), without, in the case of items (ii) through and including (v) of this Section 11.03(a), the written consent of one hundred percent (100%) of the Holders of the Outstanding Bonds.

(b) If at any time the Agency shall determine to enter into any Supplemental Indenture for any of the purposes of this Section, it shall cause notice of the proposed Supplemental Indenture to be mailed, postage prepaid, to all Bondholders and the Bond Insurer. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture, as summarized by the Participant and shall state that a copy thereof is on file at the offices of the Trustee for inspection by all Bondholders and the Bond Insurer.

(c) Within one year after the date of such notice, the Agency and the Trustee may enter into such Supplemental Indenture in substantially the form described in such notice only if there shall have first been filed with the Trustee (i) the written consent of the Holders of not less than a majority in aggregate principal amount of the Bonds affected thereby and then Outstanding, or 100%, as the case may be, and (ii) an opinion of Nationally Recognized Bond Counsel addressed to the Agency, the Bond Insurer and the Trustee stating that such Supplemental Indenture is authorized or permitted by this Indenture and complies with its terms, and that upon execution it will be valid and binding upon the Agency in accordance with its terms. Each valid consent shall be effective only if accompanied by proof of the holding, at the date of such consent, of the Bonds with respect to which such consent is given. Any such consent shall be binding upon the Holder of the Bonds giving such consent and upon any subsequent Holder of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof), unless such consent is revoked in writing by the Holder of such Bonds giving such consent or a subsequent Holder thereof by filing such revocation with the Trustee prior to the execution of such Supplemental Indenture.

(d) If the Holders of not less than the percentage of Bonds required by this Section shall have consented to and approved the execution thereof as herein provided, no Holder of any Bond shall have any right to object to the execution of such Supplemental Indenture, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Agency from executing the same or from taking any action pursuant to the provisions thereof.

(e) Upon the execution of any Supplemental Indenture pursuant to the provisions of this Section, this Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the Agency, the Trustee and all Holders of Bonds then Outstanding shall thereafter be determined, exercised and enforced under this Indenture, subject in all respects to such modifications and amendments.

Section 11.04. Supplemental Indenture Part of this Indenture. Any Supplemental Indenture executed in accordance with the provisions of this Article shall thereafter form a part of this Indenture and all the terms and conditions contained in any such Supplemental Indenture as to any provisions authorized to be contained therein shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes. The Trustee shall execute any Supplemental Indenture entered into in accordance with the provisions of Sections 11.02 or 11.03 hereof.

Section 11.05. Consent of Bond Insurer. Notwithstanding any other provisions of this Article XI, for so long as a Bond Insurer Disqualification Event shall not have occurred and be continuing, consent by the Bond Insurer shall be deemed the consent of the Holders of the Initial Bonds and of the Holders of any other Bonds insured by the Bond Insurer, except in the cases where approval of all Bondholders is required herein, in which case the consents of both the Bondholders and the Bond Insurer shall be required.

ARTICLE XII

AMENDMENTS OF RELATED SECURITY DOCUMENTS

Section 12.01. Rights of Participant. Anything herein to the contrary notwithstanding, any Supplemental Indenture under Article XI hereof which materially and adversely affects any rights, powers and authority of the Participant under the Installment Sale Agreement or requires a revision of the Installment Sale Agreement shall not become effective unless and until the Participant shall have given its written consent to such Supplemental Indenture signed by an Authorized Representative of the Participant.

Section 12.02. Amendments of Related Security Documents Not Requiring Consent of Bondholders or Bond Insurer. The Agency and the Trustee may, without the consent of or notice to the Bondholders, and without the consent of the Bond Insurer (but with notice to the Bond Insurer), consent to any amendment, change or modification of any of the Related Security Documents for the purpose of curing any ambiguity or formal defect or omission therein or which, in the judgment of the Trustee is not materially to the prejudice of the Trustee or the Holders of the Bonds. The Trustee shall have no liability to any Bondholder or any other person for any action taken by it in good faith pursuant to this Section.

Section 12.03. Amendments of Related Security Documents Requiring Consent of Bondholders. Except as provided in Section 12.02 hereof, the Agency and the Trustee shall not consent to any amendment, change or modification of any of the Related Security Documents, without mailing of notice and the written approval or consent of the Holders of not less than a majority in aggregate principal amount of the Bonds affected thereby and at the time Outstanding given and procured as in Section 11.03 hereof set forth; provided, however, there shall be no amendment, change or modification (i) to the obligation of the Participant to make installment purchase payments under the Installment Sale Agreement with respect to the Bonds, without the prior written approval of any Bondholder or (ii) to the Tax Compliance Agreement, without the delivery of an opinion of Nationally Recognized Bond Counsel addressed to the Agency, the Bond Insurer and the Trustee to the effect that such amendment, change or modification will not cause the interest on any Series of Tax-Exempt Bonds to become includable in gross income for federal income tax purposes. If at any time the Participant shall request the consent of the Trustee to any such proposed amendment, change or modification, the Trustee shall cause notice of such proposed amendment, change or modification to be mailed in the same manner as is provided in Article XI hereof with respect to Supplemental Indentures. Such notice shall briefly set forth the nature of such proposed amendment, change or modification, as summarized by the Participant, and shall state that copies of the instrument embodying the same are on file at the principal office of the Trustee for inspection by all Bondholders and the Bond Insurer.

Section 12.04. Consents of the Bond Insurer. Notwithstanding any provision of this Indenture to the contrary, for so long as a Bond Insurer Disqualification Event shall not have occurred and be continuing, consent by the Bond Insurer to any amendment, change or modification to a Related Security Document shall be deemed the consent of the Holders of the Initial Bonds and of the Holders of any other Bonds insured by the Bond Insurer, except in the

cases where approval of all Bondholders is required herein, in which case the consents of both the Bondholders and the Bond Insurer shall be required.

ARTICLE XIII

MISCELLANEOUS

Section 13.01. Evidence of Signature of Bondholders and Ownership of Bonds.

(a) Any request, consent, revocation of consent, approval, objection or other instrument which this Indenture may require or permit to be signed and executed by the Bondholders may be in one or more instruments of similar tenor, and shall be signed or executed by any Bondholder in person or by his duly authorized attorney appointed in writing. Proof of the execution of any such instrument, or of an instrument appointing any such attorney, shall be sufficient for any purpose of this Indenture (except as otherwise therein expressly provided) if made in the following manner, or in any other manner satisfactory to the Trustee, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable: the fact and date of the execution by any Bondholder or his attorney of such instruments may be proved by a guarantee of the signature thereon by a member of the Stock Exchanges Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program in accordance with Securities and Exchange Commission Rule 17Ad-15, or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. For the purposes of the transfer or exchange of any Bond, the fact and date of the execution of the Bondholder or his attorney of the instrument of transfer shall be proved by a guarantee of the signature thereon by a member of the Stock Exchanges Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program in accordance with Securities and Exchange Commission Rule 17Ad-15. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such signature guarantee, certificate or affidavit shall also constitute sufficient proof of his authority.

(b) The ownership of Bonds and the amount, numbers and other identification shall be proved by the registry books.

(c) Except as otherwise provided in Section 11.03 hereof with respect to revocation of a consent, any request or consent by the owner of any Bond shall bind all future owners of such Bond in respect of anything done or suffered to be done by the Agency or the Trustee or any Paying Agent in accordance therewith.

Section 13.02. Moneys Held for Particular Bonds. The amounts held by the Trustee or Paying Agents for the payment of the principal or Redemption Price, if any, of, Sinking Fund Installments for, and interest due on any date with respect to particular Bonds shall, on and after such date and pending such payment, and subject to any rebate requirement as set forth in the Tax Compliance Agreement or this Indenture, be set aside on its books and held in trust by it for the Holders of the Bonds entitled thereto. Such amounts so held shall be uninvested.

Section 13.03. Notices. Any notice, demand, direction, certificate, Opinion of Counsel, request, instrument or other communication authorized or required by this Indenture to be given to or filed with the Agency, the Participant, the Program Facilitator or the Trustee shall be in writing and shall be given by hand delivery, Federal Express, or other reputable courier service, or by postage prepaid registered or certified mail, return receipt requested, and shall (except to the extent otherwise expressly provided herein) be deemed to have been given and received (whether actually received or not) (i) when received at the parties' addresses (listed in Appendix I) if hand delivered or sent by Federal Express, or other reputable courier service, and (ii) three (3) Business Days after being post-marked if sent by registered or certified mail, return receipt requested, addressed to the parties listed in Appendix I attached hereto:

The Agency, the Participant, the Bond Insurer, the Program Facilitator, the Rating Agency and the Trustee may, by like notice, designate any further or different addresses to which subsequent notices, demands, directions, certificates, Opinions of Counsel, requests, instruments or other communications hereunder shall be sent. Any notice, demand, direction, certificate, Opinion of Counsel, request, instrument or other communication hereunder shall, except as may expressly be provided herein, be deemed to have been delivered or given as of the date it shall have been mailed.

Section 13.04. Parties Interested Herein. (a) Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any Person, other than the Agency, the Participant, the Bond Insurer, the Trustee, the Paying Agents, the Holders of the Bonds and the Underwriter, to the extent applicable, any right, remedy or claim under or by reason of this Indenture or any covenant, condition or stipulation thereof; and all covenants, stipulations, promises and agreements in this Indenture contained by and on behalf of the Agency shall be for the sole and exclusive benefit of the Agency, the Participant, the Bond Insurer, the Trustee, the Paying Agents, the Holders of the Bonds and the Underwriter, to the extent applicable.

(b) The Bond Insurer is explicitly recognized as being a third party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder (excluding, however, the Agency's Reserved Rights); provided, however, that the Bond Insurer shall only exercise rights on behalf of the Initial Bonds and any other Bonds insured by the Bond Insurer (subject to the provisions of Section 7.10 of this Indenture).

Section 13.05. Partial Invalidity. In case any one or more of the provisions of this Indenture or of the Bonds shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Indenture or of the Bonds, but this Indenture and the Bonds shall be construed and enforced as if such illegal or invalid provision had not been contained therein. In case any covenant, stipulation, obligation or agreement of the Agency contained in the Bonds or in this Indenture shall for any reason be held to be in violation of the law, then such covenant, stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the Agency to the full extent permitted by law.

Section 13.06. Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 13.07. Laws Governing Indenture. The effect and meaning of this Indenture and the rights of all parties hereunder shall be governed by, and construed according to, the laws of the State, without regard to conflict of laws principles thereof.

Section 13.08. No Pecuniary Liability of Agency or Members. No provision, covenant or agreement contained in this Indenture or in the Bonds or any obligations herein or therein imposed upon the Agency or the breach thereof, shall constitute or give rise to or impose upon the Agency a pecuniary liability or a charge upon its general credit. In making the agreements, provisions and covenants set forth in this Indenture, the Agency has not obligated itself except with respect to the Facility and the application of the revenues, income and all other property therefrom, as hereinabove provided.

All covenants, stipulations, promises, agreements and obligations of the Agency contained herein shall be deemed to be covenants, stipulations, promises, agreements and obligations of the Agency and not of any member, director, officer, employee or agent of the Agency in his individual capacity, and no recourse shall be had for the payment of the principal or Redemption Price, if applicable, of, Sinking Fund Installments for, or interest on the Bonds or for any claim based thereon or hereunder against any member, director, officer, employee or agent of the Agency or any natural person executing the Bonds.

Section 13.09. Payments Due on Saturdays, Sundays and Holidays. In any case where any payment date of principal, Sinking Fund Installments and/or interest on the Bonds, or the date fixed for redemption of any Bonds, shall be a day other than a Business Day, then payment of such principal, Sinking Fund Installments and/or interest or the Redemption Price, if applicable, need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the principal, Sinking Funds Installment and/or interest payment date or the date fixed for redemption, as the case may be, except that interest shall not accrue for the period after such date.

Section 13.10. Priority of Indenture Over Liens. This Indenture and the Agency Mortgages are given in order to secure funds to pay for the Projects and by reason thereof, it is intended that this Indenture and the Agency Mortgages shall be superior to any laborers', mechanics' or materialmen's liens which may be placed upon the Facility subsequent to the recordation thereof. In compliance with Section 13 of the Lien Law, the Agency will receive the advances secured by this Indenture and the Agency Mortgages and will hold the right to receive such advances as a trust fund to be applied first for the purpose of paying the cost of improvements and that the Agency will apply the same first to the payment of the costs of improvements before using any part of the total of the same for any other purpose.


Section 13.11. Reference to Bond Insurer Ineffective. All references in this Indenture to the "Bond Insurer" shall be deemed of no force and effect when the Bond Insurance

Policy shall no longer be in effect and all amounts owed to the Bond Insurer under the Bond Insurance Agreement shall have been paid in full.


Section 13.12. Date for Reference Purposes Only. The date of this Indenture shall be for reference purposes only and shall not be construed to imply that this Indenture was executed on the date first above written. This Indenture was delivered on the Closing Date.

IN WITNESS WHEREOF, Orange County Industrial Development Agency, Orange County, New York, has caused these presents to be executed in its name and behalf by its Chairman, Administrative Director or other Authorized Representative of the Agency, and to evidence its acceptance of the trust hereby created, The Bank of New York has caused these presents to be signed in its name and behalf by an authorized representative, all as of the day and year first above written.

**ORANGE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

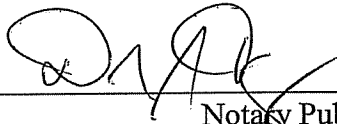
By 
William Trimble
Administrative Director

THE BANK OF NEW YORK,
as Trustee

By 
Christopher W. Palermo
Assistant Vice President

STATE OF NEW YORK)
 : ss.:
COUNTY OF NEW YORK)

On the 13th day of June, in the year two thousand six, before me, the undersigned, personally appeared Christopher W. Palermo, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person or entity upon behalf of which the individual acted, executed the instrument.



Notary Public

DAVID J. FERNANDEZ
Notary Public, State of New York
No. 5008526
Qualified in Nassau County
Commission Expires Feb 22, 2007

STATE OF NEW YORK)
 : ss.:
COUNTY OF ORANGE)

On the 9th day of June, in the year two thousand six, before me, the undersigned, personally appeared William Trimble, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person or entity upon behalf of which the individual acted, executed the instrument.



Notary Public

Eenika A. VanLeeuwen
Notary Public, State of New York
No. 01VA6113403
Qualified in Orange County
Commission expires July 26, 2008

APPENDICES

DESCRIPTION OF FACILITY REALTY

Description of Corbett Road Facility Realty

SECTION 19 BLOCK 2 LOT 72.32 ON THE TAX MAP OF ORANGE COUNTY

ALL that plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Town of Montgomery, Orange County, New York, bounded and described as follows:

BEGINNING at a iron pipe found in the easterly line of Corbett Road, said point being in the division line between lands now or formerly Malley on the west, Liber 2068 Page 223, and lands to be conveyed to Crystal Run Village, Inc. on the east, and

RUNNING THENCE the following courses and distance along lands now or formerly Malley:

1. North 51 degrees 10 minutes 52 seconds East 3.02 feet to an iron pipe found, for a total distance of 213.69 feet to a survey cap found;
2. THENCE North 39 degrees 03 minutes 25 seconds West 190.00 feet to an iron rod found;
3. THENCE South 51 degrees 14 minutes 40 seconds West 58.53 feet to an iron found in lands now or formerly Parlman, Thomas, Liber 4420 Page 114 and Liber 4400 Page 96;
4. THENCE along land now or formerly Parlman, Thomas North 31 degrees 14 minutes 43 seconds West 295.44 feet to an iron pipe found in lands now or formerly Dana, Liber 3626 Page 325;
5. THENCE along land now or formerly Dana North 79 degrees 49 minutes 10 seconds East 872.62 feet to a point in a stone wall in lands now or formerly Wagner, Liber 4989 Page 248;
6. THENCE along now or formerly Wagner South 15 degrees 25 minutes 50 seconds East 239.00 feet to a point;
7. THENCE still along the aforementioned South 11 degrees 10 minutes 50 seconds East 10.66 feet to a survey cap found in a rock wall in lands now or

Continued On Next Page

DESCRIPTION OF FACILITY REALTY

Description of Corbett Road Facility Realty (continued)

formerly Joyce, Liber 5267 Page 329;

8. THENCE along now or formerly Joyce, lands now or formerly Calani, Liber 5365 Page 32, and lands now or formerly Brenner, Liber 3939 Page 163, South 58 degrees 33 minutes 46 seconds West through an iron rod found at 281.06 feet, a survey cap found at 281.06, and a survey cap found at 92.52 feet, for a total distance 654.64;

9. THENCE along lands now or formerly Brenner South 51 degrees 10 minutes 52 seconds West 210.00 feet to a survey cap in the easterly line of Corbett Road;

10. THENCE along the easterly line of Corbett Road North 38 degrees 55 minutes 09 seconds West 80.00 feet to the BEGINNING POINT.

REFERENCE: Being Lot No. 7 shown on map entitled, "Survey and Subdivision Map of Lands of William H. Collier and William H. Collier III" filed in Orange County Clerk's Office December 16, 1994, Map No. 222-94.

Excepting, therefrom so much as was conveyed by deed dated 3/2/04 recorded 3/11/04 in Liber 11418 Page 1017.

Description of Carter Road Facility Realty

SECTION 25 BLOCK 1 LOT 3.33 ON THE TAX MAP OF ORANGE COUNTY

ALL that plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Town of Wawayanda, Orange County, New York, bounded and described as follows:

BEGINNING at an iron rod found in the southerly line of Carter Road, said point being in the division line between lands now or formerly Fehr on the west (Lot 2) Liber 4907 Page 34, and lands to be conveyed to Crystal Run Village, Inc., on the east (Lot 3), and

RUNNING THENCE along the southerly line of Carter Road North 66 degrees 01 minute 57 seconds East 100.00 feet to a point in lands now or formerly Ratajczak, Liber 4967 Page 123;

THENCE along lands now or formerly Ratajczak South 23 degrees 48 minutes 10 seconds East 398.45 feet to an iron rod found in lands now or formerly Marion Properties, Inc., Liber 2910 Page 24;

THENCE along lands now or formerly Marion Properties, Inc., South 68 degrees 05 minutes 00 seconds West 200.00 to an iron rod found in lands now or formerly Fehr;

THENCE along lands now or formerly Fehr North 35 degrees 46 minutes 21 seconds West 312.00 to a point;

THENCE still along the aforementioned North 38 degrees 29 minutes 16 seconds 185.92 feet to the BEGINNING POINT.

REFERENCE: Being Lot No. 3 shown on map entitled, "4 Lot Minor Subdivision for Marion Properties, Inc. filed in Orange County Clerk's Office on September 4; 1992, Map No. 183-92;

Description of Pine Tree Road Facility Realty

SECTION 232 BLOCK 1 LOT 7 ON THE TAX MAP OF ORANGE COUNTY

ALL that certain plot, piece or parcel of land with the buildings and improvements thereon erected, situate, lying and being in the Village of Monroe, Orange County, New York, bounded and described as follows:

BEGINNING at an iron found in the southerly line of Pine Tree Lane, said point being in the division line between lands now or formerly Vesilevich & Rodinkina on the east, Liber 4824 Page 48 (Lot 8), and lands to be conveyed to Crystal Run Village, Inc. on the west (Lot 7), and

RUNNING THENCE along now or formerly Vesilevich & Rodinkina South 42 degrees 22 minutes 28 seconds West 406.28 feet to a point in lands now or formerly Kopliner, Liber 3607 Page 255;

THENCE along lands now or formerly Kopliner North 36 degrees 26 minutes 02 seconds West 133.83 feet to a point;

THENCE still along the aforementioned North 34 degrees 34 minutes 09 seconds West 170.00 feet to a point in lands now or formerly Correa, Liber 3901 Page 283 (Lot 6);

THENCE along lands now or formerly Correa North 53 degrees 11 minutes 50 seconds East 251.86 to a point;

THENCE still along the aforementioned North 13 degrees 22 minutes 28 seconds East 114.23 feet to a point in the southerly line of Pine Tree Lane;

THENCE along the southerly line of Pine Tree Lane South 46 degrees 37 minutes 32 seconds East 312.13 feet to the BEGINNING POINT.

Description of Jacobs Road Facility Realty

SECTION 6 BLOCK 1 LOT 24.3 ON THE TAX MAP OF ORANGE COUNTY

ALL that plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Town of Minisink, Orange County, New York, bounded and described as follows:

BEGINNING at a point on the westerly line of Jacobs Road, said point being in the division line between lands now or formerly Moskal on the south, Liber 4653 Page 321 (Lot 2), and lands to conveyed to Crystal Run Village of the north (Lot 3), and

1. RUNNING THENCE along land or formerly Moskal North 46 degrees 17 minutes 49 seconds West, through iron pipes found on line at 97.2 feet and 207.7 feet, respectively, for a total distance of 419.62 feet to an iron pipe found in lands now or formerly Whitford Revocable Living Trust, Liber 3711 Page 47; :
2. THENCE along lands now or formerly Whitford Revocable Living Trust North 44 degrees 27 minutes 20 seconds East 218.00 feet to an iron pipe found in lands now or formerly Lombardo, Liber 4677 Page 247 (Lot 4);
3. THENCE along lands now or formerly Lombardo South 43 degrees 48 minutes 36 seconds East 414.76 feet to a point in the westerly line of Jacobs Road;
4. THENCE along the westerly line of Jacobs Road South 42 degrees 55 minutes 00 seconds West 178.63 feet to a point;
5. THENCE still the aforementioned South 43 degrees 52 minutes 00 seconds West 21.37 feet to the BEGINNING POINT.

REFERENCE: Being Lot No. 3 shown on map entitled, "Whitford Farm" filed in Orange County Clerk's Office April 11, 1988, Map No. 8810.

Description of Route 208 Facility Realty

SECTION 7 BLOCK 1 LOT 99.1 ON THE TAX MAP OF ORANGE COUNTY

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Town of Hamptonburgh, Orange County, New York, bounded and described as follows:

BEGINNING at a point in the westerly line of State Highway Route No. 208, said point being in the division line between lands now or formerly Santagata on the south, Liber 5135 Page 1 (Lot 2) and lands to be conveyed to Crystal Run Village, Inc., on the north (Lot 1), and

RUNNING THENCE the following courses and distances along lands now or formerly Santagata:

1. North 59 degrees 43 minutes 00 seconds West 133.61 feet to a point;
2. THENCE North 51 degrees 41 minutes 00 seconds West 191.89 feet to a point;
3. THENCE North 12 degrees 32 minutes 00 seconds West 298.68 feet to a point in Parcel No. 1412 Marcy South Transmission Facilities Right-of-Way;
4. THENCE along lands now or formerly Parcel No. 1412 Marcy South Transmission Facilities Right-of Way South 80 degrees 28 minutes 30 seconds East 200.77 feet to a point;
5. THENCE still along the aforementioned South 65 degrees 06 minutes 00 seconds East 349.70 feet to a point in the westerly line of State Highway Route No. 208;
6. THENCE along the westerly line of State Highway Route No. 208 South 31 degrees 48 minutes 00 seconds West 350.00 feet to the BEGINNING POINT.

REFERENCE: Being a portion of Lot 1 as shown on Pinjani Subdivision Map, filed in Orange County Clerk's Office on July 21, 1999 as Map No. 186-99.

Description of Depot Street Facility Realty

SECTION 2 BLOCK 1 LOT 33.21 ON THE TAX MAP OF ORANGE COUNTY

ALL that plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Town of Crawford, Orange County, New York, bounded and described as follows:

BEGINNING at the centerline of an existing right-of-way, said point being in the division line between lands now or formerly Moriano on the south, Liber 2187 Page 42, lands now or formerly Moriano on the west, Liber 2786 Page 10, Liber 2185 Page 218, Liber 2061 Page 708, and Liber 1584 Page 257, and lands to be conveyed to Crystal Run Village, Inc., on the north, and

1. RUNNING THENCE along the centerline of an existing right-of-way and lands now or formerly Moriano North 19 degrees 51 minutes 20 seconds West 106.88 feet to a point;

2. THENCE still along the aforementioned North 14 degrees 12 minutes 25 seconds West 29.06 feet to a point;

THENCE the following courses and distances along lands now or formerly Town of Crawford Sewer District No. 1, Liber 2239 Page 228:

3. North 75 degrees 47 minutes 35 seconds East 35.00 feet to a point;

4. THENCE North 14 degrees 12 minutes 25 seconds West 60.00 feet to a point;

5. THENCE South 75 degrees 47 minutes 35 seconds West 35.00 feet to a point in the centerline of an aforementioned right-of-way and lands now or formerly Moriano;

6. THENCE along said right-of-way and lands or formerly Moriano North 14 degrees 12 minutes 25 seconds West 11.87 feet;

7. THENCE still along the aforementioned North 17 degrees 55 minutes 25 seconds West 32.14 feet to a point in lands now or formerly Pine Bush Properties, Inc., Liber 5114 Page 121;

Description of Depot Street Facility Realty (continued)

8. THENCE along Pine Bush Properties, Inc., North 67 degrees 51 minutes 11 seconds East 442.85 feet to an iron rod found in lands now or formerly Moriano, Liber 2187 Page 42;

9. THENCE along lands now or formerly Moriano South 46 degrees 50 minutes 49 seconds East 229.08 feet to a point found in a large oak tree;

10. THENCE still along the aforementioned South 64 degrees 42 minutes 40 seconds West 560.00 to the BEGINNING POINT.

REFERENCE: Being Lot 1 of Subdivision Map Prepared for Susan Block, filed in Orange County Clerk's Office on July 2, 1993, Map No. 116-93.

Description of Arcadia Road Facility Realty

SECTION 18 BLOCK 1 LOT 12 ON THE TAX MAP OF ORANGE COUNTY

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Town of Goshen, Orange County, New York bounded and described as follows:

BEGINNING at a point in the centerline of Arcadia Road, said point in the division line between lands now or formerly Mulligan on the south Liber 2754 Page 304 and lands to be conveyed to Crystal Run Village, Inc. on the north; and

1. RUNNING THENCE along the centerline of Arcadia Road North 48 degrees 13 minutes 00 seconds East 300.00 feet to a point in lands now or formerly Gerasolo Liber 2145 Page 175;
2. THENCE through Arcadia Road along lands now or formerly Gerasols South 41 degrees 45 minutes 18 seconds East 362.02 feet to an iron pipe found in lands now or formerly Mulligan;
3. THENCE along lands now or formerly Mulligan South 46 degrees 14 minutes 00 seconds West 300.00 feet to an iron pipe set;
4. THENCE still along lands now or formerly Mulligan and through Arcadia Road North 41 degrees 47 minutes 00 seconds West 372.40 feet to the BEGINNING POINT.

Description of Lexington Drive Facility Realty

SECTION 26 BLOCK 10 LOT 14 ON THE TAX MAP OF ORANGE COUNTY

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Town of Newburgh, County of Orange and State of New York, as shown on a map filed in the Orange County Clerk's Office as Filed Map 9960, entitled "Subdivision Plat Orchard Meadows Subdivision," filed on July 8, 1990 and designated as Lot 26, more particularly bounded and described as follows:

BEGINNING at a point on the southerly line of Lexington Drive, said being the northwest corner of Lot 6 on a certain map entitled, "Subdivision Plat Orchard Meadows Subdivision," dated June 3, 1988, last revised December 29, 1988, prepared by Richard G. Bargar and filed in the Office of the Orange County Clerk on July 8, 1990 as Filed Map No. 9960, said lot also being the herein described parcel;

THENCE along the Lexington Drive south 68 degrees 35 minutes 51 seconds east 141.00 feet to the northeast corner of said Lot 6 and the northwest corner of Lot 5 on said Filed Map No. 9960;

THENCE along the division line between said Lot 6 and said Lot 5 south 22 degrees 18 minutes 17 seconds west 405.36 feet to a point on the northerly line of Lot 10 as shown on a map filed in the Orange County Clerk's Office as Filed Map 91-93;

THENCE along said Lot 10 in part and Lot 9 in part also shown on said Filed Map 91-93, north 65 degrees 24 minutes 00 seconds west 142.00 feet to the southwest corner of the herein described parcel and the southeast corner of said Lot 7 as shown on said Filed Map No. 9960;

THENCE north 22 degrees 26 minutes 05 seconds west 397.45 feet to the point or place of BEGINNING.

DESCRIPTION OF FACILITY EQUIPMENT

All equipment and other articles of personal property and all appurtenances and additions thereto and substitutions or replacements thereof, acquired, refinanced in whole or in part with the proceeds of the \$3,635,000 Series 2006G-1 and \$220,000 Series 2006G-2 (Federally Taxable) Orange County Industrial Development Agency's Civic Facility Revenue Bonds (Special Needs Facilities Pooled Program), pursuant to this Installment Sale Agreement (the "Installment Sale Agreement"), dated as of June 1, 2006, between Orange County Industrial Development Agency (the "Issuer") and Crystal Run Village, Inc. (the "Company") and now or hereafter attached to, contained in, or used in connection with the Facility (as such term is defined in such Installment Sale Agreement) or placed on any part thereof though not attached thereto, including but not limited to, all screens, furniture and fixtures, heating, lighting, plumbing, ventilating, air conditioning, sprinkler systems and other fire prevention and extinguishing apparatus and materials, equipment, fittings and fixtures.

[Form of Requisition from a Project Account of the Project Fund]

REQUISITION NO. _____

TO: The Bank of New York,
as Trustee

FROM: Crystal Run Village, Inc. (the "Participant")

Ladies and Gentlemen:

You are requested to draw from the Project Account-_____ of the Project Fund, established by Section 5.01 of the Indenture of Trust, dated as of June 1, 2006 (the "Indenture"), between the Orange County Industrial Development Agency (the "Agency") and yourself, a check or checks in the amounts, payable to the order of those persons and for the purpose of paying those costs set forth on Schedule A attached hereto. All capitalized terms used in this Requisition not otherwise defined herein shall have the meanings given such terms by the Indenture or by the Installment Sale Agreement referred to in the Indenture.

I hereby certify that

- (i) I am an Authorized Representative of the Participant;
- (ii) the number of this Requisition is ____;
- (iii) the items of cost set forth on Schedule A attached hereto are correct and proper under Section 5.02(b) of the Indenture and each such item has been properly paid or incurred as an item of Project Cost;
- (iv) none of the items for which this Requisition is made has formed the basis for any disbursement heretofore made from the Project Account-_____ of the Project Fund;
- (v) the payees and amounts stated in Schedule A attached hereto are true and correct and each item of cost so stated is due and owing;
- (vi) each such item stated in Schedule A attached hereto is a proper charge against the Project Account-_____ of the Project Fund;
- (vii) no Event of Default exists and is continuing under the Indenture or the Installment Sale Agreement or any other Security Document to which the Participant is a party nor any condition, event or act which, with notice or lapse of time or both would constitute such an Event of Default;
- (viii) I have no knowledge of any vendor's lien, mechanic's lien or security interest which should be satisfied or discharged before the payment herein requested is made or which will not be discharged by such payment;

(ix) each item of cost set forth in Schedule A attached hereto is consistent in all material respects with the Tax Compliance Agreement;

(x) if the payment herein requested is a reimbursement to the Participant for costs or expenses of the Participant incurred by reason of work performed or supervised by officers or employees of the Participant or any Affiliate, such officers or employees were specifically employed for such purpose and the amount to be paid does not exceed the actual cost thereof to the Participant and such costs or expenses will be treated by the Participant on its books as a capital expenditure in conformity with generally accepted accounting principles applied on a consistent basis; and

(xi) such item of cost for which payment is herein requested is chargeable to the capital account of the Project for federal income tax purposes, or would be so chargeable either with an election by the Participant or but for the election of the Participant to deduct the amount of such item.

Attached to this Requisition is a copy of the bills, invoices or other documents evidencing and supporting this Requisition.

Dated: _____

By _____,
Authorized Representative

SCHEDULE A TO REQUISITION NO. ____

Amount

Payee (with address)

Purpose

Receipt is hereby acknowledged of a payment in the amount of \$_____ in connection with the submission of the attached Requisition.

CRYSTAL RUN VILLAGE, INC.

By_____

William J. Sammis, Chief Financial Officer

Date: _____

APPENDIX A

[FORM OF FULLY REGISTERED SERIES 2006G-1 BOND]

THIS BOND SHALL NEVER CONSTITUTE A DEBT OR INDEBTEDNESS OF THE STATE OF NEW YORK OR OF ORANGE COUNTY, AND NEITHER THE STATE OF NEW YORK NOR ORANGE COUNTY SHALL BE LIABLE HEREON, NOR SHALL THIS BOND BE PAYABLE OUT OF ANY FUNDS OF THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY OTHER THAN THOSE PLEDGED THEREFOR

Bond Insurance Policy No. _____ (the "Policy") with respect to payments due for principal of and interest on this Bond has been issued by ACA Financial Guaranty Corporation ("ACA"). The Policy has been delivered to The Bank of New York, New York, New York, as Trustee, and will be held by such Trustee or any successor trustee. The Policy is on file and available for inspection at the principal office of the Trustee and a copy thereof may be secured from ACA. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Bond acknowledges and consents to the subrogation rights of ACA as more fully set forth in the Policy.

ORANGE COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
CIVIC FACILITY REVENUE BOND
(SPECIAL NEEDS FACILITIES POOLED PROGRAM), SERIES 2006G-1

Bond Date: CUSIP: _____

Maturity Date:

Registered Owner: Cede & Co.

Principal Amount:

Interest Rate:

Bond Number: G1R-__

Orange County Industrial Development Agency, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation, duly organized and existing under the laws of the State of New York (herein called the "Agency"), for value received, hereby promises to pay as hereinafter provided, solely from the installment purchase

payments, revenues and receipts derived from or in connection with the Facilities hereinafter referred to as provided in the Indenture hereinafter referred to, to the Registered Holder identified above or registered assigns, upon presentation and surrender hereof, on the Maturity Date set forth above, the Principal Amount set forth above, and in like manner to pay interest at the Interest Rate set forth above on the unpaid principal balance hereof from the Bond Date hereof until the Agency's obligation with respect to the payment of such Principal Amount shall be discharged. Payment of interest shall be made on the first day of January and the first day of July in each year (each an "Interest Payment Date"), commencing January 1, 2007 (or, if such day is not a Business Day, the immediately succeeding Business Day). Such interest shall be computed on the basis of a 360-day year of twelve 30-day months. In no event shall the interest rate payable hereon exceed the maximum permitted by, or enforceable under, applicable law. Payment shall be made in any coin or currency of the United States of America which, on the respective dates of payment, is legal tender for the payment of public and private debts.

This bond shall bear interest from the Bond Date indicated above, if authenticated prior to the first Interest Payment Date. If authenticated on or after the first Interest Payment Date, in exchange for or upon the registration of transfer of Bonds, this bond shall bear interest from and including the Interest Payment Date next preceding the date of the authentication hereof, unless the date of such authentication shall be an Interest Payment Date to which interest hereon has been paid in full or duly provided for, in which case, this bond shall bear interest from and including such Interest Payment Date.

Payment of Principal. The principal or Redemption Price of the Bonds shall be payable at the principal corporate trust office of The Bank of New York in New York, New York, as trustee (such bank and any successor thereto under the Indenture, the "Trustee") and paying agent (the "Paying Agent"), or at the corporate trust office of any successor Paying Agent.

Payment of Interest. Interest on this bond shall be payable to the person appearing on the registration books of the Trustee as the registered owner hereof on the Record Date (as defined in said Indenture) next preceding the Interest Payment Date (1) by check mailed on the Interest Payment Date to the registered owner or (2) by wire transfer on the Interest Payment Date to any owner of at least \$1,000,000 in aggregate principal amount of Bonds upon written notice provided by the owner to the Trustee not later than five (5) days prior to the Record Date for such interest payment; except that if and to the extent there shall be a default in the payment of the interest due on any Interest Payment Date, the defaulted interest shall be paid to the owners in whose names the Bonds are registered at the close of business on the fifth Business Day next preceding the date of payment of the defaulted interest. Interest payments made by check shall be mailed to each owner at his address as it appears on the registration books of the Bond Registrar on the applicable Record Date or at such other address as he may have filed with the Bond Registrar for that purpose and appearing on the registration books of the Bond Registrar on the applicable Record Date. Wire transfer payments of interest shall be made at such wire transfer address as the owner shall specify in his notice requesting payment by wire transfer.

Authorization and Purpose. This bond is one of an authorized issue of bonds designated as "Orange County Industrial Development Agency Civic Facility Revenue Bonds (Special Needs Facilities Pooled Program), Series 2006G-1" issued in the aggregate principal amount of \$3,635,000 (the "Series 2006G-1 Bonds"). The Series 2006G-1 Bonds, together with an authorized issue of bonds designated as "Orange County Industrial Development Agency Civic Facility Revenue Bonds (Special Needs Facilities Pooled Program), Series 2006G-2 (Federally Taxable)" issued in the aggregate principal amount of \$220,000 (the "Series 2006G-2 Bonds"; together with the Series 2006G-1 Bonds, the "Bonds"), are being issued under and pursuant to and in full compliance with the Constitution and laws of the State of New York, particularly the New York State Industrial Development Agency Act (constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York) and Chapter 390 of the 1972 Laws of New York, as amended (collectively, the "Act"), under and pursuant to a resolution adopted by the members of the Agency on May 17, 2006 authorizing the issuance of the Bonds and under and pursuant to an Indenture of Trust, dated as of June 1, 2006, made and entered into by and between the Agency and the Trustee (as the same may be amended or supplemented, the "Indenture"), for the purpose of financing or refinancing a portion of the cost of the acquisition, renovation, improvement, equipping and furnishing of several civic facilities (collectively, the "Facilities") within Orange County for Crystal Run Village, Inc. (the "Participant"), all for the provision of services to people with developmental disabilities or other special needs. The Participant will lease or sublease, as applicable, the Facility to the Agency pursuant to a Company Lease Agreement, dated as of June 1, 2006, between the Participant and the Agency (the "Company Lease"), and the Agency will sell its leasehold interest in the Facility under the Company Lease to the Participant pursuant to an Installment Sale Agreement, dated as of June 1, 2006 (as the same may be amended or supplemented, the "Installment Sale Agreement"). The Installment Sale Agreement requires the payment of installment purchase payments sufficient to provide for the payment of the principal or Redemption Price, if any, of, Sinking Fund Installments for, and interest on the Bonds as the same become due. Copies of the Indenture, the Company Lease, the Installment Sale Agreement, the Guaranty Agreement hereinafter referred to, the Agency Mortgage hereinafter referred to and the Bond Insurance Policy hereinafter referred to are on file at the principal corporate trust office of the Trustee in New York, New York, and reference is made to such documents for the provisions relating, among other things, to the terms and security of the Bonds, the charging and collection of installment purchase payments for the Facilities, the custody and application of the proceeds of the Bonds, the rights and remedies of the holders of the Bonds, and the rights, duties and obligations of the Agency, the Participant, the Trustee and the Bond Insurer hereinafter referred to. Reference is hereby made to the Indenture for the definition of any capitalized word or term used but not defined herein and for a description of the property pledged, assigned and otherwise available for the payment of the Bonds, the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Agency, the Trustee and the holders of the Bonds, and the terms upon which the Bonds are issued and secured.

Pledge and Security. Pursuant to the Indenture, the Agency has assigned to the Trustee substantially all of its right, title and interest in and to the Installment Sale Agreement, including all rights to receive installment purchase payments sufficient to pay the principal and redemption premium, if any, of, Sinking Fund Installments for, and interest and all other amounts due on the Bonds as the same become due, to be made by the Participant pursuant to the

Installment Sale Agreement. The Bonds are further secured by a mortgage lien on and security interest in each Facility owned by the Participant or an Affiliate (as defined in the Indenture) pursuant to an Agency Mortgage and Security Agreement, dated as of June 1, 2006, as the same may be amended or supplemented, from the Agency and the Participant to the Trustee and the Bond Insurer. The Participant has guaranteed the payment of the principal of, redemption premium, if any, Sinking Fund Installments for, and the interest on the Bonds pursuant to a Guaranty Agreement, dated as of June 1, 2006, as the same may be amended or supplemented, from the Participant to the Trustee and the Bond Insurer.

In addition, concurrently with the issuance of the Bonds, a non-cancelable financial guaranty insurance policy (the "Bond Insurance Policy") has been issued by ACA Financial Guaranty Corporation (the "Bond Insurer") to provide for the prompt payment of the principal of, interest and Sinking Fund Installments on the Bonds when due, to the extent that the Trustee has not received sufficient funds for such payment.

The Bonds are special obligations of the Agency and shall never constitute a debt of the State of New York or of Orange County, and neither the State of New York nor Orange County shall be liable thereon, nor shall the Bonds be payable out of any funds of the Agency other than those pledged therefor.

Additional Bonds. As provided in the Indenture, Additional Bonds may be issued from time to time in one or more series for the purpose of financing the cost of completing one or more Facilities, providing funds in excess of the net proceeds of insurance or eminent domain to repair, relocate, replace, rebuild or restore one or more Facilities in the event of damage, destruction or taking by eminent domain, providing extensions, additions or improvements to one or more Facilities, or refunding outstanding bonds. All bonds issued and to be issued under the Indenture are and will be equally secured by the pledge and covenants made therein, except as may otherwise be expressly provided in the Indenture.

General Interest Rate Limitation. Anything herein or in the Indenture to the contrary notwithstanding, the obligations of the Agency hereunder and under the Indenture shall be subject to the limitation that payments of interest or other amounts hereon shall not be required to the extent that receipt of any such payment by a holder of this bond would be contrary to the provisions of law applicable to such holder of this bond which would limit the maximum rate of interest which may be charged or collected by such holder of this bond.

Redemption of Series 2006G-1 Bonds. (A) Optional Redemption. The Series 2006G-1 Bonds are subject to redemption, on or after July 1, 2014, in whole or in part at any time at the option of the Agency (which option shall be exercised upon the giving of notice by the Participant of its intention to prepay installment purchase payments due under the Installment Sale Agreement), at the Redemption Prices (expressed as percentages of unpaid principal amount of the Series 2006G-1 Bonds to be redeemed) set forth below, plus accrued interest to the redemption date:

<u>Redemption Dates (both dates inclusive)</u>	<u>Redemption Prices</u>
July 1, 2014 to June 30, 2015	101.00%
July 1, 2015 to June 30, 2016	100.50
July 1, 2016 and thereafter	100.00

(B) Extraordinary Redemption. The Bonds are subject to redemption prior to maturity, at the option of the Agency exercised at the direction of the Participant, as a whole on any date (in the case of (y) an event described in clause (i) or (ii) below with respect to the last remaining Facility Component under the Company Lease and the Installment Sale Agreement, or (z) an event described in clause (iii) below) or in part on any Interest Payment Date in the case of an event described in clause (i) or (ii) below with respect to a Facility Component to the extent of the Net Proceeds received with respect thereto (or, if the Participant shall have been in default under the property insurance requirements of the Guaranty Agreement, to the extent of the net insurance proceeds as the Participant otherwise would have received by reason thereof) and to the extent that the affected Facility Component shall not be the last Facility Component remaining under the Company Lease or the Installment Sale Agreement, upon notice or waiver of notice as provided in the Indenture, at a Redemption Price of one-hundred percent (100%) of the unpaid principal amount thereof plus accrued interest to the date of redemption if one or more of the following events shall have occurred:

(i) A Facility Component of the Participant shall have been damaged or destroyed to such extent that as evidenced by a certificate of an Independent Engineer (as defined in the Indenture) filed with the Agency, the Bond Insurer and the Trustee (a) such Facility Component cannot be reasonably restored within a period of one (1) year from the date of such damage or destruction to the condition thereof immediately preceding such damage or destruction, (b) the Participant is thereby prevented or likely to be prevented from carrying on its normal operation at such Facility Component for a period of one (1) year from the date of such damage or destruction, or (c) the restoration cost of such Facility Component would exceed the total amount of all insurance proceeds, including any deductible amount, in respect of such damage or destruction; or

(ii) Title to, or the temporary use of, all or substantially all of a Facility Component of the Participant shall have been taken or condemned by a competent authority which taking or condemnation results, or is likely to result, in the Participant being thereby prevented or likely to be prevented from carrying on its normal operation at such Facility Component for a period of one (1) year from the date of such taking or condemnation, as evidenced by a certificate of an Independent Engineer filed with the Agency, the Bond Insurer and the Trustee; or

(iii) As a result of changes in the Constitution of the United States of America or of the State of New York or of legislative or executive action of said State or any political subdivision thereof or of the United States of America or by final decree or judgment of any court after the contest thereof by the Participant, the Installment Sale Agreement becomes void or unenforceable or impossible of performance in accordance with the intent and purpose of the

parties as expressed therein or unreasonable burdens or excessive liabilities are imposed upon the Participant by reason of the operation of the Facility.

If the Bonds are to be redeemed in whole as a result of the occurrence of any of the events described above, the Participant is required by the Installment Sale Agreement to deliver to the Agency, the Bond Insurer and the Trustee a certificate of an authorized representative of the Participant stating that, as a result of the occurrence of the event giving rise to such redemption, the Participant has discontinued, or at the earliest practicable date will discontinue, its operation of the Facility for its intended purposes.

(C) Mandatory Sinking Fund Installment Redemption. The Series 2006G-1 Bonds are subject to mandatory redemption by the Agency prior to maturity, in part by lot, at a Redemption Price equal to the principal amount thereof, together with accrued interest to the date of redemption, from mandatory Sinking Fund Installments on July 1 of the years and in the principal amounts set forth below, provided that the amounts of such Sinking Fund Installments shall be reduced by the credits provided for in the Indenture:

<u>Year</u>	<u>Sinking Fund Installment</u>	<u>Year</u>	<u>Sinking Fund Installment</u>
2017	\$ 130,000	2020	\$ 75,000
2018	90,000	2021 [†]	460,000
2019	90,000		

[†]Final maturity

(D) Mandatory Redemption from Excess Proceeds and Certain Other Amounts. The Series 2006G-1 Bonds are also subject to mandatory redemption by the Agency prior to maturity in whole at any time or in part by lot on any Interest Payment Date in the event and to the extent (i) excess Series 2006G-1 Bond proceeds remain after the completion of the Facility, (ii) excess title insurance or property insurance proceeds or condemnation awards shall remain after the application thereof pursuant to the Installment Sale Agreement and the Indenture, (iii) excess proceeds shall remain after the release or substitution by the Participant of its Facility Realty or its Facility Equipment pursuant to the Installment Sale Agreement, (iv) undisbursed Series 2006G-1 Bond proceeds allocable to a certain Facility with respect to which the Participant shall have given notice of its intent to abandon same pursuant to the Installment Sale Agreement, or (v) certain campaign funds received by the Participant and earmarked for specific Project Costs shall remain and not be required for completion of the Facility or related Project Costs, in each case at a Redemption Price equal to one-hundred percent (100%) of the principal amount of the Series 2006G-1 Bonds to be redeemed, together with interest accrued thereon to the date of redemption.

(E) Mandatory Redemption Upon Failure to Operate a Facility in Accordance With Applicable Law or Maintain Insurance. The Bonds are also subject to mandatory redemption prior to maturity, at the option of the Agency, as a whole only, on any Interest Payment Date, in the event (i) the Agency shall determine that the Participant is not operating its Facility or any portion thereof as a qualified "project" under the Act (as defined in the

Indenture), or is operating its Facility in violation of material applicable law, and the failure of the Participant to cure such noncompliance within the time periods set forth in its Installment Sale Agreement, or (ii) the Participant fails to obtain or maintain the public liability insurance with respect to its Facility required under its Installment Sale Agreement, and the Participant shall fail to cure such noncompliance within 10 days of the receipt by the Participant of written notice of such noncompliance from the Agency and a demand by the Agency on the Participant to cure such noncompliance, in either case, upon notice or waiver of notice as provided in the Indenture, at the Redemption Price of one hundred percent (100%) of the unpaid principal amount of the Bonds, together with interest accrued thereon to the date of redemption.

Redemption Procedures. If any of the Series 2006G-1 Bonds are to be called for redemption, the Indenture requires a copy of the redemption notice to be mailed at least thirty (30) days prior to such redemption date to the registered owner of each Series 2006G-1 Bond to be redeemed at the address shown on the registration books. All Series 2006G-1 Bonds so called for redemption will cease to bear interest after the date fixed for redemption if funds for their redemption are on deposit at the place of payment at that time. If notice of redemption shall have been given as aforesaid, the Series 2006G-1 Bonds called for redemption shall become due and payable on the redemption date, provided, however, that with respect to any optional redemption of the Series 2006G-1 Bonds as provided in this bond, such notice shall state that such redemption shall be conditional upon the receipt by the Trustee on or prior to the date fixed for such redemption of moneys sufficient to pay the principal of, redemption premium, if any, and interest on such Series 2006G-1 Bonds to be redeemed, and that if such moneys shall not have been so received said notice shall be of no force and effect and the Agency shall not be required to redeem such Series 2006G-1 Bonds. In the event that such notice of redemption contains such a condition and such moneys are not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received. If a notice of redemption shall be unconditional, or if the conditions of a conditional notice of redemption shall have been satisfied, then upon presentation and surrender of Series 2006G-1 Bonds so called for redemption at the place or places of payment, such Series 2006G-1 Bonds shall be redeemed.

In the event of a redemption of less than all the Outstanding Bonds of the same Series stated to mature on different dates, the principal amount of such Series of Bonds to be redeemed from a given maturity shall be selected by the Participant causing such redemption, in consultation with the Program Facilitator, and by lot within a maturity, provided that in selecting the principal amount of Bonds to be redeemed from a given maturity, the Participant shall designate principal amounts so as to minimize the number of Bonds Outstanding in amounts of less than \$5,000.

In the event of redemption of less than all the Outstanding Bonds of the same Series and maturity, the particular Bonds or portions thereof to be redeemed shall be selected by the Trustee from among Bonds of each maturity to be redeemed in \$5,000 increments (in the case of the Series 2006G-1 Bonds) in such manner as the Trustee in its discretion may deem fair and equitable, except that Bonds to be redeemed from Sinking Fund Installments shall be redeemed by lot, provided that the Trustee shall not select Bonds for redemption which would

result in a Holder with a principal amount of Bonds less than the minimum denomination to the extent practicable.

Amendment of Indenture. The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Agency and the rights of the holders of the Bonds at any time by the Agency with the consent of the Bond Insurer or, if a Bond Insurer Disqualification Event, as defined in the Indenture, shall have occurred and be continuing, the holders of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding thereunder. Any such consent shall be conclusive and binding upon each such holder and upon all future holders of each Bond and of any such Bond issued upon the transfer thereof, whether or not notation of such consent is made thereon.

Denominations. The Series 2006G-1 Bonds are issuable in the form of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof.

Exchange of Bonds. The holder of this bond may surrender the same, at the principal corporate trust office of the Trustee, in exchange for an equal aggregate principal amount of Series 2006G-1 Bonds of any of the authorized denominations of the same maturity as this bond, subject to the conditions and upon payment of the charges provided in the Indenture; provided, that if this bond shall be in an aggregate principal amount less than the minimum authorized denomination, this bond may be transferred in whole only. However, the Trustee will not be required to (i) transfer or exchange any Series 2006G-1 Bonds during the period between a Record Date and the following Interest Payment Date or during the period of fifteen (15) days next preceding any day for the mailing of a notice of redemption of Series 2006G-1 Bonds to be redeemed, or (ii) transfer or exchange any Series 2006G-1 Bonds selected, called or being called for redemption in whole or in part.

Transfer of Bonds. This bond is transferable, as provided in the Indenture, only upon the books of the Agency kept for that purpose at the principal corporate trust office of the Trustee by the registered owner hereof in person, or by his duly authorized attorney-in-fact, upon surrender of this bond (together with a written instrument of transfer in the form appearing on this bond duly executed by the registered owner or his duly authorized attorney-in-fact with a guaranty of the signature thereon by a member of the Stock Exchanges Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program in accordance with Securities and Exchange Commission Rule 17Ad-15), and thereupon a new fully registered Series 2006G-1 Bond in the same aggregate principal amount and maturity shall be issued to the transferee in exchange therefor as provided in the Indenture and upon payment of the charges therein prescribed. The Agency, the Participant, the Bond Registrar, the Trustee and any Paying Agent may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or Redemption Price hereof and interest due hereon and for all other purposes whatsoever.

Acceleration of Bonds. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all or a portion of the Bonds issued under the Indenture and then outstanding may be declared and may become due and payable before the stated maturity thereof, together with accrued interest thereon.

Limitation on Bondholder Enforcement Rights. The holder of this bond shall have no right to enforce the provisions of the Indenture, to institute action to enforce the provisions and covenants thereof or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture.

Special Obligation of the Agency. This bond and the issue of which it forms a part are special obligations of the Agency, payable by the Agency solely out of the installment purchase payments, revenues or other receipts, funds or moneys of the Agency pledged under the Indenture and from any amounts otherwise available under the Indenture for the payment of the Bonds.

Estoppel Clause. It is hereby certified, recited and declared that all conditions, acts and things required by law and the Indenture to exist, to have happened and to have been performed precedent to and in the issuance of this bond, exist, have happened and have been performed, and that the issuance of this bond and the issue of which it forms a part are within every debt and other limit prescribed by the laws of the State of New York.

No Personal Liability. Neither the members, directors, officers or agents of the Agency nor any person executing this bond shall be liable personally or be subject to any personal liability or accountability by reason of the issuance hereof.

Authentication by Trustee. This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been signed by the Trustee.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, Orange County Industrial Development Agency has caused this bond to be executed in its name by the manual or facsimile signature of its Chairman, Administrative Director or other Authorized Representative of the Agency and its official seal or a facsimile thereof to be hereunto impressed or imprinted hereon and attested by the manual or facsimile signature of its Secretary, all as of the Bond Date indicated above.

ORANGE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

(SEAL)

ATTEST:

By _____
William Trimble, Administrative Director

Secretary

(FORM OF CERTIFICATE OF AUTHENTICATION)

CERTIFICATE OF AUTHENTICATION

This bond is one of the Series 2006G-1 Bonds of the issue described in the within-mentioned Indenture.

THE BANK OF NEW YORK,
as Trustee

By _____
Authorized Signatory

Date of Authentication: _____

(FORM OF ASSIGNMENT)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto

(Please print or typewrite name, address and taxpayer identification number of transferee)

the within bond and does hereby irrevocably constitute and appoint _____
Attorney to transfer such bond on the books kept for the registration thereof, with full power of
substitution in the premises.

Dated: _____

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

SIGNATURE GUARANTEED
MEDALLION GUARANTEED

Authorized Signature
(Signature Guarantee Program Name)

(Signature Guarantee must be a member of
the Stock Exchanges Medallion Program or
the New York Stock Exchange, Inc.
Signature Program in accordance with
Securities and Exchange Commission Rule
17Ad-15)

[END OF FORM OF SERIES 2006G-1 BOND]

[FORM OF FULLY REGISTERED SERIES 2006G-2 BOND]

THIS BOND SHALL NEVER CONSTITUTE A DEBT OR INDEBTEDNESS OF THE STATE OF NEW YORK OR OF ORANGE COUNTY, AND NEITHER THE STATE OF NEW YORK NOR ORANGE COUNTY SHALL BE LIABLE HEREON, NOR SHALL THIS BOND BE PAYABLE OUT OF ANY FUNDS OF THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY OTHER THAN THOSE PLEDGED THEREFOR

Bond Insurance Policy No. _____ (the "Policy") with respect to payments due for principal of and interest on this Bond has been issued by ACA Financial Guaranty Corporation ("ACA"). The Policy has been delivered to The Bank of New York, New York, New York, as Trustee, and will be held by such Trustee or any successor trustee. The Policy is on file and available for inspection at the principal office of the Trustee and a copy thereof may be secured from ACA. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Bond acknowledges and consents to the subrogation rights of ACA as more fully set forth in the Policy.

ORANGE COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
CIVIC FACILITY REVENUE BOND
(SPECIAL NEEDS FACILITIES POOLED PROGRAM),
SERIES 2006G-2 (FEDERALLY TAXABLE)

Bond Date: CUSIP: _____

Maturity Date:

Registered Owner: Cede & Co.

Principal Amount:

Interest Rate:

Bond Number: G2R-__

Orange County Industrial Development Agency, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation, duly organized and existing under the laws of the State of New York (herein called the "Agency"), for value received, hereby promises to pay as hereinafter provided, solely from the installment purchase payments, revenues and receipts derived from or in connection with the Facilities hereinafter

referred to as provided in the Indenture hereinafter referred to, to the Registered Holder identified above or registered assigns, upon presentation and surrender hereof, on the Maturity Date set forth above, the Principal Amount set forth above, and in like manner to pay interest at the Interest Rate set forth above on the unpaid principal balance hereof from the Bond Date hereof until the Agency's obligation with respect to the payment of such Principal Amount shall be discharged. Payment of interest shall be made on the first day of January and the first day of July in each year (each, an "Interest Payment Date"), commencing January 1, 2007 (or, if such day is not a Business Day, the immediately succeeding Business Day). Such interest shall be computed on the basis of a 360-day year of twelve 30-day months. In no event shall the interest rate payable hereon exceed the maximum permitted by, or enforceable under, applicable law. Payment shall be made in any coin or currency of the United States of America which, on the respective dates of payment, is legal tender for the payment of public and private debts.

This bond shall bear interest from the Bond Date indicated above, if authenticated prior to the first Interest Payment Date. If authenticated on or after the first Interest Payment Date, in exchange for or upon the registration of transfer of Bonds, this bond shall bear interest from and including the Interest Payment Date next preceding the date of the authentication hereof, unless the date of such authentication shall be an Interest Payment Date to which interest hereon has been paid in full or duly provided for, in which case, this bond shall bear interest from and including such Interest Payment Date.

Payment of Principal. The principal or Redemption Price of the Bonds shall be payable at the principal corporate trust office of The Bank of New York in New York, New York, as trustee (such bank and any successor thereto under the Indenture, the "Trustee") and paying agent (the "Paying Agent"), or at the corporate trust office of any successor Paying Agent.

Payment of Interest. Interest on this bond shall be payable to the person appearing on the registration books of the Trustee as the registered owner hereof on the Record Date (as defined in said Indenture) next preceding the Interest Payment Date (1) by check mailed on the Interest Payment Date to the registered owner or (2) by wire transfer on the Interest Payment Date to any owner of at least \$1,000,000 in aggregate principal amount of Bonds upon written notice provided by the owner to the Trustee not later than five (5) days prior to the Record Date for such interest payment; except that if and to the extent there shall be a default in the payment of the interest due on any Interest Payment Date, the defaulted interest shall be paid to the owners in whose names the Bonds are registered at the close of business on the fifth Business Day next preceding the date of payment of the defaulted interest. Interest payments made by check shall be mailed to each owner at his address as it appears on the registration books of the Bond Registrar on the applicable Record Date or at such other address as he may have filed with the Bond Registrar for that purpose and appearing on the registration books of the Bond Registrar on the applicable Record Date. Wire transfer payments of interest shall be made at such wire transfer address as the owner shall specify in his notice requesting payment by wire transfer.

Authorization and Purpose. This bond is one of an authorized issue of bonds designated as "Orange County Industrial Development Agency Civic Facility Revenue Bonds

(Special Needs Facilities Pooled Program), Series 2006G-2 (Federally Taxable)” issued in the aggregate principal amount of \$220,000 (the “Series 2006G-2 Bonds”). The Series 2006G-2 Bonds, together with an authorized issue of bonds designated as “Orange County Industrial Development Agency Civic Facility Revenue Bonds (Special Needs Facilities Pooled Program), Series 2006G-1” issued in the aggregate principal amount of \$3,635,000 (the “Series 2006G-1 Bonds”); together with the Series 2006G-2 Bonds, the “Bonds”), are being issued under and pursuant to and in full compliance with the Constitution and laws of the State of New York, particularly the Orange County Industrial Development Agency Act (constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York) and Chapter 390 of the 1972 Laws of New York, as amended (collectively, the “Act”), under and pursuant to a resolution adopted by the members of the Agency on May 17, 2006 authorizing the issuance of the Bonds and under and pursuant to an Indenture of Trust, dated as of June 1, 2006, made and entered into by and between the Agency and the Trustee (as the same may be amended or supplemented, the “Indenture”), for the purpose of financing or refinancing a portion of the cost of the acquisition, renovation, improvement, equipping and furnishing of several civic facilities (collectively, the “Facility”) within Orange County for Crystal Run Village, Inc. (the “Participant”), all for the provision of services to people with developmental disabilities or other special needs. The Participant will lease or sublease, as applicable, its Facility to the Agency pursuant to a Company Lease Agreement, dated as of June 1, 2006, between the Participant and the Agency (the “Company Lease”), and the Agency will sell its leasehold interest in such Facility under the Company Lease to the Participant pursuant to an Installment Sale Agreement, dated as of June 1, 2006 (the “Installment Sale Agreement”). The Installment Sale Agreement, in the aggregate, require the payment of installment purchase payments sufficient to provide for the payment of the principal or Redemption Price, if any, of, Sinking Fund Installments for, and interest on the Bonds as the same become due. Copies of the Indenture, the Company Lease, the Installment Sale Agreement, the Guaranty Agreement hereinafter referred to, the Agency Mortgage hereinafter referred to and the Bond Insurance Policy hereinafter referred to are on file at the principal corporate trust office of the Trustee in New York, New York, and reference is made to such documents for the provisions relating, among other things, to the terms and security of the Bonds, the charging and collection of installment purchase payments for the Facilities, the custody and application of the proceeds of the Bonds, the rights and remedies of the holders of the Bonds, and the rights, duties and obligations of the Agency, the Participant, the Trustee and the Bond Insurer hereinafter referred to. Reference is hereby made to the Indenture for the definition of any capitalized word or term used but not defined herein and for a description of the property pledged, assigned and otherwise available for the payment of the Bonds, the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Agency, the Trustee and the holders of the Bonds, and the terms upon which the Bonds are issued and secured.

Pledge and Security. Pursuant to the Indenture, the Agency has assigned to the Trustee substantially all of its right, title and interest in and to the Installment Sale Agreement, including all rights to receive installment purchase payments sufficient to pay the principal and redemption premium, if any, of, Sinking Fund Installments for, and interest and all other amounts due on the Bonds as the same become due, to be made by the Participant pursuant to the Installment Sale Agreement. The Bonds are further secured by a mortgage lien on and security interest in each Facility owned by the Participant or an Affiliate (as defined in the Indenture)

pursuant to an Agency Mortgage and Security Agreement, dated as of June 1, 2006, as the same may be amended or supplemented, from the Agency and the Participant to the Trustee and the Bond Insurer. The Participant has guaranteed the payment of the principal of, redemption premium, if any, Sinking Fund Installments for, and the interest on the Bonds pursuant to a Guaranty Agreement, dated as of June 1, 2006, as the same may be amended or supplemented, from the Participant to the Trustee and the Bond Insurer.

In addition, concurrently with the issuance of the Bonds, a non-cancelable financial guaranty insurance policy (the "Bond Insurance Policy") has been issued by ACA Financial Guaranty Corporation (the "Bond Insurer") to provide for the prompt payment of the principal of, interest and Sinking Fund Installments on the Bonds when due, to the extent that the Trustee has not received sufficient funds for such payment.

The Bonds are special obligations of the Agency and shall never constitute a debt of the State of New York or of Orange County, and neither the State of New York nor Orange County shall be liable thereon, nor shall the Bonds be payable out of any funds of the Agency other than those pledged therefor.

Additional Bonds. As provided in the Indenture, Additional Bonds may be issued from time to time in one or more series for the purpose of financing the cost of completing one or more Facilities, providing funds in excess of the net proceeds of insurance or eminent domain to repair, relocate, replace, rebuild or restore the Facility in the event of damage, destruction or taking by eminent domain, providing extensions, additions or improvements to one or more Facilities, or refunding outstanding bonds. All bonds issued and to be issued under the Indenture are and will be equally secured by the pledge and covenants made therein, except as may otherwise be expressly provided in the Indenture.

General Interest Rate Limitation. Anything herein or in the Indenture to the contrary notwithstanding, the obligations of the Agency hereunder and under the Indenture shall be subject to the limitation that payments of interest or other amounts hereon shall not be required to the extent that receipt of any such payment by a holder of this bond would be contrary to the provisions of law applicable to such holder of this bond which would limit the maximum rate of interest which may be charged or collected by such holder of this bond.

Redemption of Series 2006G-2 Bonds. (A) No Optional Redemption. The Series 2006G-2 Bonds are not subject to optional redemption prior to maturity.

(B) Extraordinary Redemption. The Bonds are subject to redemption prior to maturity, at the option of the Agency exercised at the direction of the Participant, as a whole on any date (in the case of (y) an event described in clause (i) or (ii) below with respect to the last remaining Facility Component under the Company Lease and the Installment Sale Agreement, or (z) an event described in clause (iii) below) or in part on any Interest Payment Date in the case of an event described in clause (i) or (ii) below with respect to a Facility Component to the extent of the Net Proceeds received with respect thereto (or, if the Participant shall have been in default under the property insurance requirements of its Guaranty Agreement, to the extent of the net insurance proceeds as the Participant otherwise would have received by reason thereof) and to

the extent that the affected Facility Component shall not be the last Facility Component remaining under the Company Lease or the Installment Sale Agreement, upon notice or waiver of notice as provided in the Indenture, at a Redemption Price of 100% of the unpaid principal amount thereof plus accrued interest to the date of redemption if one or more of the following events shall have occurred:

(i) A Facility Component of the Participant shall have been damaged or destroyed to such extent that as evidenced by a certificate of an Independent Engineer (as defined in the Indenture) filed with the Agency, the Bond Insurer and the Trustee (a) such Facility Component cannot be reasonably restored within a period of one (1) year from the date of such damage or destruction to the condition thereof immediately preceding such damage or destruction, (b) the Participant is thereby prevented or likely to be prevented from carrying on its normal operation at such Facility Component for a period of one (1) year from the date of such damage or destruction, or (c) the restoration cost of such Facility Component would exceed the total amount of all insurance proceeds, including any deductible amount, in respect of such damage or destruction; or

(ii) Title to, or the temporary use of, all or substantially all of a Facility Component of the Participant shall have been taken or condemned by a competent authority which taking or condemnation results, or is likely to result, in the Participant being thereby prevented or likely to be prevented from carrying on its normal operation at such Facility Component for a period of one (1) year from the date of such taking or condemnation, as evidenced by a certificate of an Independent Engineer filed with the Agency, the Bond Insurer and the Trustee; or

(iii) As a result of changes in the Constitution of the United States of America or of the State of New York or of legislative or executive action of said State or any political subdivision thereof or of the United States of America or by final decree or judgment of any court after the contest thereof by the Participant, the Installment Sale Agreement becomes void or unenforceable or impossible of performance in accordance with the intent and purpose of the parties as expressed therein or unreasonable burdens or excessive liabilities are imposed upon the Participant by reason of the operation of the Facility.

If the Bonds are to be redeemed in whole as a result of the occurrence of any of the events described above, the Participant is required by its Installment Sale Agreement to deliver to the Agency, the Bond Insurer and the Trustee a certificate of an authorized representative of the Participant stating that, as a result of the occurrence of the event giving rise to such redemption, the Participant has discontinued, or at the earliest practicable date will discontinue, its operation of its Facility for its intended purposes.

(C) Mandatory Sinking Fund Installment Redemption. The Series 2006G-2 Bonds are subject to mandatory redemption by the Agency prior to maturity, in part by lot, at a Redemption Price equal to the principal amount thereof, together with accrued interest to the date of redemption, from mandatory Sinking Fund Installments on July 1 of the years and in the principal amounts set forth below, provided that the amounts of such Sinking Fund Installments shall be reduced by the credits provided for in the Indenture:

<u>Year</u>	<u>Sinking Fund Installment</u>
2007	\$ 115,000
2008 [†]	105,000

[†]Final maturity

(D) Mandatory Redemption Upon Failure to Operate a Facility in Accordance With Applicable Law or Maintain Insurance. The Bonds are also subject to mandatory redemption prior to maturity, at the option of the Agency, as a whole only, on any Interest Payment Date, in the event (i) the Agency shall determine that the Participant is not operating its Facility or any portion thereof as a qualified “project” under the Act (as defined in the Indenture), or is operating its Facility in violation of material applicable law, and the failure of the Participant to cure such noncompliance within the time periods set forth in the Installment Sale Agreement, or (ii) the Participant fails to obtain or maintain the public liability insurance with respect to the Facility required under the Installment Sale Agreement, and the Participant shall fail to cure such noncompliance within 10 days of the receipt by the Participant of written notice of such noncompliance from the Agency and a demand by the Agency on the Participant to cure such noncompliance, in either case, upon notice or waiver of notice as provided in the Indenture, at the Redemption Price of one hundred percent (100%) of the unpaid principal amount of the Bonds, together with interest accrued thereon to the date of redemption.

Redemption Procedures. If any of the Series 2006G-2 Bonds are to be called for redemption, the Indenture requires a copy of the redemption notice to be mailed at least thirty (30) days prior to such redemption date to the registered owner of each Series 2006G-2 Bond to be redeemed at the address shown on the registration books. All Series 2006G-2 Bonds so called for redemption will cease to bear interest after the date fixed for redemption if funds for their redemption are on deposit at the place of payment at that time. If notice of redemption shall have been given as aforesaid, the Series 2006G-2 Bonds called for redemption shall become due and payable on the redemption date, provided, however, that with respect to any optional redemption of the Series 2006G-2 Bonds as provided in this bond, such notice shall state that such redemption shall be conditional upon the receipt by the Trustee on or prior to the date fixed for such redemption of moneys sufficient to pay the principal of, redemption premium, if any, and interest on such Series 2006G-2 Bonds to be redeemed, and that if such moneys shall not have been so received said notice shall be of no force and effect and the Agency shall not be required to redeem such Series 2006G-2 Bonds. In the event that such notice of redemption contains such a condition and such moneys are not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received. If a notice of redemption shall be unconditional, or if the conditions of a conditional notice of redemption shall have been satisfied, then upon presentation and surrender of Series 2006G-2 Bonds so called for redemption at the place or places of payment, such Series 2006G-2 Bonds shall be redeemed.

In the event of a redemption of less than all the Outstanding Bonds of the same Series stated to mature on different dates, the principal amount of such Series of Bonds to be

redeemed from a given maturity shall be selected by the Participant causing such redemption, in consultation with the Program Facilitator, and by lot within a maturity, provided that in selecting the principal amount of Bonds to be redeemed from a given maturity, the Participant shall designate principal amounts so as to minimize the number of Bonds Outstanding in amounts of less than \$5,000.

In the event of redemption of less than all the Outstanding Bonds of the same Series and maturity, the particular Bonds or portions thereof to be redeemed shall be selected by the Trustee from among Bonds of each maturity to be redeemed in \$1,000 increments (in the case of the Series 2006G-2 Bonds) in such manner as the Trustee in its discretion may deem fair and equitable, except that Bonds to be redeemed from Sinking Fund Installments shall be redeemed by lot, provided that the Trustee shall not select Bonds for redemption which would result in a Holder with a principal amount of Bonds less than the minimum denomination to the extent practicable.

Amendment of Indenture. The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Agency and the rights of the holders of the Bonds at any time by the Agency with the consent of the Bond Insurer, or, if a Bond Insurer Disqualification Event, as defined in the Indenture, shall have occurred and be continuing, the holders of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding thereunder. Any such consent shall be conclusive and binding upon each such holder and upon all future holders of each Bond and of any such Bond issued upon the transfer thereof, whether or not notation of such consent is made thereon.

Denominations. The Series 2006G-2 Bonds are issuable in the form of fully registered bonds in the denomination of \$5,000 or any integral multiple of \$1,000 in excess thereof.

Exchange of Bonds. The holder of this bond may surrender the same, at the principal corporate trust office of the Trustee, in exchange for an equal aggregate principal amount of Series 2006G-2 Bonds of any of the authorized denominations of the same maturity as this bond, subject to the conditions and upon payment of the charges provided in the Indenture; provided, that if this bond shall be in a principal amount less than the minimum authorized denomination, this bond may be transferred in whole only. However, the Trustee will not be required to (i) transfer or exchange any Series 2006G-2 Bonds during the period between a Record Date and the following Interest Payment Date or during the period of fifteen (15) days next preceding any day for the mailing of a notice of redemption of Series 2006G-2 Bonds to be redeemed, or (ii) transfer or exchange any Series 2006G-2 Bonds selected, called or being called for redemption in whole or in part.

Transfer of Bonds. This bond is transferable, as provided in the Indenture, only upon the books of the Agency kept for that purpose at the principal corporate trust office of the Trustee by the registered owner hereof in person, or by his duly authorized attorney-in-fact, upon surrender of this bond (together with a written instrument of transfer in the form appearing on this bond duly executed by the registered owner or his duly authorized attorney-in-fact with a guaranty of the signature thereon by a member of the Stock Exchanges Medallion Program or the

New York Stock Exchange, Inc. Medallion Signature Program in accordance with Securities and Exchange Commission Rule 17Ad-15), and thereupon a new fully registered Series 2006G-2 Bond in the same aggregate principal amount and maturity shall be issued to the transferee in exchange therefor as provided in the Indenture and upon payment of the charges therein prescribed. The Agency, the Participant, the Bond Registrar, the Trustee and any Paying Agent may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or Redemption Price hereof and interest due hereon and for all other purposes whatsoever.

Acceleration of Bonds. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all or a portion of the Bonds issued under the Indenture and then outstanding may be declared and may become due and payable before the stated maturity thereof, together with accrued interest thereon.

Limitation on Bondholder Enforcement Rights. The holder of this bond shall have no right to enforce the provisions of the Indenture, to institute action to enforce the provisions and covenants thereof or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture.

Special Obligation of the Agency. This bond and the issue of which it forms a part are special obligations of the Agency, payable by the Agency solely out of the installment purchase payments, revenues or other receipts, funds or moneys of the Agency pledged under the Indenture and from any amounts otherwise available under the Indenture for the payment of the Bonds.

Estoppel Clause. It is hereby certified, recited and declared that all conditions, acts and things required by law and the Indenture to exist, to have happened and to have been performed precedent to and in the issuance of this bond, exist, have happened and have been performed, and that the issuance of this bond and the issue of which it forms a part are within every debt and other limit prescribed by the laws of the State of New York.

No Personal Liability. Neither the members, directors, officers or agents of the Agency nor any person executing this bond shall be liable personally or be subject to any personal liability or accountability by reason of the issuance hereof.

Authentication by Trustee. This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been signed by the Trustee.

[Remainder of Page Intentionally Left Bank]

IN WITNESS WHEREOF, Orange County Industrial Development Agency has caused this bond to be executed in its name by the manual or facsimile signature of its Chairman, Administrative Director or other Authorized Representative and its official seal or a facsimile thereof to be hereunto impressed or imprinted hereon and attested by the manual or facsimile signature of its Secretary, all as of the Bond Date indicated above.

ORANGE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

(SEAL)

ATTEST:

By _____
William Trimble, Administrative Director

Secretary

(FORM OF CERTIFICATE OF AUTHENTICATION)

CERTIFICATE OF AUTHENTICATION

This bond is one of the Series 2006G-2 Bonds of the issue described in the within-mentioned Indenture.

THE BANK OF NEW YORK,
as Trustee

By _____
Authorized Signatory

Date of Authentication: _____

(FORM OF ASSIGNMENT)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto

(Please print or typewrite name, address and taxpayer identification number of transferee)

the within bond and does hereby irrevocably constitute and appoint _____
Attorney to transfer such bond on the books kept for the registration thereof, with full power of
substitution in the premises.

Dated: _____

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

SIGNATURE GUARANTEED
MEDALLION GUARANTEED

Authorized Signature
(Signature Guarantee Program Name)

(Signature Guarantee must be a member of
the Stock Exchanges Medallion Program or
the New York Stock Exchange, Inc.
Signature Program in accordance with
Securities and Exchange Commission Rule
17Ad-15)

[END OF FORM OF SERIES 2006G-2 BOND]

APPENDIX B

ADDITIONAL DEFINITIONS

Terms not otherwise defined herein shall have the same meanings herein as ascribed thereto in the Installment Sale Agreement or the Tax Compliance Agreement hereinbelow defined. The following terms shall have the following meanings in this Indenture.

Agency Mortgage shall mean with respect to the Participant or an Affiliate which owns a Facility, any of the Agency Mortgage and Security Agreements, each dated as of even date herewith, from the Agency and the Participant and/or an Affiliate to the Trustee and the Bond Insurer, and shall include any and all amendments thereof and supplements thereto hereafter made in conformity therewith and herewith.

Authorized Representative shall mean with respect to the Agency, any person so designated by resolution of the Agency.

Bond Resolution shall mean the resolution of the Agency adopted on May 17, 2006 authorizing the issuance of the Initial Bonds.

Inducement Resolution shall mean the resolution of the Agency adopted on May 17, 2006 authorizing the Project, and undertaking to permit the issuance of its civic facility revenue bonds to finance the Project.

Initial Bonds shall mean collectively, the Initial Tax-Exempt Bonds and the Initial Taxable Bonds; provided, however, that the Initial Tax-Exempt Bonds and the Initial Taxable Bonds shall be separate Series of Bonds for purposes of this Indenture.

Initial Taxable Bonds shall mean the Series 2006G-2 Bonds.

Initial Tax-Exempt Bonds shall mean the Series 2006G-1 Bonds.

Installment Purchase Payment Date shall mean the first day of each month, commencing August 1, 2006.

Interest Payment Date shall mean, with respect to the Initial Bonds, the first day of January and the first day of July of each year, commencing January 1, 2007.

Participant shall mean Crystal Run Village, Inc., and its permitted successors and assigns pursuant to Section 6.1 or 9.3 of the Installment Sale Agreement.

Permitted Encumbrances shall mean, as of any particular time and with respect to the Facility,

(i) the Agency Mortgage, if any, the Company Lease, the Installment Sale Agreement, this Indenture and any other Security Documents to which the Participant is a party;

(ii) liens for real estate taxes, assessments, levies and other governmental charges, the payment of which is not in default;

(iii) utility, access and other easements and rights-of-way, restrictions and exceptions that an Authorized Representative of the Participant certifies to the Agency, the Bond Insurer and the Trustee will not interfere with or impair the Participant's use of the Facility as provided in the Installment Sale Agreement;

(iv) such minor defects, irregularities, encumbrances, easements, rights-of-way (including agreements with any railroad the purpose of which is to service a railroad siding) and clouds on title as normally exist with respect to property similar in character to the Facility and as do not, in the Opinion of Counsel, either singly or in the aggregate, materially impair the property affected thereby for the purpose for which it was acquired and held by the Agency under the Installment Sale Agreement;

(v) those exceptions to title to the Facility Realty enumerated in the title insurance policies delivered pursuant to Section 2.4 of the Installment Sale Agreement insuring the Agency's leasehold interest, and, if applicable, the Bond Insurer's and the Trustee's mortgagee interests, in the Facility Realty (including, but not limited to, any right of reverter held by any State agency conditioned upon the Participant's operation of the Facility in accordance with applicable State regulations), copies of which policies are on file at the principal corporate trust office of the Trustee and at the office of the Agency;

(vi) any mechanics', workmen's, repairmen's, materialmen's, contractors', warehousemen's, carriers', suppliers' or vendors' lien or right in respect thereof if payment is not yet due and payable, all if and to the extent permitted by Section 6.7 of the Installment Sale Agreement;

(vii) any mortgage, lien, security interest or other encumbrance which exists in favor of the Trustee and/or the Bond Insurer or to which the Trustee and the Bond Insurer shall consent;

(viii) any junior mortgage taken as additional collateral security by a lender providing Accounts Receivable financing as permitted in Section 3.5 of the Installment Sale Agreement; provided that such lender agrees not to commence a mortgage foreclosure action in the event of a default by the Participant thereunder;

(ix) any subordinate mortgage granted as security for bonds issued by the Agency after the Closing Date, up to an amount approved by the New York State Office of Mental Retardation and Development Disabilities pursuant to the Prior Property Approval process, for the purpose of financing the cost of renovating, constructing, equipping or completing a Project of a Facility, and any related company lease and installment sale agreements between the Participant and the Agency leasing or selling such Facility, any indenture of trust between the Agency and a trustee with respect to such bonds, or any building loan agreement among the Agency, the Participant and a trustee, in each case in connection with such financing;

(x) any mortgage, lien, security interest or other encumbrance in existence as of the Closing Date and as listed in Schedule F to the Installment Sale Agreement, provided that no such mortgage, lien, security interest or other encumbrance may be increased, extended, renewed or modified;

(xi) any mortgage, lien, security interest or other encumbrance relating to an assignment or sublease of a Facility as permitted by Section 9.3 of the Installment Sale Agreement;

(xii) any lien or encumbrance securing or related to any Indebtedness permitted pursuant to Section 6.20 of the Installment Sale Agreement; and

(xiii) any additional leasehold interest granted by the Participant to the Agency and any sublease, sale, assignment or other transfer of such leasehold interest by the Agency to the Participant or any trustee for bonds of the Agency.

Project Documents shall mean, collectively, the Security Documents, the Environmental Compliance and Indemnification Agreement and the Bond Insurance Agreement.

Security Documents shall mean the Installment Sale Agreement, the Company Lease, this Indenture, the Tax Compliance Agreement, the Agency Mortgage, and the Guaranty Agreement.

Series 2006G-1 Bonds shall mean the \$3,635,000 Civic Facility Revenue Bonds (Special Needs Facilities Pooled Program), Series 2006G-1, of the Agency issued under this Indenture.

Series 2006G-2 Bonds shall mean the \$220,000 Civic Facility Revenue Bonds (Special Needs Facilities Pooled Program), Series 2006G-2 (Federally Taxable), of the Agency issued under this Indenture.

Taxable Bonds shall mean the Initial Taxable Bonds and any Additional Bonds which are not Tax-Exempt Bonds.

Tax-Exempt Bonds shall mean the Initial Tax-Exempt Bonds and any Additional Bonds as to which, at the time of original issuance, there shall be delivered to the Agency an opinion of Nationally Recognized Bond Counsel to the effect that, under then existing law and assuming compliance with certain covenants contained in the Installment Sale Agreement and the Tax Compliance Agreement entered into in connection with the issuance of such Bonds and in this Indenture, the interest on such Bonds is excluded from gross income for federal income tax purposes.

APPENDIX C

ISSUANCE AND TERMS OF THE INITIAL BONDS

(a) The Initial Bonds are hereby authorized to be issued in the aggregate principal amount of \$3,855,000 and shall be issued as two separate Series, the Initial Tax-Exempt Bonds in the principal amount of \$3,635,000 and the Initial Taxable Bonds in the principal amount of \$220,000, all under and secured by this Indenture. The Initial Bonds shall be dated June 1, 2006, subject to Section 3.01(a) of this Indenture. The Initial Bonds shall be issuable in fully registered form without coupons.

(b) The Initial Tax-Exempt Bonds are hereby authorized to be issued in the original aggregate principal amount of \$3,635,000 and shall be designated "Orange County Industrial Development Agency Civic Facility Revenue Bonds (Special Needs Facilities Pooled Program), Series 2006G-1". The Initial Tax-Exempt Bonds shall mature on the date and bear interest at the rate per annum set forth below. Interest shall be payable on each Interest Payment Date and shall be computed on the basis of a 360-day year of twelve 30-day months. Notwithstanding anything herein to the contrary, the interest rate borne by the Initial Tax-Exempt Bonds shall not exceed the maximum permitted by, or enforceable under, applicable law.

<u>Maturity</u> (Serial Bonds)	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
July 1, 2007	\$ 80,000	4.15%
July 1, 2008	140,000	4.20
July 1, 2009	275,000	4.25
July 1, 2010	305,000	4.30
July 1, 2011	325,000	4.35
July 1, 2012	330,000	4.40
July 1, 2013	335,000	4.45
July 1, 2014	330,000	4.55
July 1, 2015	335,000	4.65
July 1, 2016	335,000	4.75
(Term Bond)		
July 1, 2021	845,000	4.90

(c) The Initial Taxable Bonds are hereby authorized to be issued under and secured by this Indenture and to be issued in the original aggregate principal amount of \$220,000 and shall be designated "Orange County Industrial Development Agency Civic Facility Revenue Bonds (Special Needs Facilities Pooled Program), Series 2006G-2 (Federally Taxable)". The Initial Taxable Bonds shall mature on the date and bear interest at the rate per annum set forth below. Interest shall be payable on each Interest Payment Date and shall be computed on the basis of a 360-day year consisting of twelve 30-day months. Notwithstanding anything herein to

the contrary, the interest rate borne on the Initial Taxable Bonds shall not exceed the maximum permitted by, or enforceable under, applicable law.

<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
July 1, 2008	\$220,000	6.05%

(d) The Initial Tax-Exempt Bonds shall be numbered from G1R-1 upward in consecutive numerical order and the Initial Taxable Bonds shall be numbered from G2R-1 upward in consecutive numerical order. Initial Bonds issued upon any exchange or transfer hereunder shall be numbered in such manner as the Trustee in its discretion shall determine.

(e) The Initial Tax-Exempt Bonds are issuable in the form of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof; and the Initial Taxable Bonds are issuable in the form of fully registered bonds in the denomination of \$5,000 or any integral multiple of \$1,000 in excess thereof.

APPENDIX D

OPTIONAL REDEMPTION OF INITIAL BONDS

The Initial Tax-Exempt Bonds are subject to redemption, on or after July 1, 2014, in whole or in part at any time at the option of the Agency (which option shall be exercised upon the giving of notice by the Participant of its intention to prepay installment purchase payments due under the Installment Sale Agreement pursuant to Section 8.1 thereof), at the Redemption Prices (expressed as percentages of unpaid principal amount of the Initial Tax-Exempt Bonds to be redeemed) set forth below, plus accrued interest to the redemption date:

<u>Redemption Dates</u> <u>(both dates inclusive)</u>	<u>Redemption Prices</u>
July 1, 2014 through June 30, 2015	101.00%
July 1, 2015 through June 30, 2016	100.50
July 1, 2016 and thereafter	100.00

The Initial Taxable Bonds are not subject to optional redemption prior to maturity.

APPENDIX E

MANDATORY SINKING FUND INSTALLMENT REDEMPTION

Subject to the provisions of Section 5.05 hereof, the Initial Tax-Exempt Bonds shall be subject to mandatory Sinking Fund Installment redemption by the Agency prior to maturity, in part by lot, at a Redemption Price equal to the principal amount thereof, together with accrued interest to the date of redemption, from mandatory Sinking Fund Installments on July 1 of the years and in the principal amounts set forth below, provided that the amounts of such Sinking Fund Installments shall be reduced by the credits provided for in Sections 5.05(d) and (f) hereof:

<u>Year</u>	<u>Sinking Fund Installment</u>	<u>Year</u>	<u>Sinking Fund Installment</u>
2017	\$ 130,000	2020	\$ 75,000
2018	90,000	2021 [†]	460,000
2019	90,000		

[†]Final maturity

Subject to the provisions of Section 5.05 hereof, the Initial Taxable Bonds shall be subject to mandatory Sinking Fund Installment redemption by the Agency prior to maturity, in part by lot, at a Redemption Price equal to the principal amount thereof, together with accrued interest to the date of redemption, from mandatory Sinking Fund Installments on July 1 of the years and in the principal amounts set forth below, provided that the amounts of such Sinking Fund Installments shall be reduced by the credits provided for in Sections 5.05(d) and (f) hereof:

<u>Year</u>	<u>Sinking Fund Installment</u>
2007	\$ 115,000
2008 [†]	105,000

[†]Final maturity

APPENDIX F

APPLICATION OF BOND PROCEEDS

Upon the receipt by the Trustee of the original proceeds of the sale and delivery of the Initial Bonds (such amount representing the par amount of the Initial Bonds less underwriter's discount of \$77,100 (\$72,700 for the Initial Tax-Exempt Bonds and \$4,400 for the Initial Taxable Bonds), including the amount received as accrued interest thereon, the Trustee shall apply such proceeds as follows:

(i) \$6,952.86, representing \$6,435.24 received as accrued interest on the Initial Tax-Exempt Bonds and \$517.62 received as accrued interest on the Initial Taxable Bonds, shall be deposited in the Interest Account of the Bond Fund;

(ii) \$363,500 shall be deposited from the proceeds of the Initial Tax-Exempt Bonds to the Tax-Exempt Bond Debt Service Reserve Account, such amount being the Tax-Exempt Bond Debt Service Reserve Requirement;

(iii) \$0 from the proceeds of the Initial Tax-Exempt Bonds, and \$131,070 from the proceeds of the Initial Taxable Bonds, shall be deposited in the Costs of Issuance Account of the Project Fund; and

(iv) \$3,112,911.80 of the proceeds of the Initial Bonds shall be deposited in the Project Account of the Project Fund.

APPENDIX G

CREATION OF FUNDS AND ACCOUNTS

The Agency hereby establishes and creates the following special trust Funds, and Accounts and Subaccounts comprising such Funds:

- (1) Project Fund
 - (A) Costs of Issuance Account
 - (B) Project Account-CRVI
- (2) Bond Fund
 - (A) Principal Account
 - (B) Interest Account
 - (C) Redemption Account
 - (D) Sinking Fund Installment Account
 - (E) Installment Purchase Payment Account-CRVI
- (3) Renewal Fund
 - (A) CRVI Account
- (4) Earnings Fund
 - (A) CRVI Account
- (5) Rebate Fund
- (6) Debt Service Reserve Fund
 - (A) Tax-Exempt Bond Debt Service Reserve Account

APPENDIX H

AMOUNT RETAINED IN PROJECT ACCOUNTS

<u>Participant</u>	Amount retained pursuant to <u>Section 5.02(b)</u>
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Not Applicable	
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APPENDIX I

NOTICES

Any communication pursuant to Section 13.03 hereof shall be sent to the following:

(a) To the Agency, to the Orange County Industrial Development Agency, 255-275 Main Street, County Government Center, Goshen, New York 10924, Attention: General Counsel, with a copy to the Administrative Director of the Agency at the same address.

(b) To the Trustee, to The Bank of New York, 101 Barclay Street, Floor 21W, New York, New York 10286, Attention: Corporate Trust Administration.

(c) To the Participant, to the address set forth in the Installment Sale Agreement.

(d) To the Program Facilitator, to InterAgency Council of Mental Retardation and Developmental Disabilities Agencies, Inc., 275 Seventh Avenue, 19th Floor, New York, New York 10001, Attention: Executive Director.

(e) To the Bond Insurer, to ACA Financial Guaranty Corporation, 140 Broadway, 47th Floor, New York, New York 10005, Attention: Surveillance Manager (except that notices of Events of Default shall be directed to the General Counsel).

(f) To the Rating Agency, to Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., 55 Water Street, 38th Floor, New York, New York 10041, Attention: Municipal Structured Surveillance.