

03-0220

**AIRPORT COMMISSION OF THE CITY AND COUNTY
OF SAN FRANCISCO**

**Eleventh Supplemental Resolution
Providing for the Issuance of**

**SAN FRANCISCO INTERNATIONAL AIRPORT
SECOND SERIES VARIABLE RATE REVENUE BONDS**

Adopted on October __, 2003

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AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 03-0220

**Eleventh Supplemental Resolution
Providing for the Issuance of
San Francisco International Airport
Second Series Variable Rate Revenue Bonds**

WHEREAS, the Airport Commission of the City and County of San Francisco (the "Commission"), on December 3, 1991, duly adopted its Resolution No. 91-0210, providing for the issuance of San Francisco International Airport Second Series Revenue Bonds, which Resolution, as previously supplemented and amended, including as supplemented by this Resolution No. _____ (herein called the "Eleventh Supplemental Resolution") is herein called the "1991 Resolution"; and

WHEREAS, the Commission has determined that it is necessary and desirable to authorize the issuance of one or more additional series of 1991 Resolution Bonds, to be issued initially in a Daily Mode, a Weekly Mode, a Commercial Paper Mode, an Auction Mode, a Term Rate Mode or a Fixed Rate Mode (as defined herein) for the purposes of financing new projects or refunding, paying, calling and retiring all or a portion of one or more Series of outstanding 1991 Resolution Bonds and all or a portion of the Commission's outstanding Subordinate Bonds (as defined in the 1991 Resolution), funding debt service reserves, and paying costs of issuance, including any redemption premiums, in connection therewith; and

WHEREAS, pursuant to Resolution No. 98-0114, duly adopted by the Commission on May 19, 1998 (as heretofore amended, as hereby further amended and as may be subsequently amended, the "Seventh Supplemental Resolution"), the Commission is authorized to issue one or more series of Refunding Bonds (as defined in the Seventh Supplemental Resolution) for the purposes of refunding, paying, calling and retiring all or a portion of one or more Series of outstanding 1991 Resolution Bonds and all or a portion of the Commission's outstanding Subordinate Bonds, funding debt service reserves, and paying costs of issuance, including any redemption premiums, in connection therewith (collectively, "Refunding Purposes"); and

WHEREAS, the Commission desires to provide for the issuance, from time to time, of 1991 Resolution Bonds bearing interest at variable rates as provided in this Eleventh Supplemental Resolution, for Refunding Purposes, and the Commission further desires to provide, that bonds issued under this Eleventh Supplemental Indenture for Refunding Purposes, bearing interest at one or more variable rates as provided herein, shall nevertheless be deemed, in its discretion, to be issued under the Seventh Supplemental Resolution and not this Eleventh Supplemental Resolution, and in such case only certain provisions of this Eleventh Supplemental Resolution shall apply to such bonds as set forth herein; and

WHEREAS, pursuant to Section 9.01(f) of the 1991 Resolution, the Commission by Supplemental Resolution may make any change or addition to the 1991 Resolution to provide

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for the issuance of, and to set the terms and conditions of, each additional series of 1991 Resolution Bonds under the 1991 Resolution; and

WHEREAS, pursuant to Section 9.01(k) of the 1991 Resolution, the Commission by Supplemental Resolution may accommodate the use of a Credit Facility (as hereinafter defined) for a series of 1991 Resolution Bonds; and

WHEREAS, the Commission desires to increase its authorization of Second Series Revenue Bonds, and has received an Opinion of Bond Counsel that such increased authorization will not have a material adverse effect on the interests of the Holders;

NOW, THEREFORE, BE IT RESOLVED by the Airport Commission of the City and County of San Francisco, as follows:

Section 1. The 1991 Resolution is hereby amended and supplemented by adding the following Articles thereto, which are hereby incorporated therein:

ARTICLE 30-LXIV

DEFINITIONS AND GENERAL PROVISIONS

SECTION 30-64.01. Definitions. All capitalized terms used herein and not otherwise defined herein shall have the last defined meanings assigned to them in Article I of the 1991 Resolution.

For the purposes of Articles 30-LXIV, 30-LXV, 30-LXVI, 30-LXVII and 30-LXVIII, the following words shall have the following meanings:

“Agent Member” means a member of, or participant in, the Bond Depository who shall act on behalf of a Bidder.

“All Hold Rate” means, as of any Auction Date, 45% (or such other percentage as may be specified in a Series Sale Resolution) of the Reference Rate in effect on such Auction Date.

“Alternate Credit Facility” means a Credit Facility securing a Series of Variable Rate Bonds issued or executed in accordance with Section 30-65.18 which shall have a term of not less than one year and shall have substantially the same material terms as the Credit Facility it is replacing.

“Alternate Credit Provider” means the person or entity obligated to make a payment or payments with respect to any Series of Variable Rate Bonds under an Alternate Credit Facility.

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“Alternate Rate” means for a Series of Variable Rate Bonds in a particular Mode, the following as the same shall be applied in accordance with the provisions of Section 30-65.08:

- (a) for a Series of Variable Rate Bonds in the Commercial Paper Mode, the BMA Municipal Swap Index or such other index as may be provided in a Series Sale Resolution;
- (b) for a Series of Variable Rate Bonds in the Daily Mode, the last lawful interest rate for such Variable Rate Bonds set by the Remarketing Agent pursuant to Section 30-65.06;
- (c) for a Series of Variable Rate Bonds in the Weekly Mode, the BMA Municipal Swap Index or such other index as may be provided in a Series Sale Resolution; and
- (d) for a Series of Variable Rate Bonds in the Term Rate Mode, the Alternate Term Rate.

“Alternate Term Rate” means for a Series of Variable Rate Bonds in the Term Rate Mode, an index published or provided by Kenny Information Systems (or a similar information service selected by the Commission if Kenny Information Systems ceases to operate), which index is based on yield evaluations at par of bonds, the interest on which is excluded from gross income for purposes of Federal income taxation and are not subject to a “minimum tax” or similar tax under the Code (unless all tax-exempt bonds are subject to such tax). The bonds upon which the index is based shall include not less than five “high grade” component issuers selected by Kenny Information Systems (or a similar information service selected by the Commission if Kenny Information Systems ceases to operate) which shall include, without limitation, issuers of general obligation bonds. The specific issuers included among the component issuers may be changed from time-to-time by Kenny Information Systems (or a similar information service selected by the Commission if Kenny Information Systems ceases to operate) in its discretion. The yield evaluation period for the index shall be a one year evaluation.

“Applicable Percentage” means, as of any Auction Date, the Percentage of the Reference Rate (in effect on such Auction Date) determined as set forth below, based on the Prevailing Rating of a Series of Auction Bonds in effect at the close of business on the Business Day immediately preceding such Auction Date, or such other percentages as may be provided in a Series Sale Resolution for such Series of Auction Bonds:

<u>Prevailing Rating</u>	<u>Percentage of Reference Rate</u>
AAA	175%
AA	200

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A

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If the Prevailing Ratings of Variable Rate Bonds of a Series are below "A" or Variable Rate Bonds of a Series are not then rated, then no Applicable Percentage shall apply and the Maximum Rate shall be determined as set forth in the definition of Maximum Rate.

"Auction" means the implementation of the Auction Procedures on an Auction Date.

"Auction Agent" means the auctioneer for a Series of Auction Bonds designated in a Series Sale Resolution relating to such Series of Auction Bonds, appointed in accordance with Sections 30-66.10 and 30-66.11.

"Auction Agreement" means an agreement among the Commission, as applicable, the Auction Agent and the Trustee pursuant to which the Auction Agent agrees to follow the procedures specified in this Eleventh Supplemental Resolution with respect to a Series of Auction Bonds while in an Auction Mode, as such agreement may from time to time be amended or supplemented.

"Auction Bonds" means a Series of Variable Rate Bonds while they bear interest at the Auction Rate.

"Auction Date" means during any period in which the Auction Procedures are not suspended in accordance with the provisions of this Eleventh Supplemental Resolution, (i) if a Series of Auction Bonds is in a daily Auction Period, each Business Day, (ii) if a Series of Auction Bonds are in a Special Rate Period, the last Business Day of the Special Rate Period, and (iii) if a Series of Auction Bonds are in any other Auction Period, the Business Day next preceding each Interest Payment Date for such Auction Bonds (whether or not an Auction shall be conducted on such date); provided, however, that the last Auction Date with respect to such Auction Bonds in an Auction Period other than a daily Auction Period or a Special Rate Period shall be the earlier of (a) the Business Day next preceding the Interest Payment Date next preceding the Mode Change Date for such Auction Bonds and (b) the Business Day next preceding the Interest Payment Date next preceding the final maturity date for such Auction Bonds; and provided, further, that if such Auction Bonds are in a daily Auction Period, the last Auction Date shall be the earlier of (x) the Business Day next preceding the Mode Change Date for such Auction Bonds and (y) the Business Day next preceding the final maturity date for such Auction Bonds. The last Business Day of a Special Rate Period shall be the Auction Date for the Auction Period which begins on the next succeeding Business Day, if any. On the Business Day preceding the change from a daily Auction Period to another Auction Period, there shall be two Auctions, one for the last daily Auction Period and one for the first Auction Period following the change in Auction Periods. The first Auction Date for a Series of Auction Bonds shall be designated in the Series Sale Resolution relating to such Series of Auction Bonds.

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"Auction Mode" means the Mode during which a Series of Variable Rate Bonds bears interest at the Auction Rate.

"Auction Period" means:

- (a) a Special Rate Period;
- (b) with respect to Auction Bonds of a Series in a daily Auction Period, a period beginning on each Business Day and extending to but not including the next succeeding Business Day;
- (c) with respect to Auction Bonds of a Series in a seven (7)-day Auction Period and with respect to Auctions generally conducted on (i) Fridays, a period of generally seven (7) days beginning on a Monday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Sunday) and ending on the Sunday thereafter (unless such Sunday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) Mondays, a period of generally seven (7) days beginning on a Tuesday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Monday) and ending on the Monday thereafter (unless such Monday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (iii) Tuesdays, a period of generally seven (7) days beginning on a Wednesday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Tuesday) and ending on the Tuesday thereafter (unless such Tuesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (iv) Wednesdays, a period of generally seven (7) days beginning on a Thursday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Wednesday) and ending on the Wednesday thereafter (unless such Wednesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), and (v) Thursdays, a period of generally seven (7) days beginning on a Friday (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on a Thursday) and ending on the Thursday thereafter (unless such Thursday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day);
- (d) with respect to Auction Bonds of a Series in a twenty-eight (28)-day Auction Period and with respect to Auctions generally conducted on (i) Fridays, a period of generally twenty-eight (28) days beginning on a Monday (or the last day of the prior Auction Period if the prior Auction Period does not end on a Sunday) and ending on the fourth (4th) Sunday thereafter (unless such Sunday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) Mondays, a period of generally twenty-eight (28) days beginning on a Tuesday (or the last day of the prior Auction Period if the prior Auction Period does not end on a Monday) and ending on the fourth (4th) Monday

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thereafter (unless such Monday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (iii) Tuesdays, a period of generally twenty-eight (28) days beginning on a Wednesday (or the last day of the prior Auction Period if the prior Auction Period does not end on a Tuesday) and ending on the fourth (4th) Tuesday thereafter (unless such Tuesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (iv) Wednesdays, a period of generally twenty-eight (28) days beginning on a Thursday (or the last day of the prior Auction Period if the prior Auction Period does not end on a Wednesday) and ending on the fourth (4th) Wednesday thereafter (unless such Wednesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), and (v) Thursdays, a period of generally twenty-eight (28) days beginning on a Friday (or the last day of the prior Auction Period if the prior Auction Period does not end on a Thursday) and ending on the fourth (4th) Thursday thereafter (unless such Thursday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day);

(e) with respect to Auction Bonds of a Series in a thirty-five (35)-day Auction Period and with respect to Auctions generally conducted on (i) Fridays, a period of generally thirty-five (35) days beginning on a Monday (or the last day of the prior Auction Period if the prior Auction Period does not end on Sunday) and ending on the fifth (5th) Sunday thereafter (unless such Sunday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) Mondays, a period of generally thirty-five (35) days beginning on a Tuesday (or the last day of the prior Auction Period if the prior Auction Period does not end on Monday) and ending on the fifth (5th) Monday thereafter (unless such Monday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (iii) Tuesdays, a period of generally thirty-five (35) days beginning on a Wednesday (or the last day of the prior Auction Period if the prior Auction Period does not end on Tuesday) and ending on the fifth (5th) Tuesday thereafter (unless such Tuesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (iv) Wednesdays, a period of generally thirty-five (35) days beginning on a Thursday (or the last day of the prior Auction Period if the prior Auction Period does not end on Wednesday) and ending on the fifth (5th) Wednesday thereafter (unless such Wednesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), and (v) Thursdays, a period of generally thirty-five (35) days beginning on a Friday (or the last day of the prior Auction Period if the prior Auction Period does not end on Thursday) and ending on the fifth (5th) Thursday thereafter (unless such Thursday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day);

(f) with respect to Auction Bonds of a Series in a six (6)-month Auction Period; a period of generally six (6) months (or shorter period upon a change from another Auction Period) beginning on the day following the last day of the prior Auction Period and ending on the next succeeding April 30 or October 31; and

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(g) the Initial Period;

provided, however, that

(1) if there is a change of Auction Bonds of a Series with respect to Auctions generally conducted on Fridays (i) from a daily Auction Period to a seven (7)-day Auction Period, the next Auction Period shall begin on the date of the change and shall end on the next succeeding Sunday (unless such Sunday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) from a daily Auction Period to a twenty-eight (28)-day Auction Period, the next Auction Period shall begin on the date of the change and shall end on the Sunday (unless such Sunday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than twenty-one (21) days but not more than twenty-eight (28) days from such date of change, and (iii) from a daily Auction Period to a thirty-five (35)-day Auction Period, the next Auction Period shall begin on the date of the change and shall end on Sunday (unless such Sunday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than twenty-eight (28) days but no more than thirty-five (35) days from such date of change;

(2) if there is a change of Auction Bonds of a Series with respect to Auctions generally conducted on Mondays (i) from a daily Auction Period to a seven (7)-day Auction Period, the next Auction Period shall begin on the date of the change and shall end on the next succeeding Monday (unless such Monday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) from a daily Auction Period to a twenty-eight (28)-day Auction Period, the next Auction Period shall begin on the date of the change and shall end on the Monday (unless such Monday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than twenty-one (21) days but not more than twenty-eight (28) days from such date of change, and (iii) from a daily Auction Period to a thirty-five (35)-day Auction Period, the next Auction Period shall begin on the date of the change and shall end on Monday (unless such Monday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than twenty-eight (28) days but no more than thirty-five (35) days from such date of change;

(3) if there is a change of Auction Bonds of a Series with respect to Auctions generally conducted on Tuesdays (i) from a daily Auction Period to a seven (7)-day Auction Period, the next Auction Period shall begin on the date of the change and shall end on the next succeeding Tuesday (unless such Tuesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) from a daily Auction Period to a twenty-eight (28) day Auction Period, the next Auction Period shall begin on the date of the change and shall end on the Tuesday (unless such Tuesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than

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twenty-one (21) days but not more than twenty-eight (28) days from such date of change, and (iii) from a daily Auction Period to a thirty-five (35)-day Auction Period; the next Auction Period shall begin on the date of the change and shall end on Tuesday (unless such Tuesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than twenty-eight (28) days but no more than thirty-five (35) days from such date of change;

(4) if there is a change of Auction Bonds of a Series with respect to Auctions generally conducted on Wednesdays (i) from a daily Auction Period to a seven (7)-day Auction Period, the next Auction Period shall begin on the date of the change and shall end on the next succeeding Wednesday (unless such Wednesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) from a daily Auction Period to a twenty-eight (28)-day Auction Period, the next Auction Period shall begin on the date of the change and shall end on the Wednesday (unless such Wednesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than twenty-one (21) days but not more than twenty-eight (28) days from such date of change, and (iii) from a daily Auction Period to a thirty-five (35)-day Auction Period, the next Auction Period shall begin on the date of the change and shall end on Wednesday (unless such Wednesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than twenty-eight (28) days but no more than thirty-five (35) days from such date of change; and

(5) if there is a change of Auction Bonds of a Series with respect to Auctions generally conducted on Thursdays (i) from a daily Auction Period to a seven (7)-day Auction Period, the next Auction Period shall begin on the date of the change and shall end on the next succeeding Thursday (unless such Thursday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) from a daily Auction Period to a twenty-eight (28)-day Auction Period, the next Auction Period shall begin on the date of the change and shall end on the Thursday (unless such Thursday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than twenty-one (21) days but not more than twenty-eight (28) days from such date of change, and (iii) from a daily Auction Period to a 35-day Auction Period, the next Auction Period shall begin on the date of the change and shall end on Thursday (unless such Thursday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than twenty-eight (28) days but no more than thirty-five (35) days from such date of change.

"Auction Procedures" means the procedures for conducting Auctions for a Series of Auction Bonds in the Auction Mode set forth in Article 30-LXVI.

"Auction Rate" means for each Auction Period with respect to a Series of Auction Bonds, (i) if Sufficient Clearing Bids exist, the Winning Bid Rate, provided, however, if all of

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the Auction Bonds of such Series are the subject of Submitted Hold Orders, the All Hold Rate, and (ii) if Sufficient Clearing Bids do not exist, the Maximum Auction Rate; provided, however, in no event may the Auction Rate exceed the Maximum Auction Rate.

"Available Bonds" means on each Auction Date for a Series of Auction Bonds, the aggregate principal amount of Auction Bonds of such Series that are not the subject of Submitted Hold Orders.

"Authorized Denominations" means (i) with respect to a Series of Variable Rate Bonds in a Commercial Paper Mode, \$100,000 and any integral multiple of \$5,000 in excess thereof, (ii) with respect to a Series of Variable Rate Bonds in a Daily Mode or Weekly Mode, \$100,000 and any integral multiple of \$5,000 in excess thereof, (iii) with respect to a Series of Variable Rate Bonds in an Auction Mode, \$25,000 and integral multiples thereof, and (iv) with respect to a Series of Variable Rate Bonds in a Term Rate Mode or a Fixed Rate Mode, \$5,000 and any integral multiple thereof.

"Bid" has the meaning specified in subsection (a) of Section 30-66.02.

"Bidder" means, with respect to a Series of Auction Bonds, each Existing Owner and Potential Owner who places an Order.

"BMA Municipal Swap Index" means, with respect to any Series of Variable Rate Bonds in the Weekly Mode for which a rate is not set pursuant to Section 30-65.06(b), the interest rate per annum determined on the basis of an index based upon the weekly interest rates of tax-exempt variable rate issues included in a database maintained by the Indexing Agent which meet specific criteria established by the Bond Market Association. In the event the Indexing Agent no longer publishes an index satisfying the requirements of the preceding sentence, the rate shall be the "J.J. Kenny Index", provided, however, that if the J.J. Kenny Index also ceases to be published, an alternative index shall be calculated by an entity selected in good faith by the Commission, and shall be determined using similar criteria for the BMA Municipal Swap Index.

"Bond Depository" means The Depository Trust Company and its successors and assigns or any other securities depository selected by the Commission which agrees to follow the procedures required to be followed by such securities depository in connection with a Series of Variable Rate Bonds.

"Bond Insurance Policy" means a municipal bond insurance policy insuring the payment of principal of and interest on all or a portion of the Variable Rate Bonds of a Series.

"Bond Insurer" means the provider of a Bond Insurance Policy.

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"Broker-Dealer" means any entity that is permitted by law to perform the function required of a Broker-Dealer described in Article 30-LXVI of this Eleventh Supplemental Resolution, that is a member of, or a participant in, the Bond Depository, that has been selected by the Commission for a Series of Auction Bonds and has signed a Broker-Dealer Agreement with the Commission. Unless the context otherwise requires, the term "Broker-Dealer," whenever used in this Eleventh Supplemental Resolution with respect to Auction Bonds or a Series of Auction Bonds, shall refer only to the applicable Broker-Dealer(s) with respect to such Auction Bonds or Series of Auction Bonds.

"Broker-Dealer Agreement" means an agreement among the Commission, as appropriate, the Auction Agent and a Broker-Dealer pursuant to which such Broker-Dealer agrees to follow the procedures described in Article 30-LXVI hereof, as such agreement may from time to time be amended or supplemented.

"Business Day" means a day on which the principal office of the Trustee, any Paying Agent, the Remarketing Agent, the Credit Provider, if any, or banks or trust companies in New York, New York, are not authorized or required to remain closed and on which the New York Stock Exchange is not closed. In addition, while Variable Rate Bonds of a Series bear interest at an Auction Rate, the term Business Day shall not include days on which the Auction Agent or any Broker-Dealer are not open for business.

"Closing Date" means the date upon which a Series of Variable Rate Bonds is initially issued and delivered in exchange for the proceeds representing the Purchase Price of such Series of Variable Rate Bonds paid by the original purchaser thereof.

"Commercial Paper Bond" means a Variable Rate Bond of a Series which is in the Commercial Paper Mode.

"Commercial Paper Mode" means, with respect to a Series of Variable Rate Bonds, the Mode during which the Variable Rate Bonds of such Series bear interest at a Commercial Paper Rate.

"Commercial Paper Rate" means the interest rate per annum on a Series of Variable Rate Bonds in the Commercial Paper Mode determined pursuant to Section 30-65.05.

"Completion Date" means, with respect to any Series of Variable Rate Bonds, the Completion Date as defined in the Tax Certificate for such Series of Variable Rate Bonds.

"Construction Period" means the period commencing on the date of original issuance of a Series of Variable Rate Bonds and ending on the Completion Date.

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"Costs of Issuance" means payment of, or reimbursement of the Commission for, all reasonable costs incurred by the Commission in connection with the issuance of a Series of Variable Rate Bonds, including, but not limited to:

- (a) counsel fees related to the issuance of such Series of Variable Rate Bonds (including bond counsel, co-bond counsel, disclosure counsel, Trustee's counsel and the City Attorney);
- (b) financial advisor fees incurred in connection with the issuance of such Series of Variable Rate Bonds;
- (c) rating agency fees;
- (d) fees of any Credit Provider for the provision of a Credit Facility;
- (e) the initial fees and expenses of the Trustee, the Registrar, the Authenticating Agent, Remarketing Agents, Auction Agent, the Market Agents and Broker-Dealers;
- (f) accountant fees and any escrow verification fees related to the issuance of such Series of Variable Rate Bonds;
- (g) the initial fees and expenses of any Series Escrow Agent;
- (h) printing and publication costs;
- (i) costs of engineering and feasibility studies necessary to the issuance of such Series of Variable Rate Bonds; and
- (j) any other cost incurred in connection with the issuance of the Variable Rate Bonds that constitutes an "issuance cost" within the meaning of Section 147(g) of the Code.

"Credit Facility Account" means an account established for a Series of Variable Rate Bonds pursuant to Section 30-65.21(a).

"Credit Facility Agreement" means any agreement executed and delivered by a Credit Provider and the Commission in connection with the issuance of a Credit Facility securing a Series of Variable Rate Bonds, which agreement, among other matters, sets forth the terms under which the Credit Facility will be provided and the provisions for reimbursement of amounts paid by the Credit Provider under the Credit Facility, or, if an Alternate Credit Facility has been provided, the corresponding agreement, if any, executed and delivered in connection with such Alternate Credit Facility.

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"Credit Facility Fund" means the fund by that name created in Section 30-65.21(a).

"Credit Facility Interest Amount" means the amount of the interest portion of a Credit Facility (other than a Bond Insurance Policy or reserve fund surety policy) which (i) during the Commercial Paper Mode, the Daily Mode and the Weekly Mode shall be an amount equal to 31 days' (or such greater number of days as Moody's, Standard & Poor's or Fitch, as appropriate, may require in connection with the rating of the Series of Variable Rate Bonds secured by such Credit Facility) interest on the Outstanding Series of Variable Rate Bonds secured by such Credit Facility, calculated at the Maximum Rate on the basis of a 365/366-day year for the actual number of days elapsed, and (ii) during the Term Rate Mode and the Fixed Rate Mode shall be an amount equal to 205 days' (or such greater number of days as Moody's, Standard & Poor's or Fitch, as appropriate, may require in connection with the rating of the Series of Variable Rate Bonds secured by such Credit Facility) interest on the Outstanding Series of Variable Rate Bonds secured by such Credit Facility, calculated at the Maximum Rate on the basis of a 360-day year composed of twelve 30-day months.

"Credit Facility Purchase Account" means an account established for a Series of Variable Rate Bonds pursuant to Section 30-65.21(b).

"Credit Provider" means the person or entity obligated to make a payment or payments with respect to any Series of Variable Rate Bonds under a Credit Facility and which is designated a Credit Provider in a Series Sale Resolution relating to such Series of Variable Rate Bonds or an Alternate Credit Provider if an Alternate Credit Facility shall be in effect with respect to such Series of Variable Rate Bonds. Unless the context otherwise requires, the term "Credit Provider," whenever used in this Eleventh Supplemental Resolution with respect to certain Variable Rate Bonds or a Series of Variable Rate Bonds, shall refer only to the Credit Provider providing a Credit Facility with respect to such Variable Rate Bonds or Series of Variable Rate Bonds.

"Credit Provider Bonds" means any Variable Rate Bonds registered in the name of a Credit Provider, or its nominee or agent, pursuant to Section 30-65.17(j).

"Credit Provider Interest Rate" means the interest rate, not to exceed the maximum interest rate permitted by law, payable on a Series of Credit Provider Bonds and determined pursuant to the related Credit Facility Agreement.

"Current Mode" shall have the meaning specified in Section 30-65.10(a)(i).

"Daily Mode" means the Mode during which a Series of Variable Rate Bonds bears interest at the Daily Rate.

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"Daily Rate" means the per annum interest rate on a Series of Variable Rate Bonds in the Daily Mode determined pursuant to Section 30-65.06(a).

"Default Rate" means, in respect of any Auction Period; the Maximum Auction Rate.

"Draw" means a request for payment in accordance with the terms of a Credit Facility or Alternate Credit Facility; to "Draw" means to request such payment.

"Electronic Means" means telecopy, telegraph, telex, facsimile transmission, e-mail transmission or other similar electronic means of communication of a written image, and shall include a telephonic communication promptly confirmed in writing or by electronic transmission of a written image.

"Existing Owner" means a Person who is listed as the beneficial owner of Auction Bonds of a Series in the records of the Auction Agent.

"Expiration Date" means the stated expiration date of a Credit Facility or Alternate Credit Facility, as it may be extended from time to time as provided in such Credit Facility or Alternate Credit Facility, as the case may be, or any earlier date on which a Credit Facility or Alternate Credit Facility shall terminate, expire or be cancelled.

"Expiration Tender Date" means the day five (5) Business Days prior to the Expiration Date.

"Fixed Rate" means the per annum interest rate on a Variable Rate Bond in the Fixed Rate Mode determined pursuant to Section 30-65.07(b).

"Fixed Rate Bonds" means a Series of Variable Rate Bonds in the Fixed Rate Mode.

"Fixed Rate Mode" means the Mode during which a Series of Variable Rate Bonds bears interest at Fixed Rates.

"Hold Order" has the meaning specified in subsection (a) of Section 30-66.02.

"Indexing Agent" means Municipal Market Data, Boston, Massachusetts, a Thomson Financial Services Company or its successor or a similar information service selected by the Commission if Municipal Market Data ceases to exist.

"Initial Period" means the period, if any, from the date of delivery of a Series of Auction Bonds to but not including the date specified in a Series Sale Resolution relating to such Auction Bonds.

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"Interest Accrual Period" means the period during which a Series of Variable Rate Bonds accrues interest payable on any Interest Payment Date applicable thereto. With respect to a Series of Variable Rate Bonds in the Daily Mode, the Interest Accrual Period shall commence on (and include) the first day of each month and shall extend through (and include) the last day of such month; provided, that if such month is the month in which such Variable Rate Bonds are authenticated and delivered, or if such Variable Rate Bonds are changed to the Daily Mode during such month, the Interest Accrual Period shall commence on (and include) the date of authentication and delivery of such Variable Rate Bonds or the Mode Change Date, as the case may be; provided, further, that if no interest has been paid on such Variable Rate Bonds in the Daily Mode, interest shall accrue from (and including) the date of original authentication and delivery of such Variable Rate Bonds or the Mode Change Date, as appropriate. With respect to a Series of Variable Rate Bonds in a Mode other than the Daily Mode (except for a Series of Variable Rate Bonds in the Auction Mode), the Interest Accrual Period shall commence on (and include) the last Interest Payment Date to which interest has been paid (or, if no interest has been paid in such Mode, from (and including) the date of original authentication and delivery of such Variable Rate Bond, or the Mode Change Date, as the case may be) to, but not including, the Interest Payment Date on which interest is to be paid. With respect to a Series of Variable Rate Bonds in the Auction Mode, the Interest Accrual Period shall be the Auction Period for such Series of Auction Bonds. If, at the time of authentication of any Variable Rate Bond, interest is in default or overdue on the Variable Rate Bonds, such Variable Rate Bond shall bear interest from the date to which interest has previously been paid in full or made available for payment in full on Outstanding Variable Rate Bonds.

"Interest Payment Date" means each date on which interest is to be paid and is (without duplication): (i) with respect to a Commercial Paper Bond, the Purchase Date; (ii) with respect to a Series of Variable Rate Bonds in the Daily Mode, the first Business Day of each month, (iii) with respect to a Series of Variable Rate Bonds in the Weekly Mode, the first Business Day of each month; (iv) with respect to a Series of Variable Rate Bonds in the Term Rate Mode, each Term Rate Interest Payment date for such Variable Rate Bond; (v) with respect to a Series of Variable Rate Bonds in the Fixed Rate Mode, each Stated Interest Payment Date (beginning with the first Stated Interest Payment Date that occurs no earlier than three (3) months after the commencement of the Fixed Rate Mode for such Variable Rate Bond or such other date as may be provided in a Series Sale Resolution); and (vi) with respect to Credit Provider Bonds, the dates required under the applicable Credit Facility Agreement; and (without duplication as to any Interest Payment Date listed above), (vii) with respect to a Series of Variable Rate Bonds bearing interest at Auction Rates, means the initial Interest Payment Date specified in a Series Sale Resolution relating to such Series of Auction Bonds, and thereafter (a) when used with respect to any Auction Period other than a daily Auction Period or a Special Rate Period, the Business Day immediately following such Auction Period, (b) when used with respect to a daily Auction Period, the first Business Day of the month immediately succeeding such Auction Period, (c) when used with respect to a Special Rate Period of (I) seven (7) or more

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but fewer than ninety-two (92) days, the Business Day immediately following such Special Rate Period, or (ii) ninety-two (92) or more days, each thirteenth (13th) Monday, Tuesday, Wednesday, Thursday or Friday as selected by the Commission after the first day of such Special Rate Period, or the next Business Day if such day is not a Business Day, and on the Business Day immediately following such Special Rate Period; (viii) any Mode Change Date, (ix) each Mandatory Purchase Date; and (x) each Maturity Date.

"Interest Period" means, for a Series of Variable Rate Bonds in the Commercial Paper Mode, Daily Mode, Weekly Mode, Term Rate Mode or Auction Mode, the period of time that such Variable Rate Bonds bear interest at the interest rate (per annum) which becomes effective at the beginning of such period. The Interest Period for each such Mode is as follows:

(a) for a Series of Variable Rate Bonds in the Commercial Paper Mode, the period of from one to 360 calendar days as established by the Remarketing Agent pursuant to Section 30-65.05;

(b) for a Series of Variable Rate Bonds in the Daily Mode, the period from (and including) the Mode Change Date upon which such Variable Rate Bonds are changed to the Daily Mode to (but excluding) the next Rate Determination Date for such Variable Rate Bond, and thereafter the period from and including the current Rate Determination Date for such Variable Rate Bonds to (but excluding) the next Rate Determination Date for such Variable Rate Bond;

(c) for a Series of Variable Rate Bonds in the Weekly Mode, the period from (and including) the Mode Change Date upon which such Variable Rate Bonds are changed to the Weekly Mode to (and including) the next Tuesday, and thereafter the period from (and including) each Wednesday to (and including) the next Tuesday;

(d) for a Series of Variable Rate Bonds in the Term Rate Mode, the period from (and including) the Mode Change Date to (but excluding) the last day of the first period that such Variable Rate Bonds shall be in the Term Rate Mode as established by the Commission for such Variable Rate Bonds pursuant to Section 30-65.10(a)(i) and, thereafter, the period from (and including) the beginning date of each successive interest rate period selected for such Variable Rate Bonds by the Commission pursuant to Section 30-65.07(a) while it is in the Term Rate Mode to (but excluding) the ending date for such period selected for such Variable Rate Bonds by the Commission. Each Interest Period for a Series of Variable Rate Bonds in the Term Rate Mode shall end on a Stated Interest Payment Date occurring not earlier than three (3) months after the commencement of such Period or on such other date as may be provided in a Series Sale Resolution; and

(e) for a Series of Variable Rate Bonds in an Auction Mode, the Auction Period for such Series of Auction Bonds.

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"J.J. Kenny Index" means, with respect to a Series of Variable Rate Bonds in the Weekly Mode for which a rate is not, or cannot be, set pursuant to Section 30-65.06(b), the index generally made available on the applicable Rate Determination Date by Kenny Information Systems or any successor thereto. The J.J. Kenny Index shall be based upon 30-day yield evaluations at par of bonds, the interest on which is exempt from Federal income taxation under the Internal Revenue Code of 1986 as amended, of not less than five "high grade" component issuers selected by Kenny Information Systems which shall include, without limitation, issuers of general obligation bonds. The specific issuers included among the component issuers may be changed from time to time by Kenny Information Systems in its discretion. The bonds on which the J.J. Kenny Index is based shall not include any bonds the interest on which is subject to a "minimum tax" or similar tax under the Internal Revenue Code, unless all tax-exempt bonds are subject to such tax.

"LIBOR," on any date of determination for any Auction Period, means: (i) for any Auction Period of fewer than 49 days, the offered rate for deposits in U.S. dollars for a one-month period which appears on the Telerate Page 3750 at a approximately 11:00 a.m., London time, on such date, or if such date is not a date on which dealings in U.S. dollars are transacted in the London interbank market, then on the next preceding day on which such dealings were transacted in such market (the "calculation date") and (ii) for any Auction Period of (A) 49 or more but fewer than 70 days, such rates for deposits in U.S. dollars for a two-month period, (B) 70 or more but fewer than 85 days, the arithmetic average of such rates for deposits in U.S. dollars for two and three-month periods, (C) 85 or more but fewer than 120 days, such rate for deposits in U.S. dollars for a three-month period, (D) 120 or more but fewer than 148 days, the arithmetic average of such rates for deposits in U.S. dollars for three and six-month periods, (E) 148 or more but fewer than 180 days, such rate for deposits in U.S. dollars for a six-month period, (F) 180 or more but fewer than 225 days, the arithmetic average of such rates for deposits in U.S. dollars for six and nine-month periods, (G) 225 or more but fewer than 290 days, such rate for deposits in U.S. dollars for a nine-month period, (H) 290 or more but fewer than 325 days, the arithmetic average of such rates for deposits in U.S. dollars for nine-month and one-year periods and (I) 325 or more but fewer than 365 days, such rate for deposits in U.S. dollars for a one-year period.

"Mandatory Purchase Date" means (i) any Purchase Date for a Series of Variable Rate Bonds in the Commercial Paper Mode or the Term Rate Mode, (ii) any Mode Change Date involving a change from the Daily Mode or the Weekly Mode or the Auction Mode, and (iii) the Substitution Tender Date.

"Mandatory Sinking Fund Payment" means a principal amount of Variable Rate Bonds of a Series which is subject to mandatory redemption on a Mandatory Sinking Fund Redemption Date.

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"Mandatory Sinking Fund Redemption Date" means each May 1 upon which Variable Rate Bonds of a Series are subject to mandatory redemption hereunder.

"Market Agent" means any person or entity meeting the requirements of Section 30-66.12 which is a party to a Market Agent Agreement.

"Market Agent Agreement" means an agreement among the Commission, as appropriate, the Auction Agent and a Broker-Dealer, and any similar agreement with a successor market agent with respect to a Series of Variable Rate Bonds, as such agreement may from time to time be amended or supplemented.

"Maturity Date" means, with respect to any Variable Rate Bond or Series of Variable Rate Bonds, the date specified in a Series Sale Resolution relating to such Variable Rate Bond or Series of Variable Rate Bonds upon which such Variable Rate Bond or Series of Variable Rate Bonds mature, and, upon a change to the Fixed Rate Mode, any Serial Maturity Date established pursuant to Section 30-65.10(b).

"Maximum Auction Rate" means, while the Variable Rate Bonds of a Series are rated "A" or higher, on any date of determination, the interest rate per annum equal to the lesser of (i) the Applicable Percentage of the higher of (A) the Thirty-Day "AA" Composite Commercial Paper Rate on such date and (B) the Reference Rate on such date, and (ii) 16% per annum (or such other rate as may be specified in a Series Sale Resolution); provided that in no event shall the Maximum Auction Rate be more than the Maximum Rate. While the Prevailing Rating on Variable Rate Bonds of a Series is below "A" or such Variable Rate Bonds of a Series are not then rated, the Maximum Auction Rate shall be 16% per annum (or such other rate as may be specified in a Series Sale Resolution); provided however that in no event shall the Maximum Auction Rate be more than the Maximum Rate.

"Maximum Rate" means, on any day and with respect to any Variable Rate Bonds, the lesser of (i) the highest interest rate which may be borne by such Variable Rate Bonds under State law, or (ii) the per annum interest rate specified in a Series Sale Resolution with respect to such Variable Rate Bonds.

"Mode" means the period of time that all Variable Rate Bonds of a Series bear interest at Daily Rates, Weekly Rates, Auction Rates, Commercial Paper Rates, Term Rates or a Fixed Rate, and, as the context may require, means the Commercial Paper Mode, the Daily Mode, the Weekly Mode, the Auction Mode, the Term Rate Mode or the Fixed Rate Mode.

"Mode Change Date" means with respect to any Series of Variable Rate Bonds in a particular Mode, the day on which another Mode for such Series of Variable Rate Bonds begins.

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"Mode Change Notice" means the notice from the Commission to the other Notice Parties of the Commission's intention to change Modes.

"New Mode" shall have the meaning specified in Section 30-65.10(a).

"Nominee" means the nominee of the Bond Depository as determined from time to time in accordance with this Eleventh Supplemental Resolution for any Series of Variable Rate Bonds.

"Notice Parties" means the Commission, the Trustee, the Remarketing Agent, if any, the Paying Agent and the Credit Provider, if any, and when there are Series of Variable Rate Bonds outstanding in the Auction Mode, the Auction Agent, the Market Agent, if any, and the Broker-Dealers for such Series of Variable Rate Bonds.

"Order" means a Hold Order, Bid or Sell Order.

"Potential Owner" means any Person, including any Existing Owner, who may be interested in acquiring a beneficial interest in Auction Bonds in addition to the Auction Bonds currently owned by such Person, if any.

"Prevailing Rating" means:

(a) "AAA," if a Series of Auction Bonds shall have a rating of "AAA-" or better by Standard & Poor's, "AAA-" or better by Fitch and "Aaa3" or better by Moody's;

(b) "AA," if a Series of Auction Bonds shall have a rating of "AA-" or better by Standard & Poor's, "AA-" or better by Fitch and "Aa3" or better by Moody's but less than "AAA-" by Standard & Poor's, "AAA-" by Fitch or "Aaa3" by Moody's;

(c) "A," if a Series of Auction Bonds shall have a rating of "A-" or better by Standard & Poor's, "A-" or better by Fitch and "A3" or better by Moody's but less than "AA-" by Standard & Poor's, "AA-" by Fitch or "Aa3" by Moody's, respectively.

For purposes of this definition, Standard & Poor's rating categories of "AAA," "AA-," and "A-," Fitch's rating categories of "AAA," "AA," and "A-," and Moody's rating categories of "Aaa," "Aa3," and "A3" shall be deemed to refer to and include the respective rating categories correlative thereto in the event that any such Rating Agencies shall have changed or modified their generic rating categories or if any successor thereto appointed in accordance with the definitions thereof shall use different rating categories. If a Series of Auction Bonds is not rated by a Rating Agency, the requirement of a rating by such Rating Agency shall be disregarded. If there is no rating, then the Auction Rate shall be the Maximum Auction Rate.

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"Principal Office" means, with respect to the Auction Agent, the office thereof designated in writing to the Commission, the Trustee and each Broker-Dealer.

"Principal Payment Date" means any May 1 upon which the principal amount of Variable Rate Bonds is due hereunder, including any Maturity Date, any Serial Maturity Date, any Mandatory Sinking Fund Redemption Date or any Redemption Date.

"Project" means the improvements, equipment, repairs, betterments or other authorized activities of the Commission the acquisition, development, construction, equipping, improvement or undertaking of which are designated in accordance with a Series Sale Resolution to be financed with proceeds of the sale of a Series of Variable Rate Bonds deposited in the related account within the Construction Fund.

"Project Costs" means the costs of financing, acquiring, developing, constructing, equipping, improving and undertaking a Project and shall include the following:

(a) payment of, or reimbursement of the Commission for, any amounts necessary to pay the fees of, and any other amounts due, any Credit Provider or interest on any obligations incurred under a Credit Facility during the Construction Period;

(b) payment of the costs incurred or to be incurred in connection with or incidental to the acquisition, construction, development or equipping of the Project, including administrative, legal (including but not limited to fees and expenses of the City Attorney), engineering, planning, design, studies, insurance costs, costs of obtaining any applicable licenses or permits and financing costs, and (b) payment to the Commission of such amounts, if any, as shall be necessary to pay or reimburse the Commission in full for all advances and payments made by the Commission relating to the Project prior to or after the date of issuance and delivery of the related Series of Variable Rate Bonds, including expenditures in connection with acquisition by the Commission of appropriate title or interest in and to the project site (including the cost of such acquisition and of any rights-of-way or easements relating to or necessary or useful to the Project or the project site), site improvement, and all real or personal property deemed necessary in connection with the Project, or any one or more of such expenditures (including architectural, engineering and supervisory services) with respect to any of the foregoing;

(c) Costs of Issuance;

(d) payment of, or reimbursement of the Commission for, as such payments become due, the fees and expenses of the Trustee, the Registrar, the Auction Agent, the Market Agent, the Broker-Dealers, the Paying Agent and the Authenticating Agent and the fees and expenses of their counsel properly incurred under the 1991 Resolution during the Construction Period;

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(e) payment of the premiums on all insurance required to be taken out and maintained under the 1991 Resolution during the Construction Period;

(f) payment of interest on the related Series of Variable Rate Bonds during the Construction Period; and

(g) any other costs and expenses relating to the Project authorized under the Act.

"Purchase Date" means (i) for a Series of Variable Rate Bonds in the Commercial Paper Mode, the last day of the Interest Period for such Series of Variable Rate Bonds, (ii) for a Series of Variable Rate Bonds in the Daily Mode or the Weekly Mode, any Business Day selected by the Owner of any Variable Rate Bond of such Series pursuant to the provisions of Section 30-65.17(a), and (iii) for a Variable Rate Bond of a Series of Variable Rate Bonds in the Term Rate Mode, the last day of the Interest Period for such Series of Variable Rate Bonds (or the next Business Day if such last day is not a Business Day), but only if the Owner thereof shall have elected to have such Variable Rate Bond purchased on such date pursuant to Section 30-65.17(d).

"Purchase Fund" means the fund by that name created in Section 30-65.21(b).

"Purchase Price" means (i) an amount equal to the principal amount of any Variable Rate Bonds of a Series purchased on any Purchase Date, plus, in the case of any purchase of Variable Rate Bond of a Series in the Daily Mode, Weekly Mode or Term Rate Mode, accrued interest, if any, to the Purchase Date, or (ii) an amount equal to the principal amount of any Variable Rate Bond of a Series purchased on a Mandatory Purchase Date, plus, accrued interest, if any, to the Mandatory Purchase Date.

"Rate Determination Date" means the date on which the interest rate or rates, as applicable, on a Series of Variable Rate Bonds shall be determined, which, (i) in the case of the Commercial Paper Mode, shall be the first day of an Interest Period; (ii) in the case of the Daily Mode, shall be each Business Day commencing with the first day such Variable Rate Bonds become subject to the Daily Mode; (iii) in the case of the initial change to the Weekly Mode, shall be no later than the Business Day prior to the Mode Change Date, and thereafter, shall be each Tuesday or, if Tuesday is not a Business Day, the next succeeding day or, if such day is not a Business Day, then the Business Day next preceding such Tuesday; (iv) in the case of the Term Rate Mode, shall be a Business Day no earlier than thirty (30) Business Days and no later than the Business Day next preceding the first day of an Interest Period, as determined by the Remarketing Agent for such Series of Variable Rate Bonds; and (v) in the case of the Fixed Rate Mode, shall be a date determined by the Remarketing Agent for such Series of Variable Rate Bonds which shall be at least one Business Day prior to the Mode Change Date.

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"Rating Confirmation Notice" means a notice from Moody's, Standard & Poor's or Fitch, as appropriate, confirming that the rating on a Series of Variable Rate Bonds will not be withdrawn (other than a withdrawal of a short term rating upon a change to a Term Rate Mode or Fixed Rate Mode) as a result of the action proposed to be taken.

"Record Date" means (i) with respect to a Series of Variable Rate Bonds in a Commercial Paper Mode or a Weekly Mode, the day (whether or not a Business Day) next preceding each Interest Payment Date; (ii) with respect to a Series of Variable Rate Bonds in the Daily Mode, the last day of each month (whether or not a Business Day); (iii) with respect to a Series of Variable Rate Bonds in a Term Rate Mode or a Fixed Rate Mode, the fifteenth (15th) day (whether or not a Business Day) of the month next preceding each Interest Payment Date and (iv) with respect to a Series of Variable Rate Bonds in an Auction Mode, the Business Day immediately preceding an Interest Payment Date.

"Reference Rate" shall have the meaning specified in Section 30-66.07.

"Redemption Date" means the date fixed for redemption of a Variable Rate Bond or a Series of Variable Rate Bonds subject to redemption in any notice of redemption given in accordance with the terms.

"Redemption Price" means an amount equal to the principal of, premium, if any, and accrued interest, if any, on the Variable Rate Bonds or Series of Variable Rate Bonds to be paid on the Redemption Date.

"Remarketing Agent" means the remarketing agent, if any, for a Series of Variable Rate Bonds designated in a Series Sale Resolution authorizing the issuance thereof and any investment banking firm which may at any time be substituted in its place as provided in Section 30-65.33. Unless the context otherwise requires, the term "Remarketing Agent," whenever used in this Eleventh Supplemental Resolution with respect to certain Variable Rate Bonds or a Series of Variable Rate Bonds, shall refer only to the applicable Remarketing Agent with respect to such Variable Rate Bonds or Series of Variable Rate Bonds.

"Remarketing Agreement" means any agreement executed and delivered by the Commission and each Remarketing Agent with respect to a Series of Variable Rate Bonds, as it may be amended or supplemented from time to time in accordance with its terms.

"Remarketing Proceeds Account" means the account by that name created pursuant to Section 30-65.21(b).

"Renewal Date" means the forty-fifth (45th) day prior to the Expiration Date.

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"Seasoned Funds" means, with respect to a Series of Variable Rate Bonds, (i) moneys derived from Draws under a Credit Facility or Alternate Credit Facility, as appropriate, securing such Series of Variable Rate Bonds, if any, (ii) moneys received by the Trustee and held in Funds and Accounts created under the 1991 Resolution for a period of at least one hundred twenty-four (124) days and not commingled with any moneys so held for less than said period and during and prior to which period no petition in bankruptcy was filed by or against the Commission under the United States Bankruptcy Code, (iii) moneys with respect to which the Trustee shall have received an Opinion of Counsel experienced in matters pertaining to the United States Bankruptcy Code, that the contemplated use of such moneys would not constitute a transfer of property voidable under Sections 544 or 547 of the United States Bankruptcy Code, should the Commission become a debtor under such code or (iv) investment income derived from the investment of moneys described in clause (i), (ii) or (iii).

"Sell Order" has the meaning specified in subsection (a) of Section 30-66.02.

"Serial Bonds" means, for a Series of Variable Rate Bonds, the Variable Rate Bonds maturing on the Serial Maturity Dates, as determined pursuant to Section 30-65.10(b).

"Serial Maturity Dates" means each May 1 on which Serial Bonds mature, as determined pursuant to Section 30-65.10(b).

"Serial Payments" mean the payments to be made in payment of the principal of the Serial Bonds on the Serial Maturity Dates.

"Series Construction Account" means an account established for a Series of Variable Rate Bonds pursuant to Section 30-65.19.

"Series Costs of Issuance Account" means an account established for a Series of Variable Rate Bonds pursuant to Section 30-65.20.

"Series Debt Service Fund Accounts" mean each Series Interest Account, each Series Principal Account and each Series Redemption Account.

"Series Escrow Agent" means the escrow agent (including any successors thereto) appointed by the Commission in a Series Sale Resolution as the Escrow Agent under the corresponding Series Escrow Agreement.

"Series Escrow Agreement" means the Escrow Agreement, in such form as shall be approved by the Commission, among the corresponding Series Escrow Agent, the Trustee and the Commission relating to the proceeds of a Series of Variable Rate Bonds and certain other moneys to be applied to the payment or redemption of 1991 Resolution Bonds or Subordinate Bonds.

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"Series Escrow Fund" means the Escrow Fund to be held by the Series Escrow Agent and applied to the payment or redemption of bonds issued under the 1991 Resolution.

"Series Interest Account" means an account established for a Series of Variable Rate Bonds pursuant to Section 30-65.22(a).

"Series of Variable Rate Bonds" or "Variable Rate Bonds of a Series" or "Series" means a series of Variable Rate Bonds issued pursuant to this Eleventh Supplemental Resolution, as designated in a Series Sale Resolution.

"Series Principal Account" means an account established for a Series of Variable Rate Bonds pursuant to Section 30-65.22(a).

"Series Redemption Account" means an account established for a Series of Variable Rate Bonds pursuant to Section 30-65.22(a).

"Series Reserve Account" means an account, if any, established for a Series of Variable Rate Bonds pursuant to Section 30-65.23(d).

"Series Reserve Requirement" means, with respect to a Series of Variable Rate Bonds, the amount, if any, designated in accordance with Section 30-65.23(a).

"Series Sale Resolution" means one or more resolutions of the Commission, (i) awarding or providing for the award of a Series of Variable Rate Bonds to the successful bidder in accordance with the terms of the Official Notice of Sale or providing for the sale of a Series of Variable Rate Bonds to an underwriter or underwriters in accordance with the terms of a Bond Purchase Contract, and (ii) determining or providing for the determination of the interest rates, the Mode, the Maturity Date and the Maximum Rate (if such Variable Rate Bonds are secured by a Credit Facility, other than a Bond Insurance Policy or reserve fund surety policy) to be borne by such Variable Rate Bonds, whether principal payments in any given year are to be Serial Payments or Mandatory Sinking Fund Payments, and the dates of any Mandatory Sinking Fund Payments, the Purchase Price of such Variable Rate Bonds, providing for a Credit Facility securing any or all of such Variable Rate Bonds and naming the Credit Provider, Auction Agent, Market Agent, if any, and Remarketing Agent, if any, and determining or providing for the determination of such other matters relating to the Series of Variable Rate Bonds as may be permitted or authorized to be determined by the Commission in accordance with the 1991 Resolution. If so designated by resolution of the Commission, a certificate signed by the Airport Director may be deemed to be a Series Sale Resolution.

"Short-Term Mode" means the Commercial Paper Mode, a Daily Mode or a Weekly Mode.

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"Special Rate Period" means, for any Auction Bonds of a Series, any period of not less than seven (7) nor more than one thousand ninety-two (1,092) days which begins on an Interest Payment Date and ends on a day established pursuant to a Series Sale Resolution for such Series of Auction Bonds.

"State" means the State of California.

"Stated Interest Payment Dates" means each May 1 and November 1.

"Submission Deadline" means, for Auction Bonds of a Series, 1:00 p.m., New York City time, on each Auction Date not in a daily Auction Period and 11:00 a.m., New York City time, on each Auction Date in a daily Auction Period, or such other time on such date as shall be specified from time to time by the Auction Agent pursuant to the Auction Agreement as the time by which each Broker-Dealer is required to submit Orders to the Auction Agent.

"Submitted Bid" has the meaning specified in subsection (b) of Section 30-66.04.

"Submitted Hold Order" has the meaning specified in Section 30-66.04(b).

"Submitted Order" has the meaning specified in Section 30-66.04(b).

"Submitted Sell Order" has the meaning specified in Section 30-66.04(b).

"Substitution Date" means the date on which an Alternate Credit Facility is to be substituted for the Credit Facility.

"Substitution Tender Date" means the date five (5) Business Days prior to the Substitution Date.

"Sufficient Clearing Bids" means an Auction for which the aggregate principal amount of Auction Bonds of a Series that are the subject of Submitted Bids by Potential Owners specifying one or more rates not higher than the Maximum Auction Rate is not less than the aggregate principal amount of Auction Bonds of such Series that are the subject of Submitted Sell Orders and of Submitted Bids by Existing Owners specifying rates higher than the Maximum Auction Rate.

"Tax Certificate" means a certificate executed and delivered by an Authorized Commission Representative on the Closing Date, or any functionally similar replacement certificate subsequently executed and delivered by an Authorized Commission Representative with respect to the requirements of the Code related to a Series of Variable Rate Bonds.

"Term Rate" means the per annum interest rate for a Variable Rate Bond in the Term Rate Mode determined pursuant to Section 30-65.07(a).

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"Term Rate Interest Payment Date" means, with respect to a Series of Variable Rate Bonds in the Term Rate Mode and for the current Interest Period for such Series of Variable Rate Bonds, each Stated Interest Payment Date occurring in such Period (beginning with the first Stated Interest Payment Date that occurs no earlier than three (3) months after the commencement of such Period or such other date as may be specified in a Series Sale Resolution).

"Term Rate Mode" means the Mode during which a Series of Variable Rate Bonds bears interest at the Term Rate.

"Thirty-Day "AA" Composite Commercial Paper Rate" means, with respect to Variable Rate Bonds during an Auction Mode, on any date of determination, the interest equivalent of the Thirty-Day rate on commercial paper placed on behalf of non-financial issuers whose corporate bonds are rated "AA" by Standard & Poor's, or the equivalent of such rating by Standard & Poor's, as made available on a discount basis or otherwise by (A) the Federal Reserve Bank of New York for the Business Day immediately preceding such date of determination, or (B) if the Federal Reserve Bank of New York does not make available any such rate, then the arithmetic average of such rates, as quoted on a discount basis or otherwise, by commercial paper dealers selected by the Trustee (who shall be under no liability for such selection) (the "Commercial Paper Dealers") or if the Trustee does not select any such Commercial Paper Dealer or Dealers, by such commercial paper dealers as may be selected by the Commission, to the Auction Agent before the close of business on the Business Day immediately preceding such date of determination.

For purposes of the definitions of Thirty-Day "AA" Composite Commercial Paper Rate, the "interest equivalent" means the equivalent yield on a 360-day basis of a discount-basis security to an interest-bearing security. If any Commercial Paper Dealer does not quote a commercial paper rate required to determine the Thirty-Day "AA" Composite Commercial Paper Rate, the Thirty-Day "AA" Composite Commercial Paper Rate shall be determined on the basis of the quotation or quotations furnished by any substitute commercial paper dealer not included within the definition of Commercial Paper Dealer above (a "Substitute Commercial Paper Dealer") selected by the Trustee (who shall be under no liability for such selection) to provide such commercial paper rate or rates not being supplied by any Commercial Paper Dealer or Dealers, as the case may be, or if the Trustee does not select any such Substitute Commercial Paper Dealer or Dealers, by such other commercial paper dealer or dealers as may be selected by the Commission.

"Variable Rate Bonds" shall have the meaning specified in Section 30-65.01.

"Weekly Mode" means the Mode during which a Series of Variable Rate Bonds bears interest at the Weekly Rate.

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"Weekly Rate" means the per annum interest rate on a Series of Variable Rate Bonds in the Weekly Mode determined pursuant to Section 30-65.06(b).

"Winning Bid Rate" means, with respect to Auction Bonds of a Series, the lowest rate specified in any Submitted Bid for such Series, which if selected by the Auction Agent as the Auction Rate would cause the aggregate principal amount of Auction Bonds of such Series that are the subject of Submitted Bids specifying a rate not greater than such rate to be not less than the aggregate principal amount of Available Bonds of such Series.

SECTION 30-64.02. General Authorization. The appropriate officers, agents and employees of the Commission are each hereby authorized and directed in the name and on behalf of the Commission (i) to take all actions and to make and execute any and all certificates, requisitions, agreements, notices, consents, warrants and other documents, which they, or any of them, deem necessary or appropriate in order to consummate the lawful issuance, sale and delivery of one or more Series of Variable Rate Bonds in accordance with the provisions of the 1991 Resolution and in accordance with the provisions hereof; and (ii) to conduct such hearings as may be required by the Code to ensure the tax-exempt status of the Variable Rate Bonds and other 1991 Resolution Bonds to be issued pursuant to the 1991 Resolution.

SECTION 30-64.03. Ratification of the 1991 Resolution. This Eleventh Supplemental Resolution and all the terms and provisions herein contained shall form part of the 1991 Resolution as fully and with the same effect as if all such terms and provisions had been set forth in the 1991 Resolution. The 1991 Resolution is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as amended and supplemented to the date hereof, including as supplemented and amended by this Eleventh Supplemental Resolution.

ARTICLE 30-LXV

AUTHORIZATION AND TERMS OF VARIABLE RATE BONDS

SECTION 30-65.01. Authorization and Terms of Variable Rate Bonds. (a) One or more Series of Variable Rate Bonds to be issued under the 1991 Resolution, in the aggregate principal amounts specified in one or more Series Sale Resolutions, are hereby created. Each Series of said Variable Rate Bonds shall be known as the "San Francisco International Airport Second Series Variable Rate Revenue Bonds, Issue ____" (with the Series designation to be the Arabic number next succeeding the number used as a Series designation for the immediately preceding Series of 1991 Resolution Bonds issued and such other descriptive words or letters to be added as provided in a Series Sale Resolution) (collectively, the "Variable Rate Bonds"). Each Series of Variable Rate Bonds shall be numbered in such manner as the Registrar shall determine.

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(b) A Series of Variable Rate Bonds may be offered for sale in accordance with an Official Notice of Sale in such form as the Commission or the Airport Director or his designee may approve with the advice of the City Attorney or, alternatively, may be sold pursuant to a Bond Purchase Contract in such form as the Commission or the Airport Director or his designee may approve with the advice of the City Attorney.

(c) If a Series of Variable Rate Bonds is to be sold competitively, a Notice of Intention to Sell in such form as the Airport Director or his designee may approve with the advice of the City Attorney shall either (i) be published not less than 15 calendar days prior to the scheduled date for opening of bids, in such financial publications as are generally circulated throughout the State or reasonably expected to be disseminated among prospective bidders for such Variable Rate Bonds, or (ii) be disseminated by Electronic Means in a manner reasonably expected to be disseminated among prospective bidders for the Variable Rate Bonds, as the Airport Director or his designee may determine.

(d) The Airport Director or his designee is hereby authorized and directed to cause to be circulated, including without limitation by Electronic Means, to potential bidders, or in the case of a negotiated sale, to potential buyers, for each Series of Variable Rate Bonds a preliminary official statement relating to such Series of Variable Rate Bonds in such form as the Commission or the Airport Director or his designee may approve with the advice of the City Attorney. The Airport Director or his designee is hereby authorized to certify that the preliminary Official Statement is "deemed final" by the Commission within the meaning of Rule 15c2-12 of the Securities and Exchange Commission.

(e) The Airport Director or his designee is hereby further authorized and directed to certify and agree on behalf of the Commission to provide certain financial information and operating data of the Commission annually and notices of certain events, if material, pursuant to Rule 15c2-12(b)(5) of the Securities and Exchange Commission and to execute and deliver a Continuing Disclosure Certificate for the benefit of the Holders and beneficial owners of each Series of Variable Rate Bonds in a form approved by the Airport Director with the advice of the City Attorney.

(f) At any time after the adoption of this Eleventh Supplemental Resolution and any applicable Series Sale Resolution, the Commission may execute and deliver one or more Series of Variable Rate Bonds pursuant to this Eleventh Supplemental Resolution to the Trustee. The Authenticating Agent shall authenticate and deliver to, or upon the written order of, the Commission, Variable Rate Bonds in an aggregate principal amount not exceeding the amounts specified in each such Series Sale Resolution minus the aggregate principal amount of such Variable Rate Bonds previously issued (excluding the principal amount of any Refunding Bonds issued hereunder that are deemed to be issued under the Seventh Supplemental Resolution in accordance with Section 30-68.01(a)).

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(g) Anything in this Eleventh Supplemental Resolution to the contrary notwithstanding, the time of day specified herein for the taking or foregoing of any action provided for herein with respect to a Series of Variable Rate Bonds may be changed by a Series Sale Resolution with the prior written consent of the Trustee, the Auction Agent, if any, the Broker-Dealers, if any, the Market Agent, if any, the Remarketing Agent, if any, the Credit Provider, if any, and the Paying Agent, whose rights or obligations are affected thereby, in each case with respect to such Series of Variable Rate Bonds.

SECTION 30-65.02. Denominations, Medium, Method and Place of Payment and Dating of Variable Rate Bonds. Each Series of Variable Rate Bonds shall initially be issued in the Mode selected by the Commission and designated in a Series Sale Resolution relating to such Series of Variable Rate Bonds. Each Series of Variable Rate Bonds shall be issued in the form of fully registered Variable Rate Bonds in Authorized Denominations. The principal of and premium, if any, and interest on the Variable Rate Bonds shall be payable in lawful money of the United States of America. The interest on the Variable Rate Bonds shall be paid by the Paying Agent on the Interest Payment Dates (i) in the case of a Series of Variable Rate Bonds in a Commercial Paper Mode, a Daily Mode or a Weekly Mode, by wire transfer of immediately available funds to an account specified by the Owner of record thereof on the applicable Record Date in a writing delivered to the Paying Agent and (ii) in the case of a Series of Variable Rate Bonds in an Auction Mode, a Term Rate Mode or a Fixed Rate Mode, by check mailed by the Paying Agent to the respective Owners of record thereof on the applicable Record Date at their addresses as they appear on the applicable Record Date in the registration books required to be kept by the Paying Agent pursuant to Section 30-65.13, except that in the case of such an Owner of \$1,000,000 or more in aggregate principal amount of a Series of Variable Rate Bonds, upon the written request of such Owner to the Paying Agent, specifying the account or accounts to which such payment shall be made, payment of interest shall be made by wire transfer of immediately available funds on the Interest Payment Date following such Record Date. Any such request shall remain in effect until revoked or revised by such Owner by an instrument in writing delivered to the Paying Agent. The principal of and premium, if any, on each Variable Rate Bond shall be payable on the Principal Payment Date, upon surrender thereof at the office of the Paying Agent.

The Paying Agent, the Trustee, the Remarketing Agent and the Commission may treat the Owner of a Variable Rate Bond as the absolute owner thereof for all purposes, whether or not such Variable Rate Bond shall be overdue, and the Paying Agent, the Trustee, the Remarketing Agent and the Commission shall not be affected by any knowledge or notice to the contrary; and payment of the principal of and premium, if any, and interest on such Variable Rate Bond shall be made only to such Owner, which payments shall be valid and effectual to satisfy and discharge the liability of such Variable Rate Bond to the extent of the sum or sums so paid. All Variable Rate Bonds paid pursuant to the provisions of this Section 30-65.02 shall be cancelled by the Paying Agent.

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Each Series of Variable Rate Bonds shall be dated the date of authentication thereof and shall bear interest during each Interest Accrual Period until the entire principal amount of such Series of Variable Rate Bonds has been paid.

SECTION 30-65.03. Payment of Principal and Interest of Variable Rate Bonds; Acceptance of Terms and Conditions. (a) The interest on each Series of Variable Rate Bonds shall become due and payable on the Interest Payment Dates for such Series of Variable Rate Bonds in each year to and including the Maturity Date, and on each Redemption Date for such Series of Variable Rate Bonds. The principal of each Series of Variable Rate Bonds shall become due and payable on the Principal Payment Dates.

(b) By the acceptance of its Variable Rate Bond, the Owner thereof shall be deemed to have agreed to all the terms and provisions of such Variable Rate Bond as specified in such Variable Rate Bond and the 1991 Resolution including, without limitation, the applicable Interest Periods, interest rates (including any applicable Alternate Rate), Purchase Dates, Mandatory Purchase Dates, Purchase Prices, mandatory and optional purchase and redemption provisions applicable to such Variable Rate Bond, method and timing of purchase, redemption and payment. Such Owner further agrees that if, on any date upon which one of its Variable Rate Bonds is to be purchased, redeemed or paid at maturity or earlier due date, funds are on deposit with the Paying Agent or the Trustee to pay the full amount due on such Variable Rate Bond, then such Owner shall have no rights under the 1991 Resolution other than to receive such full amount due with respect to such Variable Rate Bond and that interest on such Variable Rate Bond shall cease to accrue as of such date.

SECTION 30-65.04. Calculation and Payment of Interest; Maximum Rate. (a) When a Commercial Paper Mode, a Daily Mode or a Weekly Mode is in effect for a Series of Variable Rate Bonds, interest on such Variable Rate Bonds shall be calculated on the basis of a 365/366 day year for the actual number of days elapsed. When a Term Rate Mode or a Fixed Rate Mode is in effect for a Series of Variable Rate Bonds, interest on such Variable Rate Bonds shall be calculated on the basis of a 360-day year comprised of twelve 30-day months. When an Auction Mode is in effect in an Auction Period of 180 days or less for a Series of Variable Rate Bonds, interest on such Variable Rate Bonds shall be calculated on the basis of actual days over 360 and when the Auction Period is greater than 180 days for a Series of Variable Rate Bonds, on the basis of a 360-day year of twelve 30-day months. Payment of interest on each Variable Rate Bond shall be made on each Interest Payment Date for such Variable Rate Bond for unpaid interest accrued during the Interest Accrual Period to the Owner of record of such Variable Rate Bond on the applicable Record Date.

(b) A Series of Variable Rate Bonds in any Mode, other than a Fixed Rate Mode, may be changed to any other Mode at the times and in the manner hereinafter provided. Subsequent to such change in Mode (other than a change to a Fixed Rate Mode), such Variable Rate Bond may again be changed to a different Mode at the times and in the manner hereinafter

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provided. A Fixed Rate Mode shall be in effect until the Maturity Date or the Redemption Date, if any, and may not be changed to any other Mode.

(c) Absent manifest error, the interest rates contained in the records of the Paying Agent shall be conclusive and binding upon the Commission, the Remarketing Agent, the Paying Agent, the Trustee, the Credit Provider and the Owners, and with respect to a Series of Variable Rate Bonds in an Auction Mode, the Auction Agent, the Market Agent, if any, and the Broker-Dealers.

(d) No Variable Rate Bonds shall bear interest at an interest rate higher than the Maximum Rate.

(e) In the absence of manifest error, the determination of interest rates and Interest Periods by the Remarketing Agent shall be conclusive and binding, upon the Remarketing Agent, the Paying Agent, the Trustee, the Credit Provider, the Commission and the Owners.

SECTION 30-65.05. Determination of Commercial Paper Rates and Interest Periods During the Commercial Paper Mode. An Interest Period for a Commercial Paper Bond shall be of such duration, ending on a Business Day (but not later than the current Expiration Tender Date), of from one to 360 calendar days, as the Remarketing Agent shall determine in accordance with the provisions of this Section 30-65.05. A Commercial Paper Bond of a Series can have an Interest Period, and bear interest at a rate, different than other Commercial Paper Bonds of the same Series. In making the determinations with respect to Interest Periods, subject to limitations imposed by the second preceding sentence and in Section 30-65.04, on each Rate Determination Date for a Commercial Paper Bond, the Remarketing Agent shall select for such Variable Rate Bond the Interest Period which would result in the Remarketing Agent being able to remarket such Variable Rate Bond at par in the secondary market at the lowest interest rate then available and for the longest Interest Period available at such rate, provided that if on any Rate Determination Date, the Remarketing Agent determines that current or anticipated future market conditions or anticipated future events are such that a different Interest Period would result in a lower average interest cost on such Variable Rate Bond, then the Remarketing Agent shall select the Interest Period which in the judgment of the Remarketing Agent would permit such Variable Rate Bond to achieve such lower average interest cost; provided, however, that if the Remarketing Agent has received notice from the Commission that any Variable Rate Bond is to be changed from the Commercial Paper Mode to any other Mode or is to be purchased in accordance with a mandatory purchase pursuant to Section 30-65.17(e), the Remarketing Agent shall, with respect to such Variable Rate Bond, select Interest Periods which do not extend beyond the Mandatory Purchase Date.

On or after 4:00 p.m., New York City time, on the Business Day next preceding each Rate Determination Date for a Commercial Paper Bond, any Owner of such Variable Rate

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Bond may telephone the Remarketing Agent and receive notice of the anticipated next Interest Period and the anticipated Commercial Paper Rate for such Interest Period for such Variable Rate Bond.

By 12:30 p.m., New York City time, on each Rate Determination Date for a Commercial Paper Bond, the Remarketing Agent shall determine the Commercial Paper Rate for the Interest Period then selected for such Variable Rate Bond and shall give notice by Electronic Means to the Paying Agent of the new Owner, the Interest Period, the Purchase Date and the Commercial Paper Rate.

By 1:00 p.m., New York City time, on each Rate Determination Date, the Remarketing Agent will assign CUSIP numbers for each Commercial Paper Bond for which a Commercial Paper Rate and Interest Period have been determined on such date and notify the Paying Agent of such assignment by Electronic Means.

SECTION 30-65.06. Determination of Interest Rate During the Daily Mode and the Weekly Mode. The interest rate for any Series of Variable Rate Bonds in the Daily Mode or Weekly Mode shall be the rate of interest per annum determined by the Remarketing Agent on and as of the applicable Rate Determination Date as the minimum rate of interest which, in the opinion of the Remarketing Agent under then-existing market conditions, would result in the sale of such Variable Rate Bond on the Rate Determination Date at a price equal to the principal amount thereof, plus accrued and unpaid interest, if any.

(a) During the Daily Mode, the Remarketing Agent shall establish the Daily Rate by 10:00 a.m., New York City time, on each Rate Determination Date. The Daily Rate for any day during the Daily Mode which is not a Business Day shall be the Daily Rate established on the immediately preceding Rate Determination Date. The Remarketing Agent shall make the Daily Rate available by telephone to any Owner or Notice Party requesting such rate, and on the last Business Day of each month, shall give notice to the Paying Agent of the Daily Rates that were in effect for each day of such month by Electronic Means.

(b) During the Weekly Mode, the Remarketing Agent shall establish the Weekly Rate by 4:00 p.m., New York City time, on each Rate Determination Date. The Weekly Rate shall be in effect (i) initially, from and including the first day the Variable Rate Bonds become subject to the Weekly Mode to and including the following Tuesday, and (ii) thereafter, from and including each Wednesday to and including the following Tuesday. The Remarketing Agent shall make the Weekly Rate available (i) after 4:00 p.m., New York City time, on the Rate Determination Date by telephone to any Owner or Notice Party requesting such rate, and (ii) by Electronic Means to the Paying Agent not later than 1:00 p.m., New York City time, on the second Business Day immediately succeeding the Rate Determination Date. The Paying Agent shall give notice of such interest rates to the Trustee by Electronic Means not later than 4:00

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p.m., New York City time, on the second Business Day immediately succeeding the Rate Determination Date:

SECTION 30-65.07. Determination of Term Rate and Fixed Rate.

(a) Term Rates. Once a Series of Variable Rate Bonds is changed to the Term Rate Mode, such Variable Rate Bonds shall continue in the Term Rate Mode until changed to another Mode in accordance with Section 30-65.10. The Term Rate shall be determined by the Remarketing Agent not later than 4:00 p.m., New York City time, on the Rate Determination Date, and the Remarketing Agent shall make the Term Rate available by telephone to any Notice Party requesting such rate. The Remarketing Agent shall give prompt written notice of the Term Rate to the Commission and the Paying Agent. The Term Rate shall be the minimum rate which, in the sole judgment of the Remarketing Agent, will result in a sale of the Series of Variable Rate Bonds at a price equal to the principal amount thereof on the Rate Determination Date for the Interest Period selected by the Commission in writing delivered to the Remarketing Agent before such Rate Determination Date. If a new Interest Period is not selected by the Commission prior to such Rate Determination Date (for a reason other than a court prohibiting such selection) the new Interest Period shall be the same length as the current Interest Period (or such lesser period as shall be necessary to comply with the next sentence and paragraph). No Interest Period in the Term Rate Mode may extend beyond the applicable Maturity Date.

A Series of Variable Rate Bonds, on the date such Variable Rate Bonds are changed to the Term Rate Mode and while such Variable Rate Bonds are in the Term Rate Mode, do not have to be secured by a Credit Facility if so determined by the Commission as provided by Section 30-65.10(a). If, however, such Series of Variable Rate Bonds are secured by the Credit Facility, then, notwithstanding anything to the contrary contained herein, no Interest Period for such Variable Rate Bond may extend beyond the Expiration Tender Date.

(b) Fixed Rate. The Remarketing Agent shall determine the Fixed Rate for each Variable Rate Bond in the Fixed Rate Mode in the manner and at the times as follows: Not later than 4:00 p.m., New York City time, on the Rate Determination Date for such Variable Rate Bond, the Remarketing Agent shall determine the Fixed Rate for such Variable Rate Bond. The Fixed Rate shall be the minimum interest rate which, in the sole judgment of the Remarketing Agent, will result in a sale of such Variable Rate Bond at a price equal to the principal amount thereof on the Rate Determination Date. The Remarketing Agent shall give written notice of the Fixed Rate promptly to the Paying Agent and shall make the Fixed Rate available by Electronic Means to any other Notice Party requesting such Fixed Rate. Upon request of any Notice Party, the Paying Agent shall give notice of such rate by Electronic Means.

SECTION 30-65.08. Alternate Rates. (a) The following provisions shall apply in the event (i) the Remarketing Agent fails or is unable to determine the interest rate or Interest Period for any Variable Rate Bond or Series of Variable Rate Bonds or (ii) the method by which

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the Remarketing Agent determines the interest rate or Interest Period with respect to a Variable Rate Bond or Series of Variable Rate Bonds (or the selection by the Commission of the Interest Periods for a Series of Variable Rate Bonds in the Term Rate Mode) shall be held to be unenforceable by a court of law of competent jurisdiction. These provisions shall continue to apply until such time as the Remarketing Agent (or the Commission if applicable) again makes such determinations. In the case of clause (ii) above, the Remarketing Agent (or the Commission, if applicable) shall again make such determination at such time as there is delivered to the Remarketing Agent and the Commission an Opinion of Bond Counsel to the effect that there are no longer any legal prohibitions against such determinations. The following shall be the methods by which the interest rates and, in the case of the Commercial Paper Mode and the Term Rate Mode, the Interest Periods, shall be determined for a Series of Variable Rate Bonds as to which either of the events described in clauses (i) or (ii) shall be applicable. Such methods shall be applicable from and after the date either of the events described in clauses (i) or (ii) first become applicable to such Variable Rate Bond or Variable Rate Bonds until such time as the events described in clauses (i) or (ii) are no longer applicable to such Variable Rate Bond or Variable Rate Bonds. These provisions shall not apply if the Commission fails to select an Interest Period for a Series of Variable Rate Bonds in the Term Rate Mode for a reason other than as described in clause (ii) above.

(b) For a Commercial Paper Bond, the next Interest Period shall be from, and including, the last day of the current Interest Period for such Variable Rate Bond to, but excluding, the next succeeding Business Day and thereafter shall commence on each Business Day and extend to, but exclude, the next succeeding Business Day. For each such Interest Period, the interest rate for such Variable Rate Bond shall be the BMA Municipal Swap Index in effect on the Business Day that begins an Interest Period.

(c) If such Variable Rate Bond is in the Daily Mode, then such Variable Rate Bond shall bear interest during each subsequent Interest Period at the last lawful interest rate for such Variable Rate Bond set by the Remarketing Agent pursuant to Section 30-65.06.

(d) If such Variable Rate Bond is in the Weekly Mode, then such Variable Rate Bond shall bear interest during each subsequent Interest Period at the BMA Municipal Swap Index in effect on the first day of such Interest Period.

(e) If such Variable Rate Bond is in the Term Rate Mode and if (i) such Variable Rate Bond is secured by a Credit Facility, it will be changed automatically to the Commercial Paper Mode with an Interest Period and Commercial Paper Rate to be determined by the Remarketing Agent in accordance with Section 30-65.05, or (ii) if such Variable Rate Bond is not secured by a Credit Facility, then such Variable Rate Bond shall stay in the Term Rate Mode for subsequent Interest Periods, each beginning on the last Stated Interest Payment Date and ending on the next Stated Interest Payment Date, and shall bear interest at the Alternate Term Rate in effect at the beginning of each such Interest Period.

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SECTION 30-65.09. Determination and Notice of Auction Rates. The Auction Rate applicable to a Series of Variable Rate Bonds during each Auction Period shall be determined by the Auction Agent and notice thereof shall be given as provided in Article 30-LXVI hereof, except that if such Series of Variable Rate Bonds has an Initial Period, the Auction Rate for such Initial Period shall be specified in a Series Sale Resolution for such Series of Variable Rate Bonds.

SECTION 30-65.10. Changes in Mode. Subject to the provisions of this Section, the Commission may effect a change in Mode with respect to a Series of Variable Rate Bonds (other than a Series of Variable Rate Bonds in an Auction Mode which is set forth under Section 30-65.11 below) by following the procedures set forth in this Section. If a change in Mode will make a Series of Variable Rate Bonds subject to Rule 15c2-12 promulgated under the Securities Act of 1934, as amended, a Continuing Disclosure Certificate shall be executed by the Commission satisfying the requirements of said Rule.

(a) Changes to a Mode Other Than the Fixed Rate Mode or the Auction Mode. A Series of Variable Rate Bonds (other than a Series of Variable Rate Bonds in the Fixed Rate Mode or the Auction Mode) may be changed from one Mode to another Mode (other than the Fixed Rate Mode or the Auction Rate Mode) as follows:

(i) Mode Change Notice; Notice to Owners. No later than the forty-fifth (45th) day (or such shorter time as may be agreed to by the Commission, the Trustee, the Paying Agent and the Remarketing Agent) preceding the proposed Mode Change Date, the Commission shall give written notice to the Notice Parties of its intention to effect a change in the Mode from the Mode then prevailing (for purposes of this Section, the "Current Mode") to another Mode (for purposes of this Section, the "New Mode") specified in such written notice, and, if the change is to a Term Rate Mode, the length of the initial Interest Period as set by the Commission and whether or not the Series of Variable Rate Bonds to be changed to the Term Rate Mode will be secured by a Credit Facility (if it will be secured, then the initial Interest Rate Period for such Variable Rate Bonds selected by the Commission cannot extend beyond the Expiration Tender Date). Notice of the proposed change in Mode shall be given to the Owners pursuant to Section 30-65.17(c).

(ii) Determination of Interest Rates. The New Mode for a Series of Variable Rate Bonds shall commence on the Mode Change Date for such Variable Rate Bond and the interest rate (together, in the case of a change to the Commercial Paper Mode, with the Interest Period for such Variable Rate Bond) shall be determined by the Remarketing Agent (or the Commission in the case of the Interest Period for a Variable Rate Bond changed to the Term Rate Mode) in the manner provided in Sections 30-65.05, 30-65.06 or 30-65.07, as applicable.

(iii) Conditions Precedent. The following are conditions precedent to any Mode Change:

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- (A) The Mode Change Date shall be a Business Day.
- (B) Additionally, the Mode Change Date in the case of a

change:

(1) from the Commercial Paper Mode, shall be the next Purchase Date for the Series of Commercial Paper Bonds to be changed to the New Mode; and

(2) from a Term Rate Mode, shall be the last day of the current Interest Period for the Series of Variable Rate Bonds being changed to a New Mode.

(C) The following items shall have been delivered to the Trustee, the Paying Agent and the Remarketing Agent on or prior to the Mode Change Date:

(1) in the case of a change from a Short-Term Mode to a Term Rate Mode or from a Term Rate Mode to a Short-Term Mode, a Favorable Opinion of Bond Counsel dated the Mode Change Date and addressed to the Trustee, the Paying Agent and the Remarketing Agent;

(2) a Rating Confirmation Notice;

(3) a Credit Facility securing payment of principal of, premium, if any, interest on, and Purchase Price of such Series of Variable Rate Bonds with a principal component equal to the principal amount of the Series of Variable Rate Bonds being changed, and with an interest component equal to or greater than the Credit Facility Interest Amount for the applicable Mode and with an Expiration Date not earlier than five (5) Business Days prior to the end of the initial Interest Rate Period for such Variable Rate Bonds; provided, however, that if a Series of Variable Rate Bonds is changed to the Term Rate Mode, no Credit Facility need be applicable to such Variable Rate Bonds while in the Term Rate Mode if the Commission so elects by the time it gives the notice to the Notice Parties required by subsection (a)(i) of this Section.

(D) If the Series of Variable Rate Bonds to be changed is in the Commercial Paper Mode, no Interest Period set after delivery by the Commission to the Remarketing Agent of the notice of the intention to effect a change in Mode with respect to such Variable Rate Bonds shall extend beyond the proposed Mode Change Date.

(b) Change to Fixed Rate Mode. At the option of the Commission, a Series of Variable Rate Bonds may be changed to the Fixed Rate Mode as provided in this Section 30-65.10(b) (except for Auction Bonds changed to the Fixed Rate Mode for which provision is made in Section 30-65.11(d)). Not less than forty-five (45) days (or such shorter time as may be agreed to by the Commission, the Trustee and the Remarketing Agent) before the proposed

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Mode Change Date for such Variable Rate Bonds, the Commission shall give written notice to the Notice Parties stating that the Mode will be changed to the Fixed Rate Mode and setting forth the proposed Mode Change Date. Such Notice shall also state whether or not some or all of the Series of Variable Rate Bonds to be changed shall be Serial Bonds and, if so, the applicable Serial Maturity Dates and Serial Payments, all as determined pursuant to the provisions of subsection (v) of this subsection (b). Any such change in Mode shall be made as follows:

(i) Conditions Precedent. The Mode Change Date shall be:

(A) a Business Day,

(B) in the case of a change from the Commercial Paper Mode, the Purchase Date for the Series of Commercial Paper Bonds to be changed to the Fixed Rate Mode; and

(C) in the case of a change from the Term Rate Mode, the last day of the current Interest Period for the Series of Variable Rate Bonds being changed to the Fixed Rate Mode;

(ii) Notice to Owners. Not less than the thirtieth (30th) day next preceding the Mode Change Date, the Paying Agent shall mail, in the name of the Commission, a notice of such proposed change to the Owners of the Series of Variable Rate Bonds being changed stating that the Mode will be changed to the Fixed Rate Mode, the proposed Mode Change Date and that such Owner is required to tender such Owner's Variable Rate Bonds for purchase on such proposed Mode Change Date.

(iii) General Provisions Applying to Change to Fixed Rate Mode. The change to the Fixed Rate Mode shall not occur unless the following items shall have been delivered to the Trustee and the Remarketing Agent on the Mode Change Date:

(A) if the change is from a Short-Term Mode, a Favorable Opinion of Bond Counsel dated the Mode Change Date and addressed to the Trustee and the Remarketing Agent; and

(B) a Rating Confirmation Notice.

(iv) Determination of Interest Rate. The Fixed Rate for each Variable Rate Bond of a Series of Variable Rate Bonds to be changed to the Fixed Rate Mode shall be established by the Remarketing Agent pursuant to the provisions of Section 30-65.07(b).

(v) Serial Maturity Dates, Serial Payments, Mandatory Sinking Fund Redemption Dates and Mandatory Sinking Fund Payments. Upon the change in a Series of Variable Rate Bonds to the Fixed Rate Mode, the Remarketing Agent shall determine the Serial

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Maturity Dates, Serial Payments, Mandatory Sinking Fund Redemption Dates and Mandatory Sinking Fund Payments for such Series of Variable Rate Bonds as provided in Section 30-65.11(d)(vii).

(c) Failure to Satisfy Conditions Precedent to a Mode Change. In the event the conditions described above in subsections (a) or (b), as applicable, of this Section have not been satisfied by the applicable Mode Change Date; then the New Mode or Fixed Rate Mode, as the case may be, for a Series of Variable Rate Bonds shall not take effect. If the failed change in Mode was from the Commercial Paper Mode, the applicable Variable Rate Bond shall remain in the Commercial Paper Mode with interest rates and Interest Periods to be established by the Remarketing Agent on the failed Mode Change Date in accordance with Section 30-65.05. If the failed change in Mode was from the Daily Mode, the applicable Variable Rate Bond shall remain in the Daily Mode, and if the failed change in Mode was from the Weekly Mode, the applicable Variable Rate Bond shall remain in the Weekly Mode, in each case with interest rates established in accordance with the applicable provisions of Section 30-65.06 on and as of the failed Mode Change Date. If the failed change in Mode was from the Term Rate Mode and for which the Credit Facility was in effect for the Variable Rate Bond to be changed, the applicable Variable Rate Bond shall be changed to the Commercial Paper Mode with an Interest Period and Commercial Paper Rate to be determined by the Remarketing Agent on the failed Mode Change Date in accordance with Section 30-65.05. If, however, there was no Credit Facility in effect for such Variable Rate Bond to have been changed from the Term Rate Mode, then such Variable Rate Bond shall stay in the Term Rate Mode for an Interest Period ending on the next Stated Interest Payment Date and shall bear interest at the applicable Alternate Rate.

SECTION 30-65.11. Auction Rates; Changes to and from Auction Mode.

(a) Determination and Notice of Auction Rates. The Auction Rate to be applicable to the Auction Bonds during each Auction Period shall be determined by the Auction Agent pursuant to Section 30-66.04. Notice of such Auction Rates shall be given as provided in Section 30-66.06 or by the Broker-Dealer for such Series of Auction Bonds as set forth in subsection (b)(ii) hereof with respect to the first Auction Rate after a Mode Change Date.

(b) Changes to an Auction Mode. At the option of the Commission, a Series of Variable Rate Bonds (in an amount which is an Authorized Denomination for the new Interest Period) may be changed from another Mode (except from a Fixed-Rate Mode) to an Auction Mode. Any such change shall be made as follows:

(i) In any such change from another Mode, the Mode Change Date shall be a regularly scheduled Interest Payment Date on which interest is payable for the Interest Period from which the change is to be made; provided, however, that if the change is from a Term Rate Mode, the Mode Change Date shall be a regularly scheduled Interest Payment Date on which a new Term Rate Mode would otherwise have commenced, and in any such change

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from a Commercial Paper Rate Mode, the Mode Change Date shall be the last regularly scheduled Interest Payment Date on which interest is payable for any Interest Period theretofore established for the Series of Variable Rate Bonds to be changed.

(ii) The Commission shall give written notice of any such change to the Remarketing Agent, the Trustee, the Auction Agent, the Market Agent, if any, the Broker-Dealer and the Credit Provider not less than seven (7) Business Days prior to the date on which the Trustee is required to notify the Owners of the change pursuant to subsection (iii) below: Such notice shall specify the Mode Change Date and the length of the initial Auction Period. Together with such notice, the Commission shall file with the Trustee an Opinion of Bond Counsel to the effect that the change of such Series of Variable Rate Bonds to an Auction Mode shall not adversely affect the validity of such Variable Rate Bonds or any exclusion from gross income for federal income tax purposes to which interest on such Variable Rate Bonds would otherwise be entitled. No such change to an Auction Mode shall become effective unless the Commission shall also file, with the Trustee, an Opinion of Bond Counsel to the same effect dated the Mode Change Date.

(iii) Not less than fifteen (15) days prior to the Mode Change Date, the Trustee shall mail a written notice of the change to the Owners of each Series of Variable Rate Bonds to be changed to an Auction Mode; provided, however, that the Trustee shall not mail such written notice of such change from a Commercial Paper Rate Period until it has received a written confirmation from the Remarketing Agent for such Series of Variable Rate Bonds that no Interest Period for such Variable Rate Bonds extends beyond the Mode Change Date.

The Auction Rate for the Auction Period commencing on the Mode Change Date for a Series of Variable Rate Bonds shall be the lowest rate which, in the judgment of the Broker-Dealer for such Series of Variable Rate Bonds, is necessary to enable such Variable Rate Bonds to be remarketed at a price equal to the principal amount thereof, plus accrued interest, if any, on the Mode Change Date. Such determination shall be conclusive and binding upon the Commission, the Trustee, the Auction Agent, the Market Agent and the Owners of such Variable Rate Bonds to which such rate will be applicable.

Not later than 5:00 p.m., New York City time, on the date of determination of the Auction Rate for a Series of Variable Rate Bonds, the Broker-Dealer shall notify the Trustee, the Commission, the Market Agent and the Auction Agent of the Auction Rate by telephone, promptly confirmed in writing or by other Electronic Means.

The Commission may revoke its election to effect a change in Mode for any Series of Variable Rate Bonds to the Auction Mode by giving written notice of such revocation to the Trustee, the Remarketing Agent, the initial Credit Provider, the Auction Agent, the Market Agent and the Broker-Dealer at any time prior to the setting of the initial Auction Rate by the initial Broker-Dealer.

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No Series of Variable Rate Bonds may be changed to the Auction Mode when such Series of Variable Rate Bonds are not held by a depository in book-entry form.

(c) Changes from Auction Mode. At the option of the Commission, all (but not less than all) of a Series of Auction Bonds in an Auction Mode (in an amount which is an Authorized Denomination for the new Rate Period) may be changed to another Mode (except a Fixed Rate Mode, which is provided for in subsection (d) below). Any such change shall be made as follows:

(i) If the Auction Bonds are in an Auction Period other than the daily Auction Period, the Mode Change Date shall be the second regularly scheduled Interest Payment Date following the final Auction Date. If the Auction Bonds are in a daily Auction Period, the Mode Change Date shall be the next regularly scheduled Interest Payment Date.

(ii) The Commission shall give written notice of any change in Mode to the Trustee, the Remarketing Agent, if any, the Auction Agent, the Market Agent, if any, and the Broker-Dealer not less than seven (7) Business Days prior to the date on which the Trustee is required to notify the Owners of the change in Mode pursuant to subsection (iii) below. Such notice shall specify the Mode Change Date and the Mode to which the change will be made (and the length of any Term Rate Period). Together with such notice, the Commission shall file with the Trustee an Opinion of Bond Counsel to the effect that the change in Mode of such Series of Auction Bonds will not adversely affect the validity of such Auction Bonds or any exclusion from gross income for federal income tax purposes to which interest on such Auction Bonds would otherwise be entitled. No change in Mode from the Auction Mode shall become effective unless the Commission shall also file with the Trustee an Opinion of Bond Counsel to the same effect dated the Mode Change Date.

(iii) Not less than fifteen (15) days prior to the Mode Change Date, the Trustee shall mail a written notice of the change in Mode to the Owners of all Auction Bonds to be changed to another Mode, specifying the Mode Change Date.

(iv) Except in the case of a change to a Fixed Rate Mode or a Term Rate Mode, a Credit Facility meeting the requirements of Section 30-65.18 shall be in effect on the Mode Change Date.

(v) On the Mode Change Date applicable to a Series of Auction Bonds to be changed to another Mode, such Series of Auction Bonds shall be subject to mandatory tender for purchase at a Purchase Price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest. The Purchase Price of such Auction Bonds so tendered shall be payable solely from the proceeds of the remarketing of such Auction Bonds in the New Mode.

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(vi) If on the Mode Change Date any condition precedent to such change in Mode required hereunder is not satisfied, the Trustee will give written notice by first class mail postage prepaid as soon as practicable and in any event not later than the next succeeding Business Day to the Owners of such Auction Bonds to have been changed to another Mode and the Commission that such change has not occurred, that such Auction Bonds will not be purchased on the failed Mode Change Date, that the Auction Agent will continue to implement the Auction Procedures on the Auction Dates with respect to such Auction Bonds which otherwise would have been changed to another Mode, excluding, however, the Auction Date falling on the Business Day next preceding the failed Mode Change Date, and that the interest rate will continue to be the Auction Rate; provided, however, that the interest rate borne by such Auction Bonds during the Auction Period commencing on such failed Mode Change Date will be the Maximum Auction Rate, and the Auction Period will be the seven (7)-day Auction Period. The Trustee shall give the notice required by this subsection (vi) by Electronic Means if an Owner so requests in writing and the Trustee receives such request no later than five (5) Business Days before the Trustee is required to give such notice.

(d) Change from Auction Mode to Fixed Rate Mode. At the option of the Commission, all (but not less than all) of a Series of Auction Bonds in an Auction Mode (in an amount which is an Authorized Denomination for the new Mode) may be changed to a Fixed Rate Mode to bear interest at a Fixed Rate as follows:

(i) The Mode Change Date shall be, in the case of a change from an Auction Mode in other than a daily Auction Period, the second regularly scheduled Interest Payment Date following the final Auction Date and in the case of a change from a daily Auction Period, the first Business Day of any calendar month.

(ii) Not less than seven (7) Business Days prior to the date on which the Trustee is required to notify the Owners of the change to a Fixed Rate Mode pursuant to subsection (iii) below, the Commission shall give written notice of the change to the Trustee, the Remarketing Agent, if any, the Credit Provider, if any, the Auction Agent, the Market Agent, if any, and the Broker-Dealer setting forth the Mode Change Date. Together with such notice, the Commission shall file with the Trustee an Opinion of Bond Counsel to the effect that the change of such Series of Auction Bonds to the Fixed Mode, including the determination of Serial Maturity Dates, Serial Payments, Mandatory Sinking Fund Redemption Dates and Mandatory Sinking Fund Payments pursuant to subsection (vii) of this Section 30-65.11(d), will not adversely affect the validity of such Auction Bonds or any exclusion from gross income for federal income tax purposes to which interest on such Auction Bonds would otherwise be entitled. No change to the Fixed Rate Mode shall occur unless the Commission shall also file with the Trustee an Opinion of Bond Counsel to the same effect dated the Mode Change Date.

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(iii) The Trustee shall mail a notice of the proposed change to the Owners of the Series of Auction Bonds to be changed not less than fifteen (15) days prior to the Mode Change Date.

(iv) Not later than 12:00 noon, New York City time, on the Business Day prior to the Mode Change Date, the Remarketing Agent shall determine the Fixed Rate for the Series of Auction Bonds to be changed to a Fixed Rate Mode.

(v) Such determination shall be conclusive and binding upon the Commission, the Trustee, the Credit Provider, if any, the Broker-Dealer, if any, the Auction Agent, if any, the Market Agent, if any, and the Owners of the Auction Bonds to which such rate will be applicable. Not later than 5:00 p.m., New York City time, on the date of determination of the Fixed Rate, the Remarketing Agent shall notify the Trustee, the Credit Provider and the Commission of such rate by telephone, promptly confirmed in writing, or by other Electronic Means.

(vi) The Commission may revoke its election to effect a change in Mode for any Series of Auction Bonds to the Fixed Rate Mode by giving written notice of such revocation to the Trustee, the Remarketing Agent, if any, the Credit Provider, if any, the Auction Agent, if any, the Market Agent, if any, and the Broker-Dealer, if any, at any time prior to the determination of the Fixed Rate by the Remarketing Agent.

(vii) Prior to the change in Mode of a Series of Auction Bonds to the Fixed Rate Mode pursuant to this Section 30-65.11, and except as shall otherwise be specified by the Commission in a Series Sale Resolution, the Remarketing Agent or Broker-Dealer shall deliver to the Trustee and the Commission a schedule specifying the Serial Maturity Dates, the Serial Payments, the Mandatory Sinking Fund Redemption Dates, the Mandatory Sinking Fund Payments, in each case if any, and the interest rates for such Bonds. Such Serial Maturity Dates, Serial Payments, Mandatory Sinking Fund Redemption Dates, Mandatory Sinking Fund Payments and interest rates for such Series of Bonds shall be determined by the Remarketing Agent or Broker-Dealer as follows:

(A) The Remarketing Agent or Broker-Dealer shall determine the schedule of Serial Payments and/or Mandatory Sinking Fund Payments on such Series of Bonds to achieve approximately level annual debt service with respect to such Series of Bonds. In making such schedule, the Remarketing Agent or Broker-Dealer shall, to the extent necessary, alternately round down and up to the nearest \$5,000 the amount of Serial Payments or Mandatory Sinking Fund Payments coming due on each May 1;

(B) The Remarketing Agent or Broker-Dealer shall allocate the principal amount of such Bonds between Serial Payments and Mandatory Sinking Fund

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Payments in such manner as shall produce the lowest aggregate interest payable with respect to such Bonds; and

(C) The Remarketing Agent or Broker-Dealer shall set the interest rate on such Bonds coming due on each Serial Maturity Date and Maturity Date at the lowest interest rate that will enable such Auction Bonds, upon the change in Mode, to be remarketed at par (plus any accrued interest) taking into account the Serial Maturity Dates, Serial Payments, Mandatory Sinking Fund Redemption Dates and Mandatory Sinking Fund Payments or such Bonds.

The foregoing notwithstanding, the Commission may provide by a Series Sale Resolution for another method of determining the Serial Maturity Dates, Serial Payments, Mandatory Sinking Fund Redemption Dates and Mandatory Sinking Fund Payments for a Series of Auction Bonds after the Mode Change Date if (i) there is delivered to the Trustee by the Commission an Opinion of Bond Counsel to the effect that utilization of such other method will not adversely affect the validity of any Auction Bonds or any exclusion from federal income taxation to which the interest on such Bonds would otherwise be entitled, and (iii) the Remarketing Agent or Broker-Dealer consents in writing thereto.

(viii) With respect to a Series of Auction Bonds changed to the Fixed Rate Mode, mandatory redemption by operation of Mandatory Sinking Fund Payments shall be without premium. A Series of Auction Bonds changed to the Fixed Rate Mode shall be redeemed by the Trustee pursuant to the provisions of this Section, Section 30-65.16 and Article III or Section 18-52.04 of the 1991 Resolution without any notice from or direction by the Commission.

SECTION 30-65.12. Form of Variable Rate Bonds. Each Series of Variable Rate Bonds and the assignment to appear thereon shall each be in substantially the forms respectively set forth in Exhibit A attached hereto and incorporated herein, with appropriate or necessary insertions, omissions and variations as permitted or required hereby. Upon any change in Mode, if and to the extent necessary, a new form of Variable Rate Bonds shall be prepared which contains the terms of such Variable Rate Bonds applicable in the new Mode.

SECTION 30-65.13. Transfer and Exchange of Variable Rate Bonds; Appointment of Registrar, Authenticating Agent and Paying Agent.

(a) Except as in this Section 30-65.13 otherwise provided, the transfer and exchange of Variable Rate Bonds shall be subject to the provisions of Article II of the 1991 Resolution. During the Term Rate Mode and the Fixed Rate Mode, the Paying Agent shall not be required to transfer or exchange (i) any Variable Rate Bonds during the period commencing on the date ten (10) days prior to the date of selection of Variable Rate Bonds for redemption and ending on such date of selection, (ii) any Variable Rate Bond selected for redemption in whole or

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in part or (iii) any Variable Rate Bonds during the period of fifteen (15) days preceding any Interest Payment Date.

(b) The Paying Agent for a Series of Bonds shall serve as Registrar and Authenticating Agent for all Series of Variable Rate Bonds. The Paying Agent will keep or cause to be kept at its principal corporate trust office in San Francisco, California, sufficient books for the registration, transfer and exchange of the Variable Rate Bonds, which shall at all times be open to inspection by the Commission and the Trustee; and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or exchange on said register, Variable Rate Bonds as herein provided.

(c) The Trustee is hereby appointed as the initial Paying Agent for each Series of Variable Rate Bonds for the purpose of paying the principal or Purchase Price or Redemption Price of the Variable Rate Bonds. At all times the Paying Agent shall have a corporate trust office in New York, New York.

SECTION 30-65.14. Book-Entry System. (a) Unless the Airport Director or his designee determines that a Series of Variable Rate Bonds shall be issued in registered form other than in book-entry form, a Series of Variable Rate Bonds in any Mode shall initially be issued in book-entry form as further provided in this Section 30-65.14.

(b) The Variable Rate Bonds issued pursuant to this Eleventh Supplemental Resolution shall initially be issued in the form of a separate single fully-registered Variable Rate Bond for each separate stated maturity of each Series of Variable Rate Bonds. Except as provided in subsection (c) of this Section 30-65.14, all of the Variable Rate Bonds of a Series shall be registered in the name of the Nominee.

The Trustee, the Registrar, the Paying Agents, the Auction Agent, the Broker-Dealers, the Remarketing Agents and the Commission may treat the registered owner of each Variable Rate Bond as the sole and exclusive owner thereof for the purposes of payment of the principal or Redemption Price of or interest on the Series of Variable Rate Bonds to which such Variable Rate Bond belongs, selecting the Variable Rate Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders under the 1991 Resolution, registering the transfer of Variable Rate Bonds, obtaining any consent or other action to be taken by Bondholders, and for all other purposes whatsoever, and neither the Trustee, the Registrar, the Paying Agents nor the Commission shall be affected by any notice to the contrary.

Neither the Trustee, the Registrar, the Paying Agents, the Auction Agent, the Broker-Dealers, the Remarketing Agents nor the Commission shall have any responsibility or obligation to any participant in the Bond Depository (a "Participant"), any person claiming a beneficial ownership interest in the Variable Rate Bonds, under or through the Bond Depository or any Participant, or any other person who is not shown on the registration books as being a

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Bondholder, with respect to (i) the accuracy of any records maintained by the Bond Depository or any Participant; (ii) the payment by the Bond Depository or any Participant of any amount in respect of the principal of, Purchase Price or Redemption Price of or interest on the Variable Rate Bonds; (iii) the delivery of any notice which is permitted or required to be given to Bondholders under the 1991 Resolution; (iv) the selection by the Bond Depository or any Participant of any person to receive payment in the event of a partial redemption of the Variable Rate Bonds; (v) any consent given or other action taken by the Bond Depository as Bondholder; or (vi) any other purpose.

The Trustee or the Paying Agents, as the case may be, shall pay all principal or Purchase Price of, premium, if any, or interest on the Variable Rate Bonds only to or upon the order of the Bond Depository, and all such payments shall be valid and effective to fully satisfy and discharge the Commission's obligations with respect to the payment of the principal or Purchase Price of, premium, if any, or interest on the Variable Rate Bonds to the extent of the sum or sums so paid. No person other than the Bond Depository shall receive an authenticated Variable Rate Bond evidencing the obligation of the Commission to make payments of principal or Purchase Price of, premium, if any, or interest pursuant to the 1991 Resolution. Upon delivery by the Bond Depository to the Trustee of written notice to the effect that the Bond Depository has determined to substitute a new Nominee in place of the current Nominee, and subject to the provisions herein with respect to record dates, the word Nominee in this Article 30-LXV shall refer to such new Nominee.

(c) In order to qualify each Series of Variable Rate Bonds for the Bond Depository's book-entry system, the appropriate officers or employees of the Commission are hereby authorized to execute and deliver on behalf of the Commission to the Bond Depository for each Series of Variable Rate Bonds a Representation Letter from the Commission representing such matters as shall be necessary to so qualify the Variable Rate Bonds. The execution and delivery of the Representation Letter shall not in any way limit the provisions of this Section 30-65.14 or in any other way impose upon the Commission any obligation whatsoever with respect to persons having beneficial ownership interests in the Variable Rate Bonds other than the Bondholders.

(d) In the event (i) the Bond Depository determines not to continue to act as securities depository for a Series of Variable Rate Bonds, or (ii) the Commission determines that the Bond Depository shall no longer so act and delivers a written certificate to the Trustee to that effect, then the Commission will discontinue the book-entry system with the Bond Depository for such Series of Variable Rate Bonds. If the Commission determines to replace the Bond Depository for a Series of Variable Rate Bonds with another qualified securities depository, the Commission shall prepare or direct the preparation of a new, single, separate, fully registered Variable Rate Bond of such Series for each maturity of such Series of Variable Rate Bonds registered in the name of such successor or substitute qualified Bond Depository or its Nominee, or make such other arrangements acceptable to the Trustee, the Paying Agents and such

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successor or substitute Bond Depository, as are not inconsistent with the terms of this Eleventh Supplemental Resolution. If the Commission fails to identify another qualified Bond Depository to replace the incumbent Bond Depository for a Series of Variable Rate Bonds, then such Series of Variable Rate Bonds shall no longer be restricted to being registered in the bond registration books in the name of the incumbent Bond Depository or its Nominee, but shall be registered in whatever name or names the incumbent Bond Depository or its Nominee transferring or exchanging such Series of Variable Rate Bonds shall designate.

(e) To exercise any optional tender pursuant to Section 30-65.17(a) or 30-65.17(b), in addition to notifying the Remarketing Agent and the Paying Agent, as the case may be, a beneficial owner must notify its Participant, if the Remarketing Agent is not such Owner's Participant, of its decision to demand the purchase of its Variable Rate Bonds as provided herein.

(f) In the event that the Remarketing Agent fails to remarket all Variable Rate Bonds on a Purchase Date, such beneficial owner's Participant shall cause to be transferred such Variable Rate Bonds to an account of the Trustee at DTC and the Trustee, upon receipt of the proceeds paid under the Credit Facility, shall cause the Purchase Price of such Variable Rate Bonds to be transferred to an account of such beneficial owner's Participant against receipt of such Variable Rate Bonds.

(g) Upon remarketing of Variable Rate Bonds, payment of the Purchase Price thereof shall be made to DTC and no physical delivery or surrender of Variable Rate Bonds is expected to be required; such delivery or surrender of the Variable Rate Bonds shall be accomplished through DTC's book entry system. Such sales shall be made through Participants (which may include the Remarketing Agent) and the Participants shall transmit payment to the beneficial owners whose Variable Rate Bonds were purchased pursuant to a remarketing. The Commission, the Trustee, the Paying Agent and the Remarketing Agent are not responsible for transfers of payment to Participants or beneficial owners.

(h) Notwithstanding any provision of the 1991 Resolution to the contrary, so long as the Variable Rate Bonds are registered in the name of the Nominee, all payments respect to principal or Purchase Price of, premium, if any, or interest on the Variable Rate Bonds and all notices with respect to the Variable Rate Bonds shall be made and given, respectively, as provided in the Representation Letter for the related Series of Variable Rate Bonds or as otherwise instructed by the Bond Depository.

(i) The initial Bond Depository with respect to each Series of Variable Rate Bonds shall be The Depository Trust Company ("DTC"). The initial Nominee with respect to each Series of Variable Rate Bonds shall be CEDE & CO., as nominee of DTC.

SECTION 30-65.15. Interest on Credit Provider Bonds. Each Credit Provider Bond shall bear interest on the outstanding principal amount thereof at the Credit Provider

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Interest Rate for each day from and including the date such Variable Rate Bond becomes a Credit Provider Bond to, but not including, the date such Variable Rate Bond is paid in full or is remarketed.

Interest on Credit Provider Bonds shall be payable as provided in the Credit Facility Agreement. Credit Provider Bonds shall not bear interest at the Credit Provider Interest Rate after such Variable Rate Bonds have been remarketed unless such Variable Rate Bonds shall again become Credit Provider Bonds. Interest on Credit Provider Bonds shall be calculated based upon a 365/366 day year for the actual number of days elapsed.

SECTION 30-65.16. Redemption of Variable Rate Bonds. Except as in this Section 30-65.16 otherwise provided, the redemption of Variable Rate Bonds shall be subject to the provisions of Article III of the 1991 Resolution. The Redemption Price of any Series of Variable Rate Bonds secured by a Credit Facility (other than a Bond Insurance Policy or a reserve fund surety policy) shall be paid with Seasoned Funds.

(a) Mandatory Sinking Fund Redemption. Variable Rate Bonds of each Series shall be subject to redemption prior to their respective Maturity Dates, in part and by lot, from Mandatory Sinking Fund Payments required by Section 30-65.22(c); on any May 1, on or after the first date upon which Mandatory Sinking Fund Payments are to be made (as established by the related Series Sale Resolution or pursuant to Section 30-65.11(d)(vii)); at the Principal Amount thereof and accrued interest thereon to the Redemption Date, but without premium. No Variable Rate Bonds of any Series maturing on any date shall be redeemed from Mandatory Sinking Fund Payments until Variable Rate Bonds of the same Series maturing on preceding term maturity dates, if any, in order of term maturities, shall have been retired.

Upon any redemption of Variable Rate Bonds pursuant to subsection (b) of this Section, an amount equal to the aggregate principal amount of Variable Rate Bonds so redeemed shall be credited towards a part or all of any one or more yearly Mandatory Sinking Fund Payments required by the foregoing subsection (a), as directed in writing by the Commission, provided that such direction is received by the Trustee at least seventy-five (75) days before the related Mandatory Sinking Fund Redemption Date. Any such direction shall state the years in which and the amounts by which such Mandatory Sinking Fund Payments are to be reduced. The portion of any such Mandatory Sinking Fund Payment remaining after the deduction of any such amounts credited toward the same (or the original amount of any such Mandatory Sinking Fund Payment if no such amounts shall have been credited toward the same) shall constitute the unsatisfied balance of such Mandatory Sinking Fund Payment for the purpose of the calculation of principal payments due on any future Principal Payment Date.

After a Series of Variable Rate Bonds is changed to a Fixed Rate Mode, such Variable Rate Bonds shall not be redeemed pursuant to this subsection (a) in any year which, as a result of the change to a Fixed Rate, a Mandatory Sinking Fund Payment due on any Mandatory

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Sinking Fund Redemption Date has been changed to a Serial Payment due on a Serial Maturity Date.

If the Mandatory Sinking Fund Redemption Date for a Series of Variable Rate Bonds in an Auction Mode is not an Interest Payment Date, such Variable Rate Bonds will be redeemed on the Interest Payment Date immediately succeeding the scheduled Mandatory Sinking Fund Redemption Date.

(b) Optional Redemption.

(i) Optional Redemption of Commercial Paper Bonds. Variable Rate Bonds in the Commercial Paper Mode are not subject to optional redemption prior to their respective Purchase Dates. Variable Rate Bonds in the Commercial Paper Mode shall be subject to redemption at the option of the Commission in whole or in part on their respective Purchase Dates at a Redemption Price equal to the principal amount thereof.

(ii) Optional Redemption of Variable Rate Bonds in the Daily Mode or the Weekly Mode. Variable Rate Bonds in the Daily Mode or the Weekly Mode are subject to optional redemption by the Commission, in whole or in part, in Authorized Denominations on any Interest Payment Date, at a Redemption Price equal to the principal amount thereof, plus accrued and unpaid interest, if any.

(iii) Optional Redemption of Variable Rate Bonds in the Auction Mode. Variable Rate Bonds in the Auction Mode are subject to optional redemption by the Commission, in whole or in part, in Authorized Denominations on the Business Day immediately following the end of an Auction Period, at a Redemption Price equal to the principal amount thereof, plus accrued and unpaid interest, if any.

(iv) Optional Redemption of Variable Rate Bonds in the Term Rate or the Fixed Rate Mode. Variable Rate Bonds in the Term Rate Mode or Fixed Rate Mode are subject to redemption in whole on any date or in part on any Interest Payment Date (and if in part, in such order of maturity as the Commission shall specify and within a maturity by lot or by such other method as the Paying Agent determines to be fair and reasonable and in Authorized Denominations) at the Redemption Prices set forth below:

(A) If, on the Mode Change Date, the remaining term of such Series of Variable Rate Bonds, in the case of Fixed Rate Bonds, or the length of the Interest Period, in the case of Term Rate Bonds, is greater than fifteen (15) years, then such Variable Rate Bonds will not be subject to optional redemption until the first Stated Interest Payment Date to follow the tenth (10th) anniversary of the Mode Change Date. On such Stated Interest Payment Date, such Variable Rate Bonds will be subject to redemption at a Redemption Price

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equal to one hundred percent (100%) of the principal amount thereof plus accrued interest, if any, to the Redemption Date.

(B) If, on the Mode Change Date, the remaining term of such Series of Variable Rate Bonds, in the case of Fixed Rate Bonds, or the length of the Interest Period, in the case of Term Rate Bonds, is equal to or less than fifteen (15) years, but greater than ten (10) years, then such Variable Rate Bonds will not be subject to optional redemption until the first Stated Interest Payment Date to follow the seventh (7th) anniversary of the Mode Change Date. On such Stated Interest Payment Date, such Variable Rate Bonds will be subject to redemption at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest, if any, to the Redemption Date.

(C) If, on the Mode Change Date, the remaining term of such Series of Variable Rate Bonds, in the case of Fixed Rate Bonds, or the length of the Interest Period, in the case of Term Rate Bonds, is equal to or less than ten (10) years but greater than five (5) years, then such Variable Rate Bonds will not be subject to optional redemption until the first Stated Interest Payment Date to follow the third (3rd) anniversary of the Mode Change Date. On such Stated Interest Payment Date, such Variable Rate Bonds will be subject to redemption at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest, if any, to the Redemption Date.

(D) If, on the Mode Change Date, the remaining term of a Series of Variable Rate Bonds, in the case of Fixed Rate Bonds, or the length of the Interest Period, in the case of Term Rate Bonds, is equal to or less than 5 years, such Variable Rate Bonds will be subject to redemption on or after the first Stated Interest Payment Date (whichever is earlier) to follow the second (2nd) anniversary of the Mode Change Date at a Redemption Price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest, if any, to the Redemption Date, and prior thereto will not be subject to optional redemption.

The Commission, in connection with a change to a Term Rate or a Fixed Rate Mode, may waive or otherwise alter its rights to direct the redemption of any such Variable Rate Bonds so changed to a Term Rate Mode or a Fixed Rate Mode at any time without premium; provided that, notice describing the waiver or alteration shall be submitted to the Paying Agent, the Trustee and the Remarketing Agent, together with a Favorable Opinion of Bond Counsel, addressed to them.

(c) Redemption of Credit Provider Bonds. Anything in the 1991 Resolution to the contrary notwithstanding, Credit Provider Bonds shall be redeemed first prior to the optional redemption of any other Variable Rate Bonds.

(d) Notice of Redemption. Except as otherwise provided herein, in addition to the parties referenced in Section 3.03 of the 1991 Resolution, notice of redemption shall be

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given by mail or Electronic Means by the Trustee to the Remarketing Agent, the Paying Agent, the Auction Agent, the Broker-Dealers, the Market Agent, if any, and the Credit Provider, if any.

(e) Effect of Redemption on Credit Provider Bonds. Anything in the 1991 Resolution to the contrary notwithstanding, any Credit Provider Bonds shall remain Outstanding until the Credit Provider is paid all amounts due under the Credit Facility Agreement with respect to such Credit Provider Variable Rate Bonds or the portion thereof to be redeemed. After payment to the Credit Provider of all amounts due on Credit Provider Bonds, the Credit Provider shall surrender such Variable Rate Bonds to the Paying Agent for cancellation.

SECTION 30-65.17. Purchase of Variable Rate Bonds.

(a) Optional Tenders of Variable Rate Bonds in the Daily Mode or the Weekly Mode. The Owners of Variable Rate Bonds in a Daily Mode or a Weekly Mode may elect to have their Variable Rate Bonds (or portions of those Variable Rate Bonds in amounts equal to an Authorized Denomination) purchased on any Business Day at a price equal to the Purchase Price, (i) in the case of Variable Rate Bonds in a Daily Mode, upon delivery of an irrevocable notice of tender to the Paying Agent and the Remarketing Agent by telephone, e-mail or other means acceptable to the Remarketing Agent not later than 11:00 a.m., New York City time, on the Purchase Date specified by the Owner; and (ii) in the case of Variable Rate Bonds in a Weekly Mode, upon delivery of an irrevocable written notice of tender to the Paying Agent and the Remarketing Agent by telephone, e-mail or other means acceptable to the Remarketing Agent, promptly confirmed in writing to the Paying Agent, not later than 4:00 p.m., New York City time, on a Business Day not less than seven (7) days before the Purchase Date specified by the Owner in such notice. Such notices of tender shall state the CUSIP number, Variable Rate Bond number and the principal amount of such Variable Rate Bond and that such Variable Rate Bond shall be purchased on the Purchase Date specified above. Such Variable Rate Bond shall be delivered (with all necessary endorsements) at or before 12:00 noon, New York City time, on the Purchase Date at the office of the Paying Agent in New York, New York; provided, however, that payment of the Purchase Price shall be made pursuant to this subsection (a) only if the Variable Rate Bond so delivered to the Paying Agent conforms in all respects to the description thereof in the notice described in this subsection (a). Payment of the Purchase Price with respect to purchases under this subsection (a) shall be made to the Owners of tendered Variable Rate Bonds by wire transfer in immediately available funds by the Paying Agent by the close of business in New York, New York, on the Purchase Date. An Owner who gives the notice of tender as set forth above may repurchase the Variable Rate Bonds so tendered on such Purchase Dates if the Remarketing Agent agrees to sell the Variable Rate Bonds so tendered to such Owner. If such Owner decides to repurchase such Variable Rate Bonds and the Remarketing Agent agrees to sell the specified Variable Rate Bonds to such Owner, the delivery requirements set forth above shall be waived.

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(b) Mandatory Purchase at End of Commercial Paper Rate Periods. Each Commercial Paper Bond shall be subject to mandatory purchase on the Purchase Date for the current Interest Period applicable to such Variable Rate Bond at the Purchase Price. Variable Rate Bonds purchased pursuant to this Section shall be delivered by the Owners (with all necessary endorsements) to the office of the Paying Agent in New York, New York, at or before 12:00 noon on such Purchase Date, and payment of the Purchase Price shall be made by wire transfer in immediately available funds by the close of business on such Purchase Date. No notice of such mandatory purchase shall be given to the Owners.

(c) Mandatory Purchase on Mode Change Date.

(i) Variable Rate Bonds to be changed from one Mode to another Mode (other than a change to the Fixed Rate Mode or the Auction Mode) are subject to mandatory purchase on the Mode Change Date as provided in this subsection (i) at the Purchase Price. Variable Rate Bonds purchased pursuant to this Section shall be delivered by the Owners (with all necessary endorsements) to the office of the Paying Agent in New York, New York, at or before 12:00 noon on the Mode Change Date and payment of the Purchase Price shall be made by wire transfer in immediately available funds by the close of business on the Mode Change Date. The Paying Agent shall give notice of such mandatory purchase by mail to the Owners of the Variable Rate Bonds subject to mandatory purchase no less than thirty (30) days prior to the Mandatory Purchase Date. The notice shall state the Mandatory Purchase Date, the Purchase Price, the numbers of the Variable Rate Bonds to be purchased if less than all of the Variable Rate Bonds owned by such Owner are to be purchased and that interest on Variable Rate Bonds subject to mandatory purchase shall cease to accrue from and after the Mandatory Purchase Date. The Trustee shall give the notice required by this subsection (i) by Electronic Means if an Owner so requests in writing and the Trustee receives such request no later than five (5) Business Days before the Trustee is required to give such notice. The failure to send such notice with respect to any Variable Rate Bond as provided in this subsection (i) shall not affect the validity of the mandatory purchase of any other Variable Rate Bond with respect to which notice was so sent. Any notice sent as provided in this subsection (i) will be conclusively presumed to have been given, whether or not actually received by any Owner.

(ii) Variable Rate Bonds to be changed to the Fixed Rate Mode or the Auction Mode are subject to mandatory purchase on the Mode Change Date as provided in this subsection (ii) at the Purchase Price. Variable Rate Bonds purchased pursuant to this subsection (ii) shall be delivered by the Owners (with all necessary endorsements) to the office of the Paying Agent in New York, New York, at or before 12:00 noon on the Mode Change Date and payment of the Purchase Price shall be made by wire transfer of immediately available funds by the close of business on the Mode Change Date. The Paying Agent shall give notice of such mandatory purchase as part of the notice of change of Mode to be sent to the Owners pursuant to Section 30-65.10(b)(ii) with regard to the Fixed Rate Mode and Sections 30-65.11(b)(iii) and (d) with regard to the Auction Mode.

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(iii) Variable Rate Bonds in an Auction Mode to be changed to another Mode shall be subject to mandatory tender at the Purchase Price. In the event that the conditions of a change in Mode are not satisfied as set forth herein under Section 30-65.11, including the failure to remarket all applicable Variable Rate Bonds on a mandatory tender date, the Variable Rate Bonds to have been changed will not be subject to mandatory tender, will be returned to their owners, will automatically change to a seven (7)-day Auction Period and will bear interest at the Maximum Auction Rate.

(d) Optional Purchase at End of Interest Period for Term Rate Mode. The Owner of a Variable Rate Bond in the Term Rate Mode may elect to have its Variable Rate Bond (or portions thereof in Authorized Denominations) purchased on the last day of the current Interest Period applicable to such Variable Rate Bond (or the next Business Day if such last day is not a Business Day) at a price equal to the Purchase Price upon delivery of an irrevocable written notice of tender or irrevocable telephonic notice of tender to the Remarketing Agent, promptly confirmed in writing to the Paying Agent, by not later than 5:00 p.m. on a Business Day not less than seven (7) days before such last day. Such notice of tender shall state the CUSIP number, Variable Rate Bond number and the principal amount of such Variable Rate Bond to be purchased. Variable Rate Bonds purchased pursuant to this Section shall be delivered by the Owners (with all necessary endorsements) to the office of the Paying Agent in New York, New York, at or before 12:00 noon on such Purchase Date and payment of the Purchase Price of such Variable Rate Bonds shall be made by wire transfer in immediately available funds by the Paying Agent by the close of business on such Business Day.

(e) Mandatory Purchase Upon Substitution of Alternate Credit Facility. In the event that on or prior to the forty-fifth (45th) day next preceding the Substitution Date, the Commission has failed to deliver to the Paying Agent and the Trustee a Rating Confirmation Notice in connection with the delivery of an Alternate Credit Facility, together with a written statement of Moody's, Standard & Poor's and Fitch, as applicable, indicating that the substitution of the Alternate Credit Facility will not result in a lowering of their ratings on the Series of Variable Rate Bonds to be secured by the Alternate Credit Facility as a result of its substitution for the current Credit Facility, such Variable Rate Bonds having the benefit of the Credit Facility shall be subject to mandatory purchase on the Substitution Tender Date at a price equal to the Purchase Price. The Paying Agent shall give notice of such mandatory purchase by mail to the Owners of such Variable Rate Bonds subject to mandatory purchase no less than thirty (30) days prior to the Mandatory Purchase Date. The notice shall state the Mandatory Purchase Date, the Purchase Price and that interest on such Variable Rate Bonds subject to mandatory purchase shall cease to accrue from and after the Mandatory Purchase Date. The Trustee shall give the notice required by this subsection (e) by Electronic Means if an Owner so requests in writing and the Trustee receives such request no later than five (5) Business Days before the Trustee is required to give such notice. The failure to send such notice with respect to any Variable Rate Bond as provided in this subsection (e) shall not affect the validity of the mandatory purchase of any other Variable Rate Bond with respect to which notice was so sent.

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Any notice sent as provided in this subsection (e) will be conclusively presumed to have been given, whether or not actually received by any Owner. Variable Rate Bonds purchased pursuant to this subsection (e) shall be delivered by the Owners (with all necessary endorsements) to the office of the Paying Agent in New York, New York, at or before 12:00 noon, New York City time, on the Mandatory Purchase Date, and payment of the Purchase Price of such Variable Rate Bonds shall be made by wire transfer in immediately available funds by the Paying Agent by the close of business on such Mandatory Purchase Date.

(f) Mandatory Purchase Due to Default Under Credit Facility Agreement. A Series of Variable Rate Bonds, excluding any Credit Provider Bonds, secured by a Credit Facility shall be subject to mandatory purchase at a Purchase Price equal to the principal amount thereof, plus accrued interest, if any, if the Trustee receives a notice from the Credit Provider in writing (i) not later than the close of business on the sixth (6th) day (if such sixth (6th) day is not a Business Day, the next succeeding Business Day) after the day on which a Draw was made under the Credit Facility to pay interest on such Variable Rate Bonds, that the interest portion of the Credit Facility will not be reinstated as provided in the Credit Facility, or (ii) that an Event of Default, as defined in the Credit Facility Agreement, has occurred and is continuing and the Credit Provider has exercised its option to terminate the Credit Facility. Such Variable Rate Bonds subject to mandatory purchase shall be purchased on the Mandatory Purchase Date specified by the Credit Provider in such written notice (or if such date is not a Business Day, the next succeeding Business Day). Such Mandatory Purchase Date shall be not more than ten (10) nor less than five (5) days after the date such notice is given and on or prior to the Expiration Tender Date. Variable Rate Bonds purchased pursuant to this subsection (a)(ii) shall be delivered by the Owners (with all necessary endorsements) to the office of the Paying Agent in New York, New York, at or before 12:00 noon, New York City time, on the Mandatory Purchase Date, and payment of the Purchase Price shall be made by wire transfer in immediately available funds by the Paying Agent by the close of business on the Mandatory Purchase Date.

The Paying Agent shall give notice by mail to all Owners and the Notice Parties prior to the close of business on the Business Day after receipt by the Trustee of such notice from the Credit Provider stating (i) the mandatory purchase of such Variable Rate Bonds; (ii) the Mandatory Purchase Date; (iii) the Purchase Price; (iv) that such Variable Rate Bonds must be surrendered to collect the Purchase Price; (v) that the Credit Facility will terminate on the date specified in such notice; (vi) that interest on such Variable Rate Bonds will cease to accrue to such Owner from and after the Mandatory Purchase Date and such Owner will be entitled only to the Purchase Price on the Mandatory Purchase Date.

(g) Mandatory Purchase Due to Failure to Extend Credit Facility. If by the Renewal Date (i) an extension of a Credit Facility, if any, has not been obtained and an Alternate Credit Facility has not been delivered to the Trustee, and (ii) the Commission has not delivered a Mode Change Notice with respect to a change to a Mode for which a Credit Facility is not required, then such Variable Rate Bonds secured by such Credit Facility (not including Credit

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Provider Bonds of Fixed Rate Bonds) shall be subject to mandatory purchase on the Expiration Tender Date. The Trustee shall give notice by mail to all Owners of such Variable Rate Bonds secured by such Credit Facility (other than Fixed Rate Bonds) and the Notice Parties prior to the close of business on the third (3rd) Business Day after the Renewal Date of the fact that (i) such Variable Rate Bonds will be purchased pursuant to the provisions of this subsection, (ii) the Mandatory Purchase Date on which such Variable Rate Bonds will be purchased, which Date shall be the Expiration Tender Date, (iii) the Purchase Price, (iv) that such Variable Rate Bonds must be surrendered to collect the Purchase Price and (v) that interest on such Variable Rate Bonds will cease to accrue from and after such Mandatory Purchase Date and that the Owner will be entitled only to the Purchase Price on the Mandatory Purchase Date. Variable Rate Bonds purchased pursuant to this subsection shall be delivered by the Owners to the office of the Paying Agent in New York, New York, at or before 12:00 noon, New York City time, on the Mandatory Purchase Date, and payment of the Purchase Price shall be made by wire transfer in immediately available funds by the Paying Agent by the close of business on such Mandatory Purchase Date.

(h) Remarketing of Variable Rate Bonds; Notices.

(i) Remarketing of Variable Rate Bonds. The Remarketing Agent shall use its best efforts to offer for sale:

(A) all Variable Rate Bonds or portions thereof as to which notice of tender pursuant to Sections 30-65.17(a) or 30-65.17(d) has been given;

(B) all Variable Rate Bonds required to be purchased pursuant to Sections 30-65.17(b), 30-65.17(c), 30-65.17(e), 30-65.17(f) and 30-65.17(g); and

(C) all Credit Provider Bonds.

(ii) Notice of Remarketing; Registration Instructions; New Variable Rate Bonds. On each Purchase Date or Mandatory Purchase Date, as the case may be:

(A) unless the Remarketing Agent has notified the Paying Agent otherwise, the Remarketing Agent shall notify the Paying Agent by Electronic Means not later than 12:00 p.m., New York City time, on each such Purchase Date or Mandatory Purchase Date, of the amount of tendered Variable Rate Bonds which were successfully remarketed, the names of the tendering Owners and the registration instructions (i.e., the names, addresses and taxpayer identification numbers of the purchasers and the desired Authorized Denominations) with respect thereto; and

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(B) the Paying Agent shall authenticate new Variable Rate Bonds for the respective purchasers thereof which shall be available for pick up by the Remarketing Agent not later than 1:30 p.m., New York City time.

(iii) Transfer of Funds; Draw on Credit Facility Securing Series of Variable Rate Bonds. On each Purchase Date or Mandatory Purchase Date, as the case may be, the Paying Agent shall direct the Trustee to Draw on the Credit Facility securing the related Series of Variable Rate Bonds, by 1:00 p.m., New York City time, in an amount equal to the Purchase Price of all such Variable Rate Bonds tendered or deemed tendered less the aggregate amount of remarketing proceeds received from the remarketing of such Variable Rate Bonds.

(i) Source of Funds for Purchase of Variable Rate Bonds. By the close of business on the Purchase Date or the Mandatory Purchase Date, as the case may be, the Paying Agent shall purchase tendered Variable Rate Bonds from the tendering Owners at the Purchase Price by wire transfer in immediately available funds. Funds for the payment of such Purchase Price shall be derived solely from the following sources in the order of priority indicated and neither the Paying Agent nor the Remarketing Agent shall be obligated to provide funds from any other source:

(i) immediately available funds on deposit in the Remarketing Proceeds Account established for such Series of Variable Rate Bonds; and

(ii) immediately available funds on deposit in the Credit Facility Purchase Account established for such Series of Variable Rate Bonds.

(j) Delivery of Variable Rate Bonds. On each Purchase Date or Mandatory Purchase Date, as the case may be, such Variable Rate Bonds shall be delivered as follows:

(i) such Variable Rate Bonds sold by the Remarketing Agent shall be delivered by the Remarketing Agent to the purchasers of those Variable Rate Bonds by 3:00 p.m., New York City time; and

(ii) such Variable Rate Bonds purchased by the Paying Agent with moneys described in Section 30-65.17(i)(ii) shall be registered immediately in the name of the Credit Provider or its nominee or agent on or before 1:30 p.m., New York City time.

(k) Undelivered Variable Rate Bonds. If Variable Rate Bonds to be purchased are not delivered by the Owners to the Paying Agent by 12:00 noon, New York City time, on the Purchase Date or the Mandatory Purchase Date, as the case may be, the Paying Agent shall hold any funds received for the purchase of such Variable Rate Bonds in trust in a separate account and shall pay such funds to the former Owners of such Variable Rate Bonds upon presentation of such Variable Rate Bonds. Such undelivered Variable Rate Bonds shall

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cease to accrue interest as to the former Owners on the Purchase Date or the Mandatory Purchase Date, as the case may be, and moneys representing the Purchase Price shall be available against delivery of such Variable Rate Bonds at the principal corporate trust office of the Paying Agent; provided, however, that any funds which shall be so held by the Paying Agent and which remain unclaimed by the former Owner of such Variable Rate Bond not presented for purchase for a period of one (1) year after delivery of such funds to the Paying Agent, shall, to the extent permitted by law be paid to the Commission free of any trust or lien and thereafter the former Owner of such Variable Rate Bond shall look only to the Commission and then only to the extent of the amounts so received by the Commission without any interest thereon and the Paying Agent shall have no further responsibility with respect to such moneys or payment of the Purchase Price of such Variable Rate Bonds. The Paying Agent shall authenticate a replacement Variable Rate Bond for any undelivered Variable Rate Bond which may then be remarketed by the Remarketing Agent.

(l) No Purchases or Sales After Payment Default. Anything in this Eleventh Supplemental Resolution to the contrary notwithstanding, if there shall have occurred and be continuing an Event of Default described in subsection (a), (b) or (c) of Section 7.01 of the 1991 Resolution, the Remarketing Agent shall not remarket any Variable Rate Bonds.

(m) Limitations on Mandatory Purchases. Anything in this Eleventh Supplemental Resolution to the contrary notwithstanding, Variable Rate Bonds of a Series shall not be subject to mandatory purchase pursuant to this Section 30-65.17 unless the payment of the Purchase Price is limited to payments made by a Credit Provider under a Credit Facility, proceeds of remarketing such Variable Rate Bonds, or to other amounts that do not constitute Revenues of the Commission.

SECTION 30-65.18. Credit Facility; Alternate Credit Facility; Bond Insurance Policy. (a) While a Credit Facility is in effect with respect to any Series of Variable Rate Bonds, the Trustee shall Draw under such Credit Facility, by no later than the time provided in such Credit Facility for presentation of documents in order to receive payment in immediate available funds by 1:00 p.m., New York City time, on each Interest Payment Date, Principal Payment Date and Redemption Date, as the case may be, an amount sufficient to pay the principal or Redemption Price of and interest due with respect to such Series of Variable Rate Bonds secured by such Credit Facility on such Interest Payment Date, Principal Payment Date and Redemption Date.

The proceeds of such Draws under this subsection (a) shall be deposited in the Credit Facility Account established for such Series of Variable Rate Bonds pursuant to Section 30-65.21(a).

(b) On each Purchase Date or Mandatory Purchase Date, as the case may be, the Trustee, at the direction of the Paying Agent, shall Draw on the Credit Facility securing the

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payment of the Purchase Price of a Series of Variable Rate Bonds, by no later than the time provided in such Credit Facility for presentation of documents in order to received payment in immediately available funds by 2:00 p.m., New York City time, on each Purchase Date and Mandatory Purchase Date, as the case may be, an amount which, together with the proceeds of the remarketing of such Variable Rate Bonds on such date, is sufficient to enable the Paying Agent to pay the Purchase Price of such Variable Rate Bonds in connection therewith. The proceeds of such Draws under this subsection (b) shall be paid to the Paying Agent, who shall deposit said proceeds in the Credit Facility Purchase Account established for such Series of Variable Rate Bonds pursuant to Section 30-65.21(b).

(c) Notwithstanding the foregoing subsections (a) and (b) of this Section, the Trustee shall not Draw on a Credit Facility with respect to any payments due or made in connection with Credit Provider Bonds or Variable Rate Bonds not secured by such Credit Facility.

(d) If at any time there shall have been delivered to the Trustee (i) an Alternate Credit Facility in substitution for the Credit Facility then in effect, (ii) a Favorable Opinion of Bond Counsel, (iii) a Rating Confirmation Notice from Moody's, if the Variable Rate Bonds secured by such Alternate Credit Facility are rated by Moody's, Standard & Poor's, if such Variable Rate Bonds are rated by Standard & Poor's, and from Fitch, if such Variable Rate Bonds are rated by Fitch, together with a written statement of Moody's, Standard & Poor's and Fitch, as applicable, indicating that the substitution of the Alternate Credit Facility will not result in a lowering of their ratings on such Variable Rate Bonds to be secured by the Alternate Credit Facility as a result of its substitution for the current Credit Facility and (iv) written evidence satisfactory to the Credit Provider of the provision for purchase from the Credit Provider of all Credit Provider Bonds, at a price equal to the principal amount thereof plus accrued and unpaid interest, and payment of all amounts due it under the Credit Facility Agreement on or before the effective date of such Alternate Credit Facility, then the Trustee shall accept such Alternate Credit Facility on the Substitution Tender Date and shall surrender the Credit Facility then in effect to the Credit Provider on the Substitution Date. The Commission shall give the Trustee, the Paying Agent, the Remarketing Agent and the Credit Provider written notice of the proposed substitution of an Alternate Credit Facility for the Credit Facility then in effect no less than forty-five (45) days prior to the proposed Substitution Date. The Trustee shall give notice of such proposed substitution by mail to the Owners of the Variable Rate Bonds subject to mandatory purchase no less than thirty (30) days prior to the proposed Substitution Date.

(e) The Trustee shall not sell, assign or otherwise transfer any Credit Facility, except to a successor Trustee hereunder and in accordance with the terms of the Credit Facility, this Eleventh Supplemental Resolution and the 1991 Resolution.

(f) The obligation of the Commission to reimburse a Credit Provider for Draws on a Credit Facility with respect to a Series of Variable Rate Bonds in accordance with

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the Credit Facility Agreement shall constitute a Repayment Obligation within the meaning and with the effect set forth in Section 2.15 of the 1991 Resolution in the event and to the extent so provided in a Series Sale Resolution with respect to such Series of Variable Rate Bonds and in the Credit Facility Agreement.

SECTION 30-65.19. Establishment and Application of Series Construction Accounts.

(a) In accordance with Section 4.01 of the 1991 Resolution, there are hereby created within the Airport Construction Fund a separate account for each Series of Variable Rate Bonds to be held by the Treasurer and designated as the "Issue ___ Construction Account" (the blank to be completed with the alpha-numerical designation of the Series). Moneys in the Construction Account for each Series of Variable Rate Bonds shall be applied to the payment of Project Costs for such Series of Variable Rate Bonds.

(b) The Treasurer is hereby authorized to disburse from each Series Construction Account the amount required for the payment of Project Costs, if any, and is directed to make such disbursements upon receipt of a warrant drawn by the Controller.

(c) Upon the Completion Date of a Project, if any, the Commission shall give the Treasurer and the Trustee written notice thereof in accordance with the Tax Certificate and shall apply any moneys then remaining in the Series Construction Account in accordance with said notice.

(d) Any amounts deposited in the Construction Account for any Series of Variable Rate Bonds for payment of interest on such Series of Variable Rate Bonds during the corresponding Series Construction Period shall be irrevocably deposited with and held by the Treasurer, the Trustee or other fiduciary for the Owners of such Series of Variable Rate Bonds sufficient to pay such interest.

SECTION 30-65.20. Establishment and Application of Costs of Issuance Account. In accordance with Section 4.02 of the 1991 Resolution, there are hereby created within the Costs of Issuance Fund a separate account for each Series of Variable Rate Bonds to be held by the Trustee and designated as the "Issue ___ Costs of Issuance Account" (the blank to be completed with the alpha-numerical designation of the Series). Moneys in the Series Costs of Issuance Account for each Series of Variable Rate Bonds shall be applied to the payment of Costs of Issuance for such Series; if any, for such Series of Variable Rate Bonds.

SECTION 30-65.21. Establishment and Application of Credit Facility Fund and Purchase Fund.

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(a) Credit Facility Fund. Pursuant to Section 5.02(c) of the 1991 Resolution, there is hereby established and there shall be maintained with the Paying Agent, as agent for the Trustee, a separate fund to be known as the "Credit Facility Fund" and the Paying Agent shall further establish and hold separate accounts within the Credit Facility Fund for each Series of Variable Rate Bonds secured by a Credit Facility and designated "Issue ____ Credit Facility Account" with the blanks to be completed with the alpha-numerical designation of the particular Series of Variable Rate Bonds. The Trustee shall deposit, or cause to be deposited, the proceeds of Draws on the Credit Facility securing a Series of Variable Rate Bonds made pursuant to subsection (a) of Section 30-65.18 in the Credit Facility Account established for such Variable Rate Bonds. Moneys in a Credit Facility Account shall be used and withdrawn by the Paying Agent on each Interest Payment Date, Principal Payment Date and Redemption Date to pay the interest on and principal of the Series of Variable Rate Bonds (whether at maturity or redemption) secured by such Credit Facility. Amounts in the Credit Facility Fund shall be held uninvested.

(b) Purchase Fund. Pursuant to Section 5.02(c) of the 1991 Resolution, there is hereby established and there shall be maintained with the Paying Agent, as agent for the Trustee, a separate fund to be known as the "Purchase Fund" and the Paying Agent shall further establish separate accounts within the Purchase Fund for each Series of Variable Rate Bonds to be held by the Paying Agent and designated as indicated: "Issue ____ Remarketing Proceeds Account" and "Issue ____ Credit Facility Purchase Account," with the blanks to be completed with the alpha-numerical designation of the particular Series of Variable Rate Bonds.

(i) Remarketing Proceeds Account. Upon receipt of the proceeds of a remarketing of a Series of Variable Rate Bonds, the Paying Agent shall deposit such proceeds in the Remarketing Proceeds Account for such Series of Variable Rate Bonds for application to the Purchase Price of such Variable Rate Bonds. Notwithstanding the foregoing, upon the receipt of the proceeds of a remarketing of Credit Provider Bonds, the Paying Agent shall immediately pay such proceeds to the Credit Provider to the extent of any amount owing to the Credit Provider.

Credit Provider Bonds shall remain Outstanding in the hands of the Credit Provider until the Credit Provider is paid all amounts due with respect to such Variable Rate Bonds in accordance with the Credit Facility Agreement. Furthermore, a Series of Variable Rate Bonds, the principal of which was paid with proceeds of a Draw on a Credit Facility, which Draw has not been reimbursed, shall remain Outstanding until the Credit Provider is reimbursed in full for such Draw.

(ii) Credit Facility Purchase Account. Upon receipt from the Trustee of the immediately available funds transferred to the Paying Agent pursuant to subsection (b) of Section 30-65.18, the Paying Agent shall deposit such money in the Credit Facility Purchase Account for such Series of Variable Rate Bonds for application to the Purchase Price of such Variable Rate Bonds to the extent that the moneys on deposit in the Remarketing Proceeds

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Account shall not be sufficient. Any amounts deposited in the Credit Facility Purchase Account for a Series of Variable Rate Bonds and not needed with respect to any Purchase Date or Mandatory Purchase Date for the payment of the Purchase Price for any such Variable Rate Bonds shall be immediately returned to the Credit Provider.

SECTION 30-65.22. Establishment and Application of Series Debt Service Fund Accounts.

(a) Establishment of Series Accounts. Pursuant to Section 5.03 of the 1991 Resolution, the following separate accounts for each Series of Variable Rate Bonds to be held by the Trustee are hereby created within the 1991 Resolution Debt Service Fund and designated as indicated: "Issue ___ Interest Account," "Issue ___ Principal Account" and "Issue ___ Redemption Account," with the blanks to be completed with the alpha-numerical designation of the particular Series of Variable Rate Bonds.

(b) Application of Series Interest Account. The Trustee shall apply moneys in each Series Interest Account to the payment of interest on the related Series of Variable Rate Bonds when due, including accrued interest on any Variable Rate Bonds of such Series purchased or redeemed prior to maturity. If a Credit Facility is in effect with respect to a Series of Variable Rate Bonds, the Trustee, on such due date, shall withdraw and apply moneys in the Series Interest Account relating to such Series of Variable Rate Bonds to reimburse the Credit Provider for Draws on the Credit Facility pursuant to Section 30-65.18(a) to pay interest on Variable Rate Bonds of the related Series.

(c) Application of Series Principal Account.

(i) The Trustee shall apply moneys in the Series Principal Account for each Series of Variable Rate Bonds to the payment of the Principal Amount of such Series of Variable Rate Bonds when due and the payment of Mandatory Sinking Fund Payments in the amount and on and after the date specified in a Series Sale Resolution for such Series of Variable Rate Bonds or pursuant to Section 30-65.11(d)(vii). If a Credit Facility is in effect with respect to a Series of Variable Rate Bonds, the Trustee, on such due date, shall withdraw and apply moneys in the Series Principal Account relating to such Series of Variable Rate Bonds to reimburse the Credit Provider for Draws on the Credit Facility pursuant to Section 30-65.18(a) to pay principal of Variable Rate Bonds of the related Series.

(ii) The Commission may, from time to time, purchase any Variable Rate Bonds out of available moneys of the Commission at such prices as the Commission may determine in a request of an Authorized Commission Representative, plus accrued interest thereon.

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(iii) At the discretion of the Commission, the Trustee shall apply Mandatory Sinking Fund Payments, as rapidly as may be practicable, to the purchase of Variable Rate Bonds at public or private sale as and when and at such prices (including brokerage and other expenses, but excluding accrued interest on such Variable Rate Bonds, which is payable from the related Series Interest Account) as the Commission may in its discretion determine, but not to exceed the par value thereof.

(iv) All Variable Rate Bonds purchased or redeemed under the provisions of this Section 30-65.22(c) shall be delivered to, and canceled and destroyed by, the Trustee and shall not be reissued.

(d) Establishment and Application of Series Redemption Account. The Trustee shall apply moneys in the Series Redemption Account for each Series of Variable Rate Bonds to the payment of the Redemption Price of such Series of Variable Rate Bonds called for redemption pursuant to Section 30-65.16(b). Accrued interest on Variable Rate Bonds redeemed pursuant to Section 30-65.16(b) shall be paid from the Series Interest Account for such Series. If a Credit Facility is in effect with respect to a Series of Variable Rate Bonds, the Trustee, on the Redemption Date, shall withdraw and apply moneys in the Series Redemption Account relating to such Series of Variable Rate Bonds to reimburse the Credit Provider for Draws on the Credit Facility pursuant to Section 30-65.18(a) to pay the Redemption Price of Variable Rate Bonds of the related Series.

(e) Deficiencies in the Series Debt Service Accounts. In the event that the amount on deposit in any Series Debt Service Account for any Series of Variable Rate Bonds is insufficient to pay the interest or Principal Amount or Redemption Price coming due on such Series of Variable Rate Bonds to reimburse the Credit Provider for Draws on the Credit Facility pursuant to Section 30-65.18(a), the Trustee shall transfer from the Issue 1 Reserve Account or the Series Reserve Account created pursuant to Section 30-65.23(d)(i), as the case may be, to the Series Interest Account, Series Principal Account or Series Redemption Account for such Series, not later than five (5) days prior to the date on which such payment is required, the amount of such deficiency.

SECTION 30-65.23. Establishment of Series of Variable Rate Bonds as a Participating Series; Alternative Creation of Separate Reserve Accounts.

(a) Reserve Requirement. Each Series of Variable Rate Bonds shall be a Participating Series or shall be secured by a Series Reserve Account. The amount in each Series Reserve Account shall be established and maintained at an amount equal to the Series Reserve Requirement. The Series Reserve Requirement for each Series of Variable Rate Bonds secured by a Series Reserve Account shall be Maximum Series Annual Debt Service or such other amount as shall be set forth in a Series Sale Resolution.

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(b) Determination of Participating Series. The Airport Director or his designee is hereby authorized and directed to determine whether or not a Series of Variable Rate Bonds is to be declared to be a Participating Series with respect to the Issue 1 Reserve Account established by Section 1-13.07 of the 1991 Resolution.

(c) Valuation of Participating Series. In the event a Participating Series of Variable Rate Bonds is to be redeemed in whole or in part pursuant to Section 30-65.16 or the Commission notifies the Trustee in writing of its intention to refund the said Participating Series of Variable Rate Bonds in whole or in part, the Trustee shall value the amount in the Issue 1 Reserve Account in accordance with Section 1-13.07(b), and if the Trustee determines that the amount in the Issue 1 Reserve Account exceeds Aggregate Maximum Annual Debt Service on the Variable Rate Bonds of the Participating Series to remain Outstanding after such redemption or refunding, upon the request of the Commission signed by an Authorized Commission Representative, the Trustee shall transfer the amount of such excess in accordance with such request. The Trustee may request at any time, and the Commission shall deliver within ten (10) Business Days of such request, a certificate stating the amount of the Aggregate Maximum Annual Debt Service on the then Outstanding Variable Rate Bonds of the Participating Series, and the Trustee shall be entitled to rely on such certificate.

(d) Series Reserve Accounts.

(i) In the event the Airport Director or his designee determines that a Series of Variable Rate Bonds shall not be a Participating Series, there is hereby created for such Series of Variable Rate Bonds a separate reserve account within the 1991 Resolution Reserve Fund held by the Trustee to be designated as the "Issue ___ Reserve Account," with the blank to be completed with the alpha-numerical designation of the particular Series of Variable Rate Bonds (each such reserve account is herein called a "Series Reserve Account"). The moneys in said account shall be used solely for the purpose of paying interest, principal or Mandatory Sinking Fund Payments on the Series of Variable Rate Bonds for which such reserve account is established or to reimburse the Credit Provider for Draws on the Credit Facility pursuant to Section 30-65.18(a) whenever any moneys then credited to the accounts within the 1991 Resolution Debt Service Fund for such Series of Variable Rate Bonds are insufficient for such purposes. If at any time the balance in said account shall for any reason be diminished below an amount equal to the Series Reserve Requirement, the Trustee shall immediately notify the Commission of such deficiency, and the Commission shall cause said Series Reserve Account to be replenished by transfers from available Net Revenues over a period not to exceed twelve months from the date the Commission receives notice from the Trustee of such deficiency. The Trustee may request at any time, and the Commission shall deliver within ten (10) Business Days of such request, a certificate stating the amount of the Series Reserve Requirement, and the Trustee shall be entitled to rely on such certificate.

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(ii) From time to time, but not less frequently than annually, the Trustee shall determine the amount in each Series Reserve Account. Permitted Investments in such Series Reserve Accounts shall be valued at cost plus accreted value.

(iii) Within 90 days after the end of each Fiscal Year, and at such other times as the Commission shall request in writing, the Trustee shall determine the amount in each Series Reserve Account. In the event that the Trustee determines on any valuation date that the amount in a Series Reserve Account exceeds the Series Reserve Requirement, upon the request of the Commission signed by an Authorized Commission Representative, the Trustee shall transfer the amount of such excess to the Treasurer for deposit in the Revenues Account.

(iv) In the event a Series of Variable Rate Bonds other than a Participating Series is to be redeemed in whole or in part pursuant to Section 30-65.16 or the Commission notifies the Trustee in writing of its intention to refund said Series of Variable Rate Bonds in whole or in part, the Trustee shall value the amount in the Series Reserve Account for such Series in accordance with this Section 30-65.23(d), and if the Trustee determines that the amount in such Series Reserve Account exceeds the Series Reserve Requirement for such Series after such redemption or refunding, upon the request of the Commission signed by an Authorized Commission Representative, the Trustee shall transfer the amount of such excess in accordance with such request.

(v) At its option, the Commission may at any time substitute a Credit Facility meeting the requirements of this Section 30-65.23(d) for amounts on deposit in any Series Reserve Account. The Commission shall not substitute a Credit Facility for all or any part of the amounts on deposit in any such Series Reserve Account, if such substitution will cause the then current ratings on the Series of Variable Rate Bonds secured by such Series Reserve Account to be downgraded or withdrawn. In the event that after the substitution of a Credit Facility for all or any part of the amounts on deposit in any Series Reserve Account, the amount in such Reserve Account is greater than the Series Reserve Requirement, upon the request of an Authorized Commission Representative, the Trustee shall transfer such excess to the Commission to be used solely for Airport purposes.

SECTION 30-65.24. Disposition of Proceeds of the Variable Rate Bonds. The proceeds of the sale of each Series of Variable Rate Bonds shall be deposited with the Treasurer and shall be held in trust and set aside by the Treasurer as follows:

(a) The Treasurer shall transfer to the Trustee for deposit in the Series Interest Account for such Series an amount equal to interest accrued on such Series of Variable Rate Bonds to the date of delivery thereof.

(b) The Treasurer shall transfer to the Trustee for deposit in the Issue 1 Reserve Account an amount equal to Maximum Series Annual Debt Service on such Series of

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Variable Rate Bonds, or such lesser amount as will increase the balance of the Issue 1 Reserve Account to the Aggregate Maximum Annual Debt Service, or for deposit in the Series Reserve Account created pursuant to Section 30-65.23(d) of this Eleventh Supplemental Resolution in an amount equal to the Series Reserve Requirement.

(c) The Treasurer shall deposit or cause to be deposited in the Series Costs of Issuance Account the amount specified in a Series Sale Resolution, the Bond Purchase Contract or instructions delivered by the Airport Director or his designee, for the payment of Costs of Issuance of the Series of Variable Rate Bonds.

(d) The remaining proceeds from the sale of the Variable Rate Bonds of such Series shall, as specified in a Series Sale Resolution, the Bond Purchase Contract or instructions delivered by the Airport Director or his designee, be either (i) transferred by the Treasurer to the Series Escrow Agent for deposit in the Series Escrow Fund and applied in accordance with the Series Escrow Agreement to refund outstanding 1991 Resolution Bonds or Notes (ii) deposited by the Treasurer in the Series Construction Account for application to the payment of the Project Costs.

SECTION 30-65.25. Deposits of Net Revenues in Series Debt Service Accounts.

In accordance with Section 5.03 of the 1991 Resolution, the Treasurer shall allocate and transfer to the Trustee for deposit in the Series Debt Service Accounts amounts from the Net Revenues, as follows:

(a) With respect to Variable Rate Bonds in a Daily Mode, Weekly Mode or an Auction Mode with an Auction Period of forty (40) days or less, Net Revenues shall be deposited into the applicable Series Interest Accounts on or before the Interest Payment Dates for Variable Rate Bonds in such Modes, and with respect to Variable Rate Bonds in a Term Rate Mode, Fixed Rate Mode, Commercial Paper Mode or an Auction Mode with an Auction Period of more than forty (40) days, Net Revenues shall be deposited in the applicable Series Interest Accounts on the second Business Day of each month, in approximately equal monthly installments, so that the aggregate amount on deposit in such Series Interest Accounts on the next succeeding Interest Payment Date for such Variable Rate Bonds is at least equal to the aggregate amount of interest due and payable on such Interest Payment Date; provided, however, that no moneys need be deposited in a Series Interest Account except to the extent that such moneys are required for the payment of interest to become due on such Series of Variable Rate Bonds on the next succeeding Interest Payment Date, after the application of the moneys then on deposit in the Series Interest Account; and provided, further, that subject to the preceding proviso, during the period preceding the first Interest Payment Date with respect to a Series of Variable Rate Bonds, the amount of each monthly installment, if applicable, shall be equal to the product of a fraction the numerator of which is one and the denominator of which is the number of whole calendar months from the date of issuance of the Series of Variable Rate Bonds to the first Interest Payment Date on such

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Series of Variable Rate Bonds minus one, and the aggregate amount of interest becoming due and payable on such Series of Variable Rate Bonds on said Interest Payment Date.

(b) In the Series Principal Account for each Series, in approximately equal monthly installments, commencing on the second Business Day of the month determined pursuant to a Series Sale Resolution or Bond Purchase Contract, an amount equal to at least one twelfth (1/12) of the aggregate Principal Amount becoming due and payable on the Outstanding Serial Bonds of such Series on the next succeeding Principal Payment Date, until there shall have been accumulated in the Series Principal Account for such Series an amount sufficient to pay the Principal Amount of all Serial Bonds of such Series maturing by their terms on the next Principal Payment Date.

(c) The Treasurer shall also transfer to the Trustee for deposit in the Series Principal Account for each Series, in approximately equal monthly installments, commencing on or before the second Business Day of the month determined pursuant to a Series Sale Resolution or Bond Purchase Contract, prior to the first Mandatory Sinking Fund Redemption Date, an amount equal to at least one-twelfth (1/12) of the Mandatory Sinking Fund Payment required to be made pursuant to a Series Sale Resolution for such Series on the next succeeding Mandatory Sinking Fund Redemption Date, as such Mandatory Sinking Fund Payments and Mandatory Sinking Fund Redemption Dates may be set forth in a Series Sale Resolution or Bond Purchase Contract for such Series or pursuant to Section 30-65.11(d)(vii).

SECTION 30-65.26. Permitted Investments.

(a) Amounts in the Series Debt Service Accounts for each Series of Variable Rate Bonds shall be invested in Permitted Investments described in clauses (a) or (b) of the definition of Permitted Investments maturing on or before the Payment Date on which the proceeds of such Permitted Investments are intended to be applied for the purposes of the Series Debt Service Account to which such Permitted Investments are allocated. Amounts in any Series Reserve Account shall be invested in Permitted Investments described in clauses (a) or (b) of the definition of Permitted Investments maturing no later than seven years after the date of purchase of said Permitted Investment. Amounts in Series Construction Accounts may be invested in any Permitted Investment. Amounts in the Series Escrow Funds shall be invested as provided in the corresponding Series Escrow Agreements. Amounts in the Series Remarketing Proceeds Account, Series Credit Facility Purchase Account and Series Credit Facility Account shall be held uninvested unless otherwise provided in a Series Sale Resolution:

(b) The Trustee or the Paying Agent, as the case may be, may commingle any moneys held by it under this Eleventh Supplemental Resolution, except moneys derived from a Draw under a Credit Facility or Seasoned Funds, and amounts held in the Series Remarketing Proceeds Account, Series Credit Facility Purchase Account, and Series Credit Facility Account,

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each of which shall be held separate and apart of all other Funds and Accounts and not commingled with any other Funds or Accounts or investments of moneys therein.

SECTION 30-65.27. No Arbitrage. The Commission shall not take, nor permit to be taken by the Trustee or the Paying Agent or otherwise, any action which, if such action had been reasonably expected to have been taken or had been deliberately and intentionally taken on the date of the issuance of any Series of Variable Rate Bonds, would have caused such Series of the Variable Rate Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code and Regulations. To that end, the Commission will comply with all requirements of Section 148 of the Code to the extent applicable to each Series of Variable Rate Bonds. In the event that at any time the Commission is of the opinion that for purposes of this Section 30-65.26 it is necessary to restrict or to limit the yield on the investment of any moneys held by the Trustee under this Article 30-LXV, the Commission shall so instruct the Trustee in writing, and the Trustee shall take such action as may be necessary in accordance with such instructions.

SECTION 30-65.28. Rebate to United States. The Commission will pay or cause to be paid to the United States Government the amounts required by Section 148(f) of the Code and any Regulations promulgated thereunder at the times required thereby. To further the satisfaction of such rebate requirement, there is hereby created, to be held by the Trustee as a separate fund for each Series of Variable Rate Bonds distinct from all other funds and accounts held by the Trustee under the 1991 Resolution, a fund designated as the "Issue Rebate Account" (with the blank to be completed with the alpha-numerical designation of the particular Series of Bonds). The Trustee shall hold any payments received from the Commission for deposit into the Series Rebate Account for each Series of Variable Rate Bonds for purposes of ultimate rebate to the United States, all as more particularly described in the Tax Certificate for such Series. Pending payment to the United States, moneys held in the Series Rebate Account are hereby pledged to secure such payments to the United States as provided herein and in the Tax Certificate, and neither the Commission, the Bondholders nor any other person shall have any rights in or claim to such moneys. The Trustee shall invest all amounts held in the Series Rebate Accounts in Nonpurpose Investments (as defined in the applicable Tax Certificate), as directed by the Commission in the applicable Tax Certificate.

Computations of the rebate amount and all calculations under this Section and the Tax Certificate shall be furnished by or on behalf of the Commission. The Trustee shall be deemed conclusively to have complied with the provisions of this Section if it follows the directions of the Commission consistent with the provisions of the Tax Certificate. The Trustee shall have no liability or responsibility to enforce compliance by the Commission with the Rebate Requirement. The Trustee shall have no obligation to pay any amounts required to be rebated pursuant to this Section, other than from moneys required to be held in the funds and accounts created under the 1991 Resolution, including the Series Rebate Accounts, or from other moneys provided to it by the Commission.

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The Commission and the Trustee shall keep and retain, for a period of six (6) years following the retirement of the related Series of Variable Rate Bonds, records of the determinations made pursuant to this Section 30-65.28.

In order to provide for the administration of this Section, the Commission may provide for the employment of independent attorneys, accountants and consultants, who shall be selected by the Commission with reasonable care and compensated on such reasonable basis as the Commission may deem appropriate, and the Trustee may rely conclusively upon the opinions, calculations, determinations and advice of such attorneys, accountants and consultants employed hereunder.

SECTION 30-65.29. Tax Covenant. The Commission shall not use or knowingly permit the use of any proceeds of the Variable Rate Bonds or any other funds of the Commission, directly or indirectly, in any manner, and shall not take or permit to be taken any other action or actions, which would result in any of the Variable Rate Bonds being treated as an obligation not described in Section 103(a) of the Code. Without limiting the generality of the foregoing, the Commission will comply with all the requirements and covenants contained in the Tax Certificate. This covenant shall survive the payment in full or defeasance of the Variable Rate Bonds.

SECTION 30-65.30. Taxable Variable Rate Bonds. Notwithstanding anything in this Supplemental Resolution to the contrary, in the event the Airport Director or his designee designates a Series of Variable Rate Bonds as obligations not described in Section 103(a) of the Code, the provisions of Sections 30-65.27, 30-65.28 and 30-65.29 shall not apply to such Series of Variable Rate Bonds.

SECTION 30-65.31. Continuing Disclosure. The Commission covenants to comply with and carry out all of the provisions of any Continuing Disclosure Certificate executed and delivered in connection with the issuance of a Series of Variable Rate Bonds, as it may be amended from time to time in accordance with its terms. Notwithstanding any other provision of the 1991 Resolution, failure of the Commission to comply with any Continuing Disclosure Certificate shall not be considered an Event of Default; *provided, however,* the Trustee may (and at the written request of the Bondholders of at least 25% of the aggregate principal amount of the related Series of Variable Rate Bonds Outstanding, and if such Bondholders shall have furnished to the Trustee indemnity satisfactory to it, shall) or any Bondholder or beneficial owner of such Series of Variable Rate Bonds may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Commission to comply with its obligations under this Section 30-65.31.

SECTION 30-65.32. Defaults and Remedies. Except as in this Section 30-65.32 otherwise provided, defaults and remedies relating to a Series of Variable Rate Bonds shall be subject to the provisions of Article VII of the 1991 Resolution.

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SECTION 30-65.33. The Remarketing Agent. The Remarketing Agent for a Series of Variable Rate Bonds shall be designated by the Commission in a Series Sale Resolution relating to such Series of Variable Rate Bonds. Each Remarketing Agent shall remarket Variable Rate Bonds pursuant to this Eleventh Supplemental Resolution and the 1991 Resolution, keep such books and records as shall be consistent with prudent industry practice and make such books and records available for inspection by the Credit Provider, the Commission, the Paying Agent and the Trustee at all reasonable times.

The Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Eleventh Supplemental Resolution by giving at least thirty (30) days' notice to the Commission, the Trustee, the Paying Agent and the Credit Provider. The Remarketing Agent may be removed at any time, at the direction of the Commission, by an instrument filed with the Remarketing Agent, the Trustee, the Paying Agent and the Credit Provider and upon at least thirty (30) days' notice to the Remarketing Agent. Any successor Remarketing Agent shall be selected by the Commission and shall be a member of the National Association of Securities Dealers, Inc., shall have a capitalization of at least fifteen million dollars (\$15,000,000), and shall be authorized by law to perform all the duties set forth in this Eleventh Supplemental Resolution and the 1991 Resolution. When a Credit Facility is in effect with respect to a Series of Variable Rate Bonds and so long as the related Credit Provider has not wrongfully dishonored a Draw on such Credit Facility, the Commission shall obtain such Credit Provider's consent to the appointment of such successor Remarketing Agent. The Commission's delivery to the Trustee of a certificate setting forth the effective date of the appointment of a successor Remarketing Agent and the name of such successor shall be conclusive evidence that (i) if applicable, the predecessor Remarketing Agent has been removed in accordance with the provisions of this Eleventh Supplemental Resolution and (ii) such successor has been appointed and is qualified to act as Remarketing Agent under the terms of this Eleventh Supplemental Resolution.

SECTION 30-65.34. Defeasance. If a Credit Facility (other than a Bond Insurance Policy or reserve fund surety policy) is in effect with respect to a Series of Variable Rate Bonds, any moneys, Governmental Obligations, Government Certificates or pre-funded municipal obligations permitted under Section 10.02 of the 1991 Resolution shall constitute, or shall have been purchased with, Seasoned Funds. Except as in this Section 30-65.34 otherwise provided, the defeasance of a Series of Variable Rate Bonds shall be subject to the provisions of Article X of the 1991 Resolution.

SECTION 30-65.35. References to Credit Provider. Notwithstanding any provisions contained herein or in the 1991 Resolution to the contrary, after the expiration or termination of the Credit Facility securing a Series of Variable Rate Bonds and after all obligations owed to the related Credit Provider pursuant to its Credit Facility Agreement (other than the right to indemnification and other rights which purport to survive satisfaction of present payment obligations) have been paid in full or discharged, all references to such Credit Provider

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contained herein or in the 1991 Resolution shall be null and void and of no further force and effect.

SECTION 30-65.36. Notices. All notices, consents or other communications required or permitted hereunder or under the 1991 Resolution shall be deemed sufficiently given or served if given in writing, mailed by first class mail, postage prepaid and addressed to the parties listed in Section 11.08 of the 1991 Resolution and as follows:

(a) If to the Paying Agent, to the address provided by the Paying Agent in writing from time to time to the Commission, the Trustee, the Auction Agent, the Market Agent, the Remarketing Agent, the Broker-Dealers and the Credit Providers;

(b) If to the Trustee, to the address provided by the Paying Agent in writing from time to time to the Commission, the Trustee, the Auction Agent, the Market Agent, the Remarketing Agent, the Broker-Dealers and the Credit Providers;

(c) If to the Auction Agent, to the address set forth in the related Auction Agreement;

(d) If to the Market Agent, to address set forth in the Market Agent Agreement;

(e) If to the Remarketing Agent, to the address set forth in the related Remarketing Agreement;

(f) If to a Broker-Dealer, to the address set forth in the related Broker-Dealer Agreement; and

(g) If to the Credit Provider, to the address set forth in the related Credit Facility Agreement.

SECTION 30-65.37. Notices to Rating Agencies. In addition to the notices required by Section 11.04 of the 1991 Resolution, the Trustee shall give immediate notice to Moody's, Standard & Poor's and Fitch, as applicable, in the event: (a) the Remarketing Agent resigns or is replaced; (b) a Credit Facility expires or is terminated; or (c) the Variable Rate Bonds are changed from one Mode to another Mode.

ARTICLE 30-LXVI

PROVISIONS RELATING TO AUCTION BONDS

SECTION 30-66.01. Applicability. The provisions of this Article shall apply to Variable Rate Bonds while in an Auction Mode.

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SECTION 30-66.02. Auction Procedures.

(a) Orders by Existing Owners and Potential Owners. Prior to the Submission Deadline on each Auction Date for Auction Bonds of a Series:

(i) each Existing Owner of Auction Bonds of a Series may submit to a Broker-Dealer, in writing or by such other method as shall be reasonably acceptable to such Broker-Dealer, information as to:

(A) the principal amount of Auction Bonds of a Series, if any, held by such Existing Owner which such Existing Owner irrevocably commits to continue to hold for the next succeeding Auction Period without regard to the rate determined by the Auction Procedures for such Auction Period,

(B) the principal amount of Auction Bonds of a Series, if any, held by such Existing Owner which such Existing Owner irrevocably commits to continue to hold for the next succeeding Auction Period if the rate determined by the Auction Procedures for such Auction Period shall not be less than the rate per annum then specified by such Existing Owner (and which such Existing Owner irrevocably offers to sell on the next succeeding Interest Payment Date (or the same day in the case of a daily Auction Period) if the rate determined by the Auction Procedures for the next succeeding Auction Period shall be less than the rate per annum then specified by such Existing Owner), and/or

(C) the principal amount of Auction Bonds of a Series, if any, held by such Existing Owner which such Existing Owner irrevocably offers to sell on the next succeeding Interest Payment Date (or on the same day in the case of a daily Auction Period) without regard to the rate determined by the Auction Procedures for the next succeeding Auction Period; and

(ii) for the purpose of implementing the Auctions and thereby to achieve the lowest possible interest rate on a Series of Variable Rate Bonds, the Broker-Dealers shall contact Potential Owners, including Persons that are Existing Owners, to determine the principal amount of Auction Bonds of a Series, if any, which each such Potential Owner irrevocably offers to purchase if the rate determined by the Auction Procedures for the next succeeding Auction Period is not less than the rate per annum then specified by such Potential Owner.

For the purposes of this Eleventh Supplemental Resolution, an Order containing the information referred to in clause (i)(A) above is herein referred to as a "Hold Order", an Order containing the information referred to in clause (i)(B) or (ii) above is herein referred to as a "Bid", and an Order containing the information referred to in clause (i)(C) above is herein referred to as a "Sell Order."

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(b) Effect of Order by Existing Owners and Potential Owners.

(i) A Bid by an Existing Owner shall constitute an irrevocable offer to sell:

(A) the principal amount of Auction Bonds of a Series specified in such Bid if the rate determined by the Auction Procedures on such Auction Date shall be less than the rate specified therein; or

(B) such principal amount or a lesser principal amount of Auction Bonds of a Series to be determined as set forth in subsection (a)(v) of Section 30-66.05 if the rate determined by the Auction Procedures on such Auction Date shall be equal to such specified rate; or

(C) a lesser principal amount of Auction Bonds of a Series to be determined as set forth in subsection (b)(iv) of Section 30-66.05 if such specified rate shall be higher than the Maximum Auction Rate and Sufficient Clearing Bids do not exist.

(ii) A Sell Order by an Existing Owner shall constitute an irrevocable offer to sell:

(A) the principal amount of Auction Bonds of a Series specified in such Sell Order; or

(B) such principal amount or a lesser principal amount of Auction Bonds of a Series as set forth in subsection (b)(iv) of Section 30-66.05 if Sufficient Clearing Bids do not exist.

(iii) A Bid by a Potential Owner shall constitute an irrevocable offer to purchase:

(A) the principal amount of Auction Bonds of a Series specified in such Bid if the rate determined by the Auction Procedures on such Auction Date shall be higher than the rate specified therein; or

(B) such principal amount or a lesser principal amount of Auction Bonds of a Series as set forth in subsection (a)(vi) of Section 30-66.05 if the rate determined by the Auction Procedures on such Auction Date shall be equal to such specified rate.

(c) Anything herein to the contrary notwithstanding:

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(i) for purposes of any Auction, any Order which specifies Auction Bonds of a Series to be held, purchased or sold in a principal amount which is not \$25,000 or an integral multiple thereof shall be rounded down to the nearest \$25,000, and the Auction Agent shall conduct the Auction Procedures as if such Order had been submitted in such lower amount;

(ii) for purposes of any Auction other than during a daily Auction Period, any portion of an Order of an Existing Owner which relates to Auction Bonds of a Series which has been called for redemption on or prior to the Interest Payment Date next succeeding such Auction shall be invalid with respect to such portion and the Auction Agent shall conduct the Auction Procedures as if such portion of such Order had not been submitted;

(iii) for purposes of any Auction other than during a daily Auction Period, no portion of an Auction Bond which has been called for redemption on or prior to the Interest Payment Date next succeeding such Auction shall be included in the calculation of Available Bonds for such Auction; and

(iv) the Auction Procedures shall be suspended during the period commencing on the date of the Auction Agent's receipt of notice from the Trustee or the Commission of the occurrence of an Event of Default resulting from a failure to pay principal, premium or interest on any Series of Auction Bonds when due (provided, however, that for purposes of this provision only, payment by the Bond Insurer shall be deemed to cure such Event of Default and no suspension of the Auction Procedures shall occur) but shall resume two Business Days after the date on which the Auction Agent receives notice from the Trustee that such Event of Default has been waived or cured, with the next Auction to occur on the next regularly scheduled Auction Date occurring thereafter.

SECTION 30-66.03. Submission of Orders by Broker-Dealers to Auction Agent.

(a) The Broker-Dealers for each Series of Auction Bonds shall submit to the Auction Agent in writing or by such other method as shall be reasonably acceptable to the Auction Agent, prior to the Submission Deadline on each Auction Date, all Orders with respect to Auction Bonds of such Series obtained by such Broker-Dealer and specifying, if requested, with respect to each Order:

(i) the aggregate principal amount of Auction Bonds of such Series, if any, that are the subject of each Order;

(ii) to the extent that such Bidder is an Existing Owner:

(A) the principal amount of Auction Bonds of such Series, if any, subject to any Hold Order placed by such Existing Owner;

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(B) the principal amount of Auction Bonds of such Series, if any, subject to any Bid placed by such Existing Owner and the rate specified in such Bid; and

(C) the principal amount of Auction Bonds of such Series, if any, subject to any Sell Order placed by such Existing Owner; and

(iii) to the extent such Bidder is a Potential Owner, the rate specified in such Bid.

(b) If any rate specified in any Bid contains more than three figures to the right of the decimal point, the Auction Agent shall round such rate up to the next highest one thousandth of one percent (0.001%).

(c) If an Order or Orders covering all Auction Bonds of a Series held by an Existing Owner is not submitted to the Auction Agent prior to the Submission Deadline, the Auction Agent shall deem a Hold Order to have been submitted on behalf of such Existing Owner covering the principal amount of Auction Bonds of such Series held by such Existing Owner and not subject to Orders submitted to the Auction Agent; provided, however, that if there is a change from one Auction Period to another Auction Period and Orders have not been submitted to the Auction Agent prior to the Submission Deadline covering the aggregate principal amount of Auction Bonds of such Series to be changed to another Auction Period held by such Existing Owner, the Auction Agent shall deem a Sell Order to have been submitted on behalf of such Existing Owner covering the principal amount of Variable Rate Bonds to be so changed held by such Existing Owner not subject to Orders submitted to the Auction Agent.

(d) If one or more Orders covering in the aggregate more than the principal amount of Auction Bonds of a Series Outstanding held by any Existing Owner are submitted to the Auction Agent, such Orders shall be considered valid as follows:

(i) all Hold Orders shall be considered Hold Orders, but only up to and including in the aggregate the principal amount of Auction Bonds of such Series held by such Existing Owner;

(ii) (A) any Bid of an Existing Owner shall be considered valid as a Bid of an Existing Owner up to and including the excess of the principal amount of Auction Bonds of such Series held by such Existing Owner over the principal amount of such Variable Rate Bonds subject to Hold Orders referred to in subsection (i) above;

(B) subject to clause (A) above, all Bids of an Existing Owner with the same rate shall be aggregated and considered a single Bid of an Existing Owner up to and including the excess of the principal amount of Auction Bonds of such Series held by such

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Existing Owner over the principal amount of such Auction Bonds of such Series held by such Existing Owner subject to Hold Orders referred to in subsection (i) above;

(C) subject to clause (A) above, if more than one Bid with different rates is submitted on behalf of such Existing Owner, such Bids shall be considered Bids of an Existing Owner in the ascending order of their respective rates up to the amount of the excess of the principal amount of Auction Bonds of a Series held by such Existing Owner over the principal amount of such Auction Bonds held by such Existing Owner subject to Hold Orders referred to in subsection (i) above; and

(D) the principal amount, if any, of such Auction Bonds of a Series subject to Bids not considered to be Bids of an Existing Owner under this subsection (ii) shall be treated as the subject of a Bid by a Potential Owner; and

(iii) all Sell Orders shall be considered Sell Orders, but only up to and including a principal amount of Auction Bonds of such Series equal to the excess of the principal amount of Auction Bonds of such Series held by such Existing Owner over the sum of the principal amount of such Auction Bonds of such Series considered to be subject to Hold Orders pursuant to subsection (i) above and the principal amount of Auction Bonds of such Series considered to be subject to Bids of such Existing Owner pursuant to subsection (ii) above.

(e) If more than one Bid is submitted on behalf of any Potential Owner, each Bid submitted with the same rate shall be aggregated and considered a single Bid and each Bid submitted with a different rate shall be considered a separate Bid with the rate and the principal amount of Auction Bonds of the Series specified therein.

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

SECTION 30-66.04. Determination of Auction Rate.

(a) Not later than 9:30 a.m., New York City time, on each Auction Date for Auction Bonds of a Series, the Auction Agent shall advise the Broker-Dealers and the Trustee by telephone of the All Hold Rate, the Maximum Auction Rate and the Reference Rate.

(b) Promptly after the Submission Deadline on each Auction Date for Auction Bonds of a Series, the Auction Agent shall assemble all Orders submitted or deemed submitted to it by the Broker-Dealers (each such Order as submitted or deemed submitted by a Broker-Dealer being hereinafter referred to as a "Submitted Hold Order," a "Submitted Bid" or a "Submitted Sell Order," as the case may be, and collectively as a "Submitted Order") and shall

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determine for such Series (i) the Available Bonds, (ii) whether there are Sufficient Clearing Bids, and (iii) the Auction Rate.

(c) Promptly after the Auction Agent has made the determinations pursuant to subsection (b) above, the Auction Agent shall advise the Trustee by telephone (promptly confirmed in writing), or other Electronic Means of the Auction Rate for the next succeeding Auction Period and the Trustee shall promptly notify DTC of such Auction Rate.

(d) In the event the Auction Agent fails to calculate or, for any reason, fails to timely provide the Auction Rate for any Auction Period, (i) if the preceding Auction Period was a period of thirty-five (35) days or less, the new Auction Period shall be the same as the preceding Auction Period and the Auction Rate for the New Auction Period shall be the same as the Auction Rate for the preceding Auction Period, and (ii) if the preceding Auction Period was a period of greater than thirty-five (35) days, the preceding Auction Period shall be extended to the seventh (7th) day following the day that would have been the last day of such Auction Period had it not been extended (or if such seventh (7th) day is not followed by a Business Day then to the next succeeding day which is followed by a Business Day) and the Auction Rate in effect for the preceding Auction Period will continue in effect for the Auction Period as so extended. In the event an Auction Period is extended as set forth in clause (ii) of the preceding sentence, an Auction shall be held on the last Business Day of the Auction Period as so extended to take effect for an Auction Period beginning on the Business Day immediately following the last day of the Auction Period as extended which Auction Period will end on the date it would otherwise have ended on had the prior Auction Period not been extended.

(e) In the event the Auction Procedures are suspended due to the failure to pay principal of, premium or interest on any Series of Auction Bonds, the Auction Rate for the next succeeding Auction Period shall be the Default Rate.

(f) In the event of a failure to change from an Auction Mode to another Mode or in the event of a failure to change the length of the current Auction Period due to the lack of Sufficient Clearing Bids at the Auction on the Auction Date for the first new Auction Period, the Auction Rate for the next Auction Period shall be the Maximum Auction Rate and the Auction Period shall be a seven (7)-day Auction Period.

(g) If a Series of Auction Bonds is not rated or if a Series of Auction Bonds is no longer maintained in book-entry-only form by the Bond Depository, then the Auction Procedures shall be suspended and the Auction Rate shall be the Maximum Rate.

SECTION 30-66.05. Allocation of a Series of Auction Bonds.

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(a) With respect to Auction Bonds of each Series, in the event of Sufficient Clearing Bids, subject to the further provisions of subsections (c) and (d) below, Submitted Orders shall be accepted or rejected as follows in the following order of priority:

(i) the Submitted Hold Order of each Existing Owner shall be accepted, thus requiring each such Existing Owner to continue to hold Auction Bonds that are the subject of such Submitted Hold Order;

(ii) the Submitted Sell Order of each Existing Owner shall be accepted and the Submitted Bid of each Existing Owner specifying any rate that is higher than the Winning Bid Rate shall be rejected, thus requiring each such Existing Owner to sell such Existing Owner's Auction Bonds that are the subject of such Submitted Sell Order or Submitted Bid;

(iii) the Submitted Bid of each Existing Owner specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus requiring each such Existing Owner to continue to hold such Existing Owner's Auction Bonds that are the subject of such Submitted Bid;

(iv) the Submitted Bid of each Potential Owner specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus requiring each such Potential Owner to purchase Auction Bonds that are the subject of such Submitted Bid;

(v) the Submitted Bid of each Existing Owner specifying a rate that is equal to the Winning Bid Rate shall be accepted, thus requiring each such Existing Owner to continue to hold such Existing Owner's Auction Bonds that are the subject of such Submitted Bid, but only up to and including the principal amount of such Auction Bonds obtained by multiplying (A) the aggregate principal amount of such Auction Bonds Outstanding which are not the subject of Submitted Hold Orders described in subsection (i) above or of Submitted Bids described in subsections (iii) or (iv) above by (B) a fraction the numerator of which shall be the principal amount of such Auction Bonds Outstanding held by such Existing Owner subject to such Submitted Bid and the denominator of which shall be the aggregate principal amount of such Auction Bonds Outstanding subject to such Submitted Bids made by all such Existing Owners that specified a rate equal to the Winning Bid Rate, and the remainder, if any, of such Submitted Bid shall be rejected, thus requiring each such Existing Owner to sell any excess amount of such Auction Bonds;

(vi) the Submitted Bid of each Potential Owner specifying a rate that is equal to the Winning Bid Rate shall be accepted, thus requiring each such Potential Owner to purchase the Auction Bonds that are the subject of such Submitted Bid, but only in an amount equal to the principal amount of such Auction Bonds obtained by multiplying (A) the aggregate principal amount of such Auction Bonds Outstanding which are not the subject of Submitted

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Hold Orders described in subsection (i) above or of Submitted Bids described in subsections (iii), (iv) or (v) above by (B) a fraction the numerator of which shall be the principal amount of such Auction Bonds Outstanding subject to such Submitted Bid and the denominator of which shall be the sum of the aggregate principal amount of such Auction Bonds Outstanding subject to such Submitted Bids made by all such Potential Owners that specified a rate equal to the Winning Bid Rate, and the remainder of such Submitted Bid shall be rejected; and

(vii) the Submitted Bid of each Potential Owner specifying any rate that is higher than the Winning Bid Rate shall be rejected.

(b) In the event there are not Sufficient Clearing Bids, subject to the further provisions of subsections (c) and (d) below, Submitted Orders shall be accepted or rejected as follows in the following order of priority:

(i) the Submitted Hold Order of each Existing Owner shall be accepted, thus requiring each such Existing Owner to continue to hold such Auction Bonds that are the subject of such Submitted Hold Order;

(ii) the Submitted Bid of each Existing Owner specifying any rate that is not higher than the Maximum Auction Rate shall be accepted, thus requiring each such Existing Owner to continue to hold such Auction Bonds that are the subject of such Submitted Bid;

(iii) the Submitted Bid of each Potential Owner specifying any rate that is not higher than the Maximum Auction Rate shall be accepted, thus requiring each such Potential Owner to purchase such Auction Bonds that are the subject of such Submitted Bid;

(iv) the Submitted Sell Orders of each Existing Owner shall be accepted as Submitted Sell Orders and the Submitted Bids of each Existing Owner specifying any rate that is higher than the Maximum Auction Rate shall be deemed to be and shall be accepted as Submitted Sell Orders, in both cases only up to and including the principal amount of such Auction Bonds obtained by multiplying (A) the aggregate principal amount of such Auction Bonds subject to Submitted Bids described in subsection (iii) of this subsection (b) by (B) a fraction the numerator of which shall be the principal amount of such Auction Bonds Outstanding held by such Existing Owner subject to such Submitted Sell Order or such Submitted Bid deemed to be a Submitted Sell Order and the denominator of which shall be the principal amount of such Auction Bonds Outstanding subject to all such Submitted Sell Orders and such Submitted Bids deemed to be Submitted Sell Orders, and the remainder of each such Submitted Sell Order or Submitted Bid shall be deemed to be and shall be accepted as a Hold Order and each such Existing Owner shall be required to continue to hold such excess amount of such Auction Bonds; and

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(v) the Submitted Bid of each Potential Owner specifying any rate that is higher than the Maximum Auction Rate shall be rejected.

(c) If, as a result of the procedures described in subsection (a) or (b) above, any Existing Owner or Potential Owner would be required to purchase or sell an aggregate principal amount of Auction Bonds of a Series which is not an integral multiple of \$25,000 on any Auction Date, the Auction Agent shall by lot, in such manner as it shall determine in its sole discretion, round up or down the principal amount of such Auction Bonds to be purchased or sold by any Existing Owner or Potential Owner on such Auction Date so that the aggregate principal amount of such Auction Bonds purchased or sold by each Existing Owner or Potential Owner on such Auction Date shall be an integral multiple of \$25,000, even if such allocation results in one or more of such Existing Owners or Potential Owners not purchasing or selling any such Auction Bonds on such Auction Date.

(d) If, as a result of the procedures described in subsection (a) above, any Potential Owner would be required to purchase less than \$25,000 in principal amount of such Auction Bonds on any Auction Date, the Auction Agent shall by lot, in such manner as it shall determine in its sole discretion, allocate such Auction Bonds for purchase among Potential Owners so that the principal amount of Auction Bonds purchased on such Auction Date by any Potential Owner shall be an integral multiple of \$25,000, even if such allocation results in one or more of such Potential Owners not purchasing such Auction Bonds on such Auction Date.

SECTION 30-66.06. Notice of Auction Rate.

(a) On each Auction Date for Auction Bonds of a Series, the Auction Agent shall notify by telephone or other telecommunication device or in writing each Broker-Dealer that participated in the Auction held on such Auction Date of the following:

(i) the Auction Rate determined on such Auction Date for the succeeding Auction Period;

(ii) whether Sufficient Clearing Bids existed for the determination of the Winning Bid Rate;

(iii) if such Broker-Dealer submitted a Bid or a Sell Order on behalf of an Existing Owner, whether such Bid or Sell Order was accepted or rejected and the principal amount of Auction Bonds, if any, to be sold by such Existing Owner;

(iv) if such Broker-Dealer submitted a Bid on behalf of a Potential Owner, whether such Bid was accepted or rejected and the principal amount of a Auction Bonds of a Series, if any, to be purchased by such Potential Owner;

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(v) if the aggregate principal amount of Auction Bonds of a Series to be sold by all Existing Owners of such Series on whose behalf such Broker-Dealer submitted Bids or Sell Orders is different from the aggregate principal amount of such Auction Bonds to be purchased by all Potential Owners on whose behalf such Broker-Dealer submitted a Bid, the name or names of one or more Broker-Dealers (and the Agent Member, if any, of each such other Broker-Dealer) and the principal amount of such Auction Bonds to be (A) purchased from one or more Existing Owners on whose behalf such other Broker-Dealers submitted Bids or Sell Orders or (B) sold to one or more Potential Owners on whose behalf such Broker-Dealer submitted Bids; and

(vi) the immediately succeeding Auction Date.

(b) On each Auction Date for Auction Bonds of a Series, each Broker-Dealer that submitted an Order on behalf of any Existing Owner or Potential Owner shall: (i) advise each Existing Owner and Potential Owner on whose behalf such Broker-Dealer submitted an Order as to (A) the Auction Rate determined on such Auction Date, (B) whether any Bid or Sell Order submitted on behalf of each such Owner was accepted or rejected, and (C) the immediately succeeding Auction Date; (ii) instruct each Potential Owner on whose behalf such Broker-Dealer submitted a Bid that was accepted, in whole or in part, to instruct such Existing Owner's Agent Member to pay to such Broker-Dealer (or its Agent Member) through the Bond Depository the amount necessary to purchase the principal amount of Auction Bonds of such Series to be purchased pursuant to such Bid (including, with respect to Auction Bonds in a daily Auction Period, accrued interest if the purchase date is not an Interest Payment Date for such Auction Bonds) against receipt of such Auction Bonds; and (iii) instruct each Existing Owner on whose behalf such Broker-Dealer submitted a Sell Order that was accepted or a Bid that was rejected in whole or in part, to instruct such Existing Owner's Agent Member to deliver to such Broker-Dealer (or its Agent Member) through the Bond Depository the principal amount of such Auction Bonds to be sold pursuant to such Bid or Sell Order against payment therefor.

SECTION 30-66.07. Reference Rate.

(a) Unless otherwise specified in a Series Sale Resolution with respect to a Series of Variable Rate Bonds, the Reference Rate on any Auction Date with respect to a Series of Variable Rate Bonds in any Auction Period of less than 180 days shall be the greater of LIBOR or the Thirty-Day "AA" Composite Commercial Paper Rate on such date. Unless otherwise specified in a Series Sale Resolution with respect to a Series of Variable Rate Bonds, the Reference Rate with respect to a Series of Variable Rate Bonds in any Auction Period of 180 days or more shall be the greater of LIBOR or the rate on United States Treasury Securities having a maturity which most closely approximates the length of the Auction Period, as last published in *The Wall Street Journal*; provided that if either rate is unavailable, the Reference Rate shall be an index or rate agreed to by all Broker-Dealers and consented to by the Commission.

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(b) If for any reason on any Auction Date the Reference Rate shall not be determined as hereinabove provided in this Section, the Reference Rate shall be the Reference Rate for the Auction Period ending on such Auction Date.

(c) The determination of the Reference Rate for Auction Bonds of a particular Series as provided herein shall be conclusive and binding upon the Commission, the Trustee, the Broker-Dealers, the Auction Agent, the Market Agent, if any, and the Owners of such Auction Bonds.

SECTION 30-66.08. Miscellaneous Provisions Regarding Auctions.

(a) In this Article, each reference to the purchase, sale or holding of Auction Bonds of a Series shall refer to beneficial interests in such Auction Bonds, unless the context clearly requires otherwise.

(b) If the Bond Depository notifies the Commission that it is unwilling or unable to continue as owner of a Series of Auction Bonds or if at any time the Bond Depository shall no longer be registered or in good standing under the Securities Exchange Act of 1934, as amended, or other applicable statute or regulation and a successor to the Bond Depository is not appointed by the Commission within 90 days after the Commission receives notice or becomes aware of such condition, as the case may be, the Commission shall execute and the Trustee shall authenticate and deliver certificates representing such Auction Bonds. Such Auction Bonds shall be registered in such names and authorized denominations as the Bond Depository, pursuant to instructions from the Agent Members or otherwise, shall instruct the Commission and the Trustee.

While any Series of Variable Rate Bonds is in the Auction Mode, so long as the ownership of such Series of Auction Bonds is maintained in book-entry form by the Bond Depository, an Existing Owner or a beneficial owner may sell, transfer or otherwise dispose of such Auction Bond only pursuant to a Bid or Sell Order in accordance with the Auction Procedures or to or through a Broker-Dealer, provided that (i) in the case of all transfers other than pursuant to Auctions, such Existing Owner or its Broker-Dealer or its Agent Member advises the Auction Agent of such transfer and (ii) a sale, transfer or other disposition of such Auction Bonds from a customer of a Broker-Dealer who is listed on the records of that Broker-Dealer as the holder of such Auction Bonds to that Broker-Dealer or another customer of that Broker-Dealer shall not be deemed to be a sale, transfer or other disposition for purposes of this subsection if such Broker-Dealer remains the Existing Owner of such Auction Bonds so sold, transferred or disposed of immediately after such sale, transfer or disposition.

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SECTION 30-66.09. Changes in Auction Period or Auction Date.

(a) Changes in Auction Period. (i) While any Series of Variable Rate Bonds is in the Auction Mode, the Commission may, from time to time on any Interest Payment Date, change the length of the Auction Period with respect to a Series of Variable Rate Bonds among daily, seven (7)-day, twenty-eight (28)-day, thirty-five (35)-day and six-month Auction Periods, and a Special Rate Period in order to accommodate economic and financial factors that may affect or be relevant to the length of the Auction Period and the interest rate borne by such Auction Bonds. The Commission shall initiate the change in the length of the Auction Period by giving written notice to the Trustee, the Auction Agent, the Market Agent, if any, the Broker-Dealers and the Bond Depository that the Auction Period shall change if the conditions described herein are satisfied and the proposed effective date of the change, at least ten (10) Business Days prior to the Auction Date for such Auction Period.

(ii) Any such changed Auction Period shall be for a period of one (1) day, seven (7) days, twenty-eight (28) days, thirty-five (35) days, six (6) months or a Special Rate Period and shall be for all of the Auction Bonds of a Series in the Auction Mode.

(iii) The change in the length of the Auction Period shall not be allowed unless Sufficient Clearing Bids existed at both the Auction before the date on which the notice of the proposed change was given as provided in this subsection (a) and the Auction immediately preceding the proposed change.

(iv) The change in length of the Auction Period shall take effect only if (A) the Trustee and the Auction Agent receive, by 11:00 a.m., New York City time, on the Business Day before the Auction Date for the first such Auction Period, a certificate from the Commission consenting to the change in the length of the Auction Period specified in such certificate and (B) Sufficient Clearing Bids exist at the Auction on the Auction Date for such first Auction Period. For purposes of the Auction for such first Auction Period only, each Existing Owner shall be deemed to have submitted Sell Orders with respect to all of its Auction Bonds except to the extent such Existing Owner submits an Order with respect to such Auction Bonds. If the condition referred to in clause (A) above is not met, the Auction Rate for the next Auction Period shall be determined pursuant to the Auction Procedures and the Auction Period shall be the Auction Period determined without reference to the proposed change. If the condition referred to in (A) is met but the condition referred to in clause (B) above is not met, the Auction Rate for the next Auction Period shall be the Maximum Auction Rate, and the Auction Period shall be a seven (7)-day Auction Period.

(b) Changes in Auction Date. While any Series of Variable Rate Bonds is in the Auction Mode, the Auction Agent, with the written consent of the Commission may specify an earlier Auction Date (but in no event more than five (5) Business Days earlier) than the Auction Date that would otherwise be determined in accordance with the definition of "Auction

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Date" in order to conform with then current market practice with respect to similar securities or to accommodate economic and financial factors that may affect or be relevant to the day of the week constituting an Auction Date and the interest rate borne by a Series of Auction Bonds. The Auction Agent shall provide notice of its determination to specify an earlier Auction Date for an Auction Period by means of a written notice delivered at least forty-five (45) days prior to the proposed changed Auction Date to the Trustee, the Commission, the Broker-Dealers, the Market Agent, if any, and the Bond Depository.

SECTION 30-66.10. Auction Agent.

(a) The Auction Agent shall be appointed by the Commission, to perform the functions specified herein. The Auction Agent shall designate its principal corporate trust office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument, delivered to the Trustee, the Commission and each Broker-Dealer which shall set forth such procedural and other matters relating to the implementation of the Auction Procedures as shall be satisfactory to the Commission and the Trustee.

(b) Subject to any applicable governmental restrictions, the Auction Agent may be or become the owner of or trade in Variable Rate Bonds with the same rights as if such entity were not the Auction Agent.

SECTION 30-66.11. Qualifications of Auction Agent, Resignation, Removal.

The Auction Agent shall be (a) a bank or trust company organized under the laws of the United States or any state or territory thereof having a combined capital stock, surplus and undivided profits of at least \$30,000,000, or (b) a member of the National Association of Securities Dealers, Inc. having a capitalization of at least \$30,000,000 and, in either case, authorized by law to perform all the duties imposed upon it by this Eleventh Supplemental Resolution and a member of or a participant in, the Bond Depository. The Auction Agent may at any time resign and be discharged of the duties and obligations created by this Eleventh Supplemental Resolution by giving at least ninety (90) days written notice to the Commission and the Trustee. The Auction Agent may be removed at any time by the Commission by written notice, delivered to the Auction Agent, the Market Agent, if any, the Credit Provider and the Trustee. Upon any such resignation or removal, the Commission shall appoint a successor Auction Agent meeting the requirements of this section. In the event of the resignation or removal of the Auction Agent, the Auction Agent shall pay over, assign and deliver any moneys and Variable Rate Bonds held by it in such capacity to its successor. The Auction Agent shall continue to perform its duties until its successor has been appointed by the Commission. In the event that the Auction Agent has not been compensated for its services, the Auction Agent may resign by giving thirty (30) days notice to the Commission and the Trustee even if a successor Auction Agent has not been appointed.

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SECTION 30-66.12. Market Agent. If a Series Sale Resolution for a Series of Variable Rate Bonds provides, the Commission may appoint a Market Agent to perform the duties to be specified in a Market Agent Agreement. The Market Agent shall be a member of the National Association of Securities Dealers, Inc. having capitalization of at least \$30,000,000, and be authorized by law to perform all the duties imposed upon it by the Market Agent Agreement. The Market Agent may at any time resign and be discharged of the duties and obligations created by this Eleventh Supplemental Resolution by giving at least ninety (90) days written notice to the Commission and the Trustee. The Market Agent may be removed at any time by the Commission by written notice, delivered to the Market Agent, the Credit Provider and the Trustee. Upon any such resignation or removal, the Trustee shall appoint a successor Market Agent meeting the requirements of this Section. The Market Agent shall continue to perform its duties until its successor has been appointed by the Commission. In the event that the Market Agent has not been compensated for its services, the Market Agent may resign by giving thirty (30) days notice to the Commission and the Trustee even if a successor Market Agent has not been appointed. Subject to any applicable governmental restrictions, the Market Agent may be or become the owner of or trade in Variable Rate Bonds with the same rights as if such entity were not the Market Agent.

ARTICLE 30-LXVII

PROVISIONS RELATING TO BOND INSURANCE

SECTION 30-67.01. Rights of the Bond Insurer. The provisions of this Article 30-LXVII shall apply to each Bond Insurer in the event and to the extent provided in a Series Sale Resolution with respect to the Variable Rate Bonds or Series of Variable Rate Bonds insured by such Bond Insurer, so long as (i) its Bond Insurance Policy is in effect, (ii) the Bond Insurer has not asserted that its Bond Insurance Policy is not in effect, (iii) the Bond Insurer is not in default thereunder, (iv) the Bond Insurer is not insolvent, and (v) the Bond Insurer has not waived any such rights; provided, that such rights shall continue with respect to amounts previously paid and due and owing the Bond Insurer.

(a) Any amendment to the 1991 Resolution requiring the consent of Owners of a Series of Variable Rate Bonds or the portion thereof secured by a Bond Insurance Policy (the "Insured Bonds") shall also require the prior written consent of the Bond Insurer with respect to such Insured Bonds.

(b) Any amendment not requiring the consent of Owners of the Insured Bonds shall require the prior written consent of the Bond Insurer with respect to such Insured Bonds if its rights shall be materially and adversely affected by such amendment.

(c) The prior written consent of the Bond Insurer with respect to the Insured Bonds shall be a condition precedent to the deposit by the Commission of any Credit Facility in

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lieu of a cash deposit into the Issue 1 Reserve Account or the Series Reserve Account relating to such Insured Bonds, which consent shall not be unreasonably withheld.

(d) For purposes of Article VII of the 1991 Resolution (regarding defaults and remedies), if an Event of Default shall have occurred and be continuing, the Bond Insurer with respect to the Insured Bonds shall be deemed to be the Owner of such Insured Bonds in connection with any consent or direction, appointment, request or waiver to be provided thereunder.

(e) Each Bond Insurer with respect to the Insured Bonds shall have the right to institute any suit, action or proceeding at law or in equity under the same terms as an Owner of such Insured Bonds in accordance with the 1991 Resolution.

(f) Each Bond Insurer shall, to the extent it makes any payment of principal or Purchase Price of or interest on the Insured Bonds it insures, become subrogated to the rights of the recipients of such payments in accordance with the terms of its Bond Insurance Policy.

(g) Principal, interest and/or Purchase Price paid by a Bond Insurer under its Bond Insurance Policy shall not be deemed paid for purposes of the 1991 Resolution, and the Insured Bonds with respect to which such payments were made shall remain Outstanding and continue to be due and owing until paid by the Commission in accordance with the 1991 Resolution.

(h) In the event of any defeasance of the Insured Bonds, the Commission shall provide the applicable Bond Insurer with copies of all documents required by Article X of the 1991 Resolution to be delivered to the Trustee.

(i) The Commission shall not discharge the 1991 Resolution unless all amounts due or to become due to each Bond Insurer have been paid in full or duly provided for.

SECTION 30-67.02. Notices to the Bond Insurer, Payment Procedures.

(a) The Commission shall send or cause to be sent to each Bond Insurer copies of notices required to be sent to Owners or the Trustee pursuant to the 1991 Resolution.

(b) The Commission, the Trustee and each Paying Agent, as appropriate, shall observe and perform any payment procedures under the Bond Insurance Policy required by each Bond Insurer as a condition to the issuance and delivery of such Bond Insurer's Bond Insurance Policy.

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ARTICLE 30-LXVIII

AMENDMENTS TO THE SEVENTH SUPPLEMENTAL RESOLUTION

SECTION 30-68.01. Amendment to Section 18-52.01 of the Seventh Supplemental Resolution. There shall be added the following paragraphs immediately following the first paragraph of Section 18-52.01 of the Seventh Supplemental Resolution:

"Notwithstanding anything to the contrary contained in the immediately preceding paragraph, any principal amount of Refunding Bonds authorized hereunder may be issued instead under and pursuant to the Eleventh Supplemental Resolution.

If pursuant to the immediately preceding paragraph, one or more Series of Refunding Bonds are issued under the Eleventh Supplemental Resolution, the aggregate principal amount of such Series of Variable Rate Bonds shall not be counted against the principal amount of 1991 Resolution Bonds authorized to be issued under the Eleventh Supplemental Resolution, but such Series of Refunding Bonds shall be counted against the principal amount authorized to be issued under the first paragraph of Section 18-52.01 of this Seventh Supplemental Resolution."

ARTICLE 30-LXIX

MISCELLANEOUS

SECTION 30-69.01. Board of Supervisors Approval. The Airport Director is authorized, for, in the name and on behalf of the Commission to submit this Eleventh Supplemental Resolution directly to the Board of Supervisors of the City and County of San Francisco (the "Board"), for the Board's approval.

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 03-0220

ADOPTED by the Airport Commission of the City and County of San Francisco
this 21th day of October, 2003, by the following vote:

Ayes: 3

Noes: 0

Absent: 2

[SEAL]

Approved as to Form:
DENNIS J. HERRERA
City Attorney of the City and
County of San Francisco

By 
Deputy City Attorney

I hereby certify that the foregoing resolution was adopted by the Airport Commission
at its meeting of OCT 21 2003

85


Secretary

AIRPORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
RESOLUTION NO. 03-0220

EXHIBIT A

FORM OF VARIABLE RATE BOND

No. _____

\$

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
CITY AND COUNTY OF SAN FRANCISCO

SAN FRANCISCO INTERNATIONAL AIRPORT
SECOND SERIES VARIABLE RATE REVENUE BONDS, ISSUE _____

<u>DATE OF</u> <u>ORIGINAL ISSUE</u>	<u>MATURITY</u> <u>DATE</u>	<u>MODE</u>	<u>CUSIP</u>
---	--------------------------------	-------------	--------------

REGISTERED
OWNER: _____

PRINCIPAL
AMOUNT: _____ DOLLARS

THE AIRPORT COMMISSION OF THE CITY AND COUNTY OF SAN FRANCISCO (the "Commission"), a commission duly organized and existing under and pursuant to the Charter of the City and County of San Francisco and the laws of the State of California (the "State"), for value received, hereby promises to pay (but only out of Net Revenues hereinafter referred to) to the Registered Owner specified above, or to such Registered Owners registered assigns or personal representatives, the Principal Amount specified above on the Maturity Date specified above, unless this Bond is redeemed or purchased prior thereto as hereinafter provided, upon its presentation and surrender as provided under Resolution No. 91-0210 adopted on December 3, 1991 by the Commission, as supplemented and amended from time to time (the "Resolution"), including the Eleventh Supplemental Resolution adopted on _____, 2003 by the Commission (the "Eleventh Supplemental Resolution") and an Issue Sale Resolution providing for certain other terms of the Issue ___ Bonds, and to pay to the

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Registered Owner interest on such Principal Amount until paid at the times and at the rates described herein.

This Bond is one of a duly authorized issue of bonds of the Commission designated "San Francisco International Airport Second Series Variable Revenue Bonds (the "Bonds") of the series and designation indicated on the face hereof. Said authorized issue of Bonds is not limited in aggregate principal amount and consists of multiple series of varying denominations, dates, maturities, interest rates and other provisions, as provided in the Resolution, all issued and to be issued pursuant to the provisions of the Charter of the City and County of San Francisco, and all laws of the State supplemental hereto, including the Revenue Bond Law of 1941 to the extent made applicable by said Charter (hereinafter called the "Act"). This Bond is one of a Series of Variable Rate Bonds designated as the "Airport Commission of the City and County of San Francisco San Francisco International Airport Second Series Revenue Bonds, Issue ____" (hereinafter called the "Issue __ Bonds") limited to \$ _____ in aggregate principal amount.

Reference is hereby made to the Resolution and to the Act for a description of the terms on which the Bonds are issued and to be issued, the provisions with regard to the nature and extent of the Net Revenues, as that term is defined in the Resolution and the rights of the Registered Owner from time to time of this Bond. The Registered Owner hereof, by acceptance of this Bond, consents to all of the terms and conditions of the Resolution, a copy of which is on file with the Trustee. Additional Bonds may be issued on a parity with the Bonds of this authorized issue, but only subject to the conditions and limitations contained in the Resolution.

This Bond, including the interest hereon, together with all other Bonds, and the interest thereon, issued under the Resolution (and to the extent set forth in the Resolution), is payable from, and is secured by a charge and lien on, the Net Revenues derived by the Commission from the Airport (as those terms are defined in the Resolution).

The Bonds are special obligations of the Commission, and are payable, both as to principal and interest, and as to any premiums upon the redemption thereof, out of the Net Revenues pertaining to the Airport and the Funds and Accounts provided in the Resolution, and not out of any other fund or moneys of the Commission. No holder of this Bond shall ever have the right to compel any exercise of the taxing power of the City and County of San Francisco to pay this Bonds or the interest hereon.

1. Definitions. Any term used herein as a defined term but not defined herein shall be defined as in the Eleventh Supplemental Resolution.

2. Source of Payments. The Commission has caused to be delivered to the Trustee an irrevocable, direct pay Credit Facility (the "Credit Facility") issued by [Name of Credit Provider] (together with its successors and assigns or any Commission of any Alternate

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Credit Facility, the "Credit Provider"). The initial Credit Facility will expire on _____ unless earlier terminated in accordance with its terms. The Trustee, as provided in the Eleventh Supplemental Resolution, will Draw on the Credit Facility in order to receive amounts sufficient to pay interest on, or the principal or Purchase Price of, the Bonds then secured by the Credit Facility. Bonds in the Term Rate Mode or the Fixed Rate Mode may be, but are not required to be, secured by the Credit Facility as provided in the Eleventh Supplemental Resolution. The Commission, upon the conditions specified in the Eleventh Supplemental Resolution, may provide for the delivery to the paying Agent of an Alternate Credit Facility.

3. Interest Rate. Interest in this Bond will be paid at a Commercial Paper Rate when the Bond is in the Commercial Paper Mode, at a Daily Rate when the Bond is in the Daily Mode, at a Weekly Rate when the Bond is in the Weekly Mode, at a Term Rate when the Bond is in the Term Mode, at an Auction Rate when the Bond is in an Auction Mode, and at a Fixed Rate when the Bond is in the Fixed Rate Mode, all as determined in accordance with the Eleventh Supplemental Resolution; provided, however, that no Bond shall bear interest at a rate higher than the Maximum Rate. The Commission may change any Bond in a Mode, other than a Fixed Rate Mode, to any other Mode.

When a Commercial Paper Mode, a Daily Mode or Weekly Mode is in effect, interest will be calculated on the basis of a 365/366-day year for the actual number of days elapsed, and when a Term Rate Mode or Fixed Rate Mode is in effect, on the basis of a 360-day year comprised of twelve 30-day months. When an Auction Mode is in effect, interest on the Auction Bonds in an Auction Period of 180 days or less will be computed on the basis of actual days over 360 and in an Auction Period greater than 180 days will be calculated on the basis of a 360-day year of twelve 30-day months.

4. Interest Payment Dates and Record Dates. Payment will be made on the applicable Interest Payment Date to the Registered Owner on the applicable Record Date for unpaid interest accrued during the current Interest Accrual Period (as defined below), all as set forth in the Eleventh Supplemental Resolution. Certain of the provisions relating thereto are set forth below:

"Interest Accrual Period" means the period during which the Bonds accrued interest payable on any Interest Payment Date. With respect to Bonds in the Daily Mode, the Interest Accrual Period shall commence on (and include) the first day of each month and shall extend through (and include) the last day of such month; provided, that if such month is the month in which the Bonds were authenticated and delivered or were changed to the Daily Mode, the Interest Accrual Period shall commence on the date of authentication and delivery of the Bonds or the Mode Change Date, as the case may be; provided, further, that if no interest has been paid on Bonds in the Daily Mode, interest shall accrue from the date of original authentication and delivery of the Bonds or the Mode Change Date, as appropriate. With respect

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to Bonds in all Modes other than the Daily Mode (except for a Bond in an Auction Mode) the Interest Accrual Period shall commence on (and include) the last Interest Payment Date to which interest has been paid (or, if no interest has been paid in such Mode, from the date of original authentication and delivery of the Bonds, or the Mode Change Date, as the case may be) to, but not including, the Interest Payment Date on which interest is to be paid. With respect to a Bond in the Auction Mode, the accrual period is as set forth in the definition of Auction Period. In addition, unpaid interest accrued from the last Interest Payment Date to which interest has been paid will be payable on any Mode Change Date and on the Maturity Date and, with respect to Credit Provider Bonds, the dates provided in the Credit Facility Agreement.

5. Method of Payment. The principal of and premium, if any, on each Bond will be payable on the applicable Principal Payment Date upon its surrender at the office of the Paying Agent. The Purchase Price of a Bond in the Commercial Paper Mode will be payable upon the close of business of the Purchase Date; provided, that such Bond is first surrendered to the Paying Agent by 12:00 noon on such date (see "Tenders and Purchasers" below). Interest on Bonds in the Commercial Paper Mode, the Daily Mode or the Weekly Mode will be paid by the Paying Agent by wire transfer of immediately available funds to an account specified by the Registered Owner on the applicable Record Date and, on Bonds in the Term Rate or Fixed Rate Mode, by check mailed by the Paying Agent to the Registered Owner at the address appearing in the registration books of the Paying Agent on the applicable Record Date. Payment of interest to Registered Owners of \$1,000,000 or more in aggregate principal amount of Bonds in the Term Rate, Auction Rate or Fixed Rate, may be made by wire transfer as provided in the Eleventh Supplemental Resolution.

Principal of and premium, if any, and interest on the Bonds will be paid in lawful money of the United States of America.

6. Tenders and Purchasers.

(a) Optional Tenders. When this Bond is in the Daily Mode, the Weekly Mode or the Term Rate Mode, its Registered Owner may elect to have it, or any portion thereof in an Authorized Denomination, purchased on any Business Day selected by the Owner (a "Purchase Date") in the case of the Daily and Weekly Mode, or on the last day of the current Interest Period (or the next Business Day if such last day is not a Business Day) in the case of a Term Rate Mode, at a price equal to its principal amount plus accrued interest, if any, by delivering:

(i) (1) in the case of the Daily Mode, an irrevocable telephonic notice to the Remarketing Agent not later than 10:30 A.M. on the Purchase Date specified by the Owner, (2) in the case of the Weekly Mode, an irrevocable written notice of tender or an irrevocable telephonic notice of tender to the Remarketing Agent, promptly confirmed in writing to the Paying Agent, by 4:00 P.M. on a Business Day not less than seven days

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before the Purchase Date specified by the Registered Owner, and (3) in the case of the Term Rate Mode, upon delivery of an irrevocable written notice of tender or irrevocable telephonic notice of tender to the Remarketing Agent, promptly confirmed in writing to the Paying Agent, by not later than ____ on a Business Day not less than ____ days before the last day of the current Interest Period applicable to such Bond, stating, in each such case, the CUSIP number, Bond number, the principal amount to be purchased, and the Purchase Date (in the case of the Daily and Weekly Mode); and

(ii) in either case, the Bond (with all necessary endorsements) to the Paying Agent in New York, New York, on or before 12:00 noon on the Purchase Date.

Payment of the Purchase Price shall be made as described above only if the Bond so delivered conforms in all respects to the description thereof in the notice of optional tender.

SO LONG AS THE BONDS ARE REGISTERED IN THE NAME OF DTC OR ANY NOMINEE THEREOF, TO EXERCISE AN OPTIONAL TENDER, A BENEFICIAL OWNER MUST NOTIFY THE REMARKETING AGENT (AND ITS DTC PARTICIPANT, IF THE REMARKETING AGENT IS NOT SUCH OWNER'S DTC PARTICIPANT) OF ITS DECISION TO DEMAND THE PURCHASE OF ITS BONDS AS PROVIDED IN THE INDENTURE.

(b) Mandatory Tenders. This Bond must be delivered to the Paying Agent for purchase at its principal amount on or before 12:00 noon on the following dates:

(i) if the Bond is in the Commercial Paper Mode, on the Purchase Date (the last day of the current Interest Period for such Bond);

(ii) on any date that the Mode of the Bond is changed;

(iii) on the date which is five Business Days prior to the date on which an Alternate Credit Facility is to be substituted for the Credit Facility, in the event that on or prior to the forty fifth (45th) day next preceding the effective date of the substitution, the Commission has failed to deliver to the Trustee and Paying Agent a Rating Confirmation Notice (as defined in the Eleventh Supplemental Resolution) and notice that the ratings on the applicable Bonds will not be downgraded as a result of such substitution;

(iv) On Default under Credit Facility Agreement. If the Trustee receives timely written notice from the Credit Provider, as provided in the Eleventh Supplemental Resolution, either (i) that the interest portion of the Credit Facility will not be reinstated as provided in the Credit Facility or (ii) that an Event of Default, as defined in the Credit Facility Agreement, has occurred and is continuing and the Credit Provider

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has exercised its option to terminate the Credit Facility, this Bond (other than when it is a Credit Provider-Owned Bond) when secured by the Credit Facility will be subject to mandatory purchase on a date not more than ten (10) nor less than five (5) days after the date the notice is given by the Credit Provider, and not less than five (5) days before the Credit Facility is to be terminated. The purchase price shall be equal to the principal amount thereof, plus accrued interest, if any.

(v) Upon Expiration of Credit Facility. When secured by the Credit Facility, this Bond [other than if this Bond is a Fixed-Rate Bond secured by the Credit Facility] shall be subject to mandatory purchase at a purchase price equal to the principal amount thereof, plus accrued interest, on the fifth (5th) Business Day next preceding the Expiration Date, if by the Renewal Date (as defined in the Eleventh Supplemental Resolution) (i) no extension of the Credit Facility has been obtained by the Commission or Alternate Credit Facility has been delivered to the Trustee and (ii) the Commission has not delivered a Mode Change Notice with respect a change to a Mode for which no Credit Facility is to be required, which change in Mode is to take place no later than the fifth (5th) Business Day prior to the Expiration Date.

BY ACCEPTANCE OF THIS BOND, THE REGISTERED OWNER AGREES TO TENDER THIS BOND FOR PURCHASE ON ANY DATE (THE "MANDATORY PURCHASE DATE") DESCRIBED ABOVE AND ACKNOWLEDGES THAT INTEREST WILL CEASE TO ACCRUE ON THE BOND ON SUCH MANDATORY PURCHASE DATE, PROVIDED THAT FUNDS FOR SUCH PURCHASE ARE ON DEPOSIT WITH THE PAYING AGENT ON SUCH MANDATORY PURCHASE DATE.

(c) Payment of Purchase Price. The Purchase Price of a Bond delivered for purchase as described above (with all necessary endorsements) will be paid by wire transfer in immediately available funds by the close of business on the applicable purchase date.

(d) Delivery Address. Notices in respect of tenders and Bonds tendered must be delivered as follows:

Notices to
Remarketing Agent: _____

Attn:

Telephone:

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Facsimile:

Bonds and Notices

to Paying Agent:

Attn:

Telephone:

Facsimile:

These addresses may be changed by notice mailed by first class mail to the Registered Owners at their registered addresses.

7. Redemptions.

(a) Optional Redemptions.

(i) Commercial Paper Mode. When this Bond is in the Commercial Paper Mode, it is subject to redemption, at the option of the Commission, in whole or in part, in Authorized Denominations on its Purchase Date (the last day of its current Interest Period), at a redemption price equal to the principal amount thereof[, which must be made with Seasoned Funds].

(ii) Daily Mode and Weekly Mode. When this Bond is in the Daily Mode or the Weekly Mode, it is subject to redemption, at the option of the Commission, in whole or in part, in Authorized Denominations on any Interest Payment Date, at a redemption price equal to the principal amount thereof, plus accrued and unpaid interest, if any[, which must be made with Seasoned Funds].

(iii) When this Bond is in the Auction Mode, it is subject to redemption, at the option of the Commission, in whole or in part, in Authorized Denominations on the Business Day immediately following the end of an Auction Period at a redemption price equal to the principal amount thereof, plus accrued and unpaid interest, if any[, which must be made with Seasoned Funds].

(iv) Term Rate Mode and Fixed Rate Mode. When this Bond is in the Term Rate or Fixed Rate Mode, it is subject to redemption, at the option of the Commission, in whole on any date or in part on any Interest Payment Date (and if in part, in such order of maturity as the Commission shall specify and within a maturity by lot or

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by such other method as the Paying Agent determines to be fair and reasonable and in Authorized Denominations) at the redemption prices set forth below:

Length of Interest Period, in the case of Term Rate Bonds or length of the remaining term of Bonds, in the case of Fixed Rate Bonds (measured in years from immediately preceding)

Mode Change Date

Redemption Prices

greater than 15

on or after the first _____ [1][15] or _____ [1][15] (whichever is earlier) to follow the tenth anniversary of Mode Change Date: 100%

less than or equal to 15 and greater than 10

on or after the first _____ [1][15] or _____ [1][15] (whichever is earlier) to follow the seventh anniversary of the Mode Change Date: 100%

less than or equal to 10 and greater than 5

on or after the first _____ [1][15] or _____ [1][15] (whichever is earlier) to follow the third anniversary of Mode Change Date: 100%

less than or equal to 5

on or after the first _____ [1][15] or _____ [1][15] (whichever is earlier) to follow the second anniversary of the Mode Change Date at 100%

(b) Mandatory Redemptions.

(i) Mandatory Sinking Fund Redemption. This Bond is subject to mandatory sinking fund redemption on May 1, ___ and on each May 1 thereafter, as provided in the Eleventh Supplemental Resolution, at a redemption price equal to the principal amount called plus accrued interest thereon to the Redemption Date, without premium, in the years and principal amount as follows; provided, that no mandatory sinking fund redemption shall occur in any year which, as a result of a change to a Fixed Rate Mode, contains a Serial Maturity Date:

	Principal	Principal	Year	Amount

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Year Amount

[If the Bonds in an Auction Mode are subject to sinking fund redemption and the mandatory sinking fund redemption date is not an Interest Payment Date, they will be redeemed on the Interest Payment Date immediately succeeding the scheduled mandatory sinking fund redemption date.]

(c) **Notice of Redemption.** Notice of redemption shall be given by mail by the Trustee to the Registered Owner of any Bond designated for redemption in whole or in part no less than thirty (30) nor more than sixty (60) days prior to the Redemption Date. The failure to mail such notice with respect to any Bond shall not affect the validity of the proceedings for the redemption of any other Bond with respect to which notice was so mailed.

(d) **Effect of Notice of Redemption.** If notice of redemption is given as required and money for the payment of the Redemption Price is held by the Paying Agent, then interest on the Bonds or portions thereof called for redemption shall cease to accrue on the Redemption Date.

8. **Denominations, Transfer and Exchange.** The Bonds are in registered form without coupons in the following denominations (the "Authorized Denomination"): in the Commercial Paper Mode, \$100,000 and any integral multiple of \$5,000 in excess thereof, in the Daily Mode or the Weekly Mode, \$100,000 and any integral multiple thereof; in the Auction Mode, \$25,000 and integral multiples thereof; and in the Term Rate and Fixed Rate Modes, \$5,000 and any integral multiple thereof. A Registered Owner may transfer or exchange Bonds in accordance with the Eleventh Supplemental Resolution. The Paying Agent may require the payment by any Registered Owner requesting such transfer or exchange of any tax or other governmental charge required to be paid with respect to such transfer or exchange.

9. **Persons Deemed Owners.** The Registered Owner of this Bond may be treated as its owner for all purposes.

10. **Unclaimed Money.** If any moneys held by the Trustee or Paying Agent in trust for the payment of interest, principal, premium or Purchase Price of any Bonds remain unclaimed for a period of [] years after the date on which such moneys were payable, the Trustee or Paying Agent will, upon written notice from the Commission, pay such amounts to the Commission or the Credit Provider, as provided in the Eleventh Supplemental Resolution,

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but in no event before sixty (60) days written notice thereof has been given by the Trustee to the Registered Owners to which such moneys were originally payable. Thereafter, such Registered Owners must look to the Commission for payment of such moneys.

11. Amendment and Supplement, Waiver. Subject to certain exceptions, the Eleventh Supplemental Resolution may be amended or supplemented with the written consent of the Credit Provider (as long as a Credit Facility is in effect [covering at least a majority in aggregate principal amount of the then Outstanding Variable Rate Bonds] and there is no default by the Credit Provider thereunder) and of the Registered Owners of a majority in aggregate principal amount of Outstanding Variable Rate Bonds, upon receipt of a Favorable Opinion of Bond Counsel. In addition, the Eleventh Supplemental Resolution may be amended or supplemented, as provided in the Eleventh Supplemental Resolution, with the written consent of the Credit Provider (so long as a Credit Facility is in effect [covering at least a majority in aggregate principal amount of the then Outstanding Variable Rate Bonds] and there is no default by the Credit Provider thereunder) and, if applicable, the written consent of the Paying Agent or Remarketing Agent, upon receipt of a Favorable Opinion of Bond Counsel, to make certain changes in the rights and obligations of the Commission thereunder; to cure any ambiguity or correcting, curing or supplementing any defective, inconsistent or conflicting provisions contained therein; to comply with the requirements of the rating agencies as a condition of receiving or maintaining a rating on the Bonds, to the extent such change is not materially adverse to the interests of the Owners of the Bonds; to provide for (or modify) an additional Mode; to provide for the delivery of the Bonds in book-entry form; or to provide for the issuance of Additional Bonds.

12. Defaults and Remedies. The Eleventh Supplemental Resolution provides that the occurrences of certain events constitute Events of Default. In addition, on any Event of Default, the Trustee may pursue any available remedy, provided that so long as the Credit Facility is in effect [covering at least a majority in aggregate principal amount of the then Outstanding Variable Rate Bonds] and there has been no default by the Credit Provider thereunder, the Trustee will pursue any remedy only at the direction of the Credit Provider. An Event of Default and its consequences may be waived as provided in the Eleventh Supplemental Resolution. Subject to certain limitations, the Credit Provider (if a Credit Facility is in effect [covering at least a majority in aggregate principal amount of the then Outstanding Variable Rate Bonds] and there is no default by the Credit Provider thereunder) or the Registered Owners of a majority in principal amount of the Outstanding Variable Rate Bonds (if no Credit Facility is in effect) may direct the Trustee in its exercise of any trust or power. Registered Owners may not enforce the Eleventh Supplemental Resolution or the Bonds except as provided in the Eleventh Supplemental Resolution.

13. Waiver of Personal Liability. No member, officer or employee of the Commission will be individually or personally liable for the payment of interest, principal or premium on the Bonds.

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IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the Constitution and statutes of the State and the Eleventh Supplemental Resolution 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 in due time, form and manner as required by law.

IN WITNESS WHEREOF, the Commission has caused this Bond to be executed in its name by the manual or facsimile signature of its [] and its corporate seal (or a facsimile thereof) to be impressed or imprinted hereon and attested by the manual or facsimile signature of its [].

(SEAL)

AIRPORT COMMISSION OF THE CITY
AND COUNTY OF SAN FRANCISCO

ATTEST:

(FACSIMILE)
[Title]

By: (FACSIMILE)
[Title]

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CERTIFICATE OF AUTHENTICATION

Date of Authentication:

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

[NAME OF TRUSTEE,]

[PAYING AGENT,]

Trustee

Paying Agent

**By: _____
Authorized Signatory**

**By: _____
Authorized Signatory**

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THIS BOND MUST BE PRESENTED TO THE PAYING AGENT TO OBTAIN PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THIS BOND ON EACH PURCHASE DATE WHEN THIS BOND IS IN THE COMMERCIAL PAPER MODE OR THE TERM RATE MODE

<u>Purchase Date</u>	<u>Interest Period Number of Days</u>	<u>Interest Rate</u>	<u>Authorized Signature of Paying Agent</u>

(FORM OF ASSIGNMENT)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned, _____, hereby sells assigns and transfers unto (Tax Identification or Social Security No. _____) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Date: _____

Signature _____

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

Signature Guaranteed _____

NOTICE: Signatures must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company