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STANDBY BOND PURCHASE AGREEMENT

among

CITY OF MILWAUKEE, WISCONSIN,

J.P. MORGAN TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee,

and

STATE STREET BANK AND TRUST COMPANY,  
as Liquidity Provider

Dated as of November 1, 2005

\$25,000,000  
CITY OF MILWAUKEE, WISCONSIN  
VARIABLE RATE GENERAL OBLIGATION CORPORATE PURPOSE BONDS,  
SERIES 2005 V8

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ISSUANCE OF ADDITIONAL BONDS
- EXHIBIT G -- FORM OF BANK BOND CUSTODY AGREEMENT

## STANDBY BOND PURCHASE AGREEMENT

THIS STANDBY BOND PURCHASE AGREEMENT, dated as of November 1, 2005 (the "*Agreement*"), by and among the CITY OF MILWAUKEE, WISCONSIN (the "*Issuer*"), J.P. MORGAN TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee (the "*Bond Trustee*") and STATE STREET BANK AND TRUST COMPANY (the "*Liquidity Provider*"),

### WITNESSETH:

WHEREAS, the Issuer is issuing \$25,000,000 aggregate principal amount of its Variable Rate General Obligation Corporate Purpose Bonds, Series 2005 V8 (the "*Series V8 Bonds*"), pursuant to a Trust Indenture dated as of November 1, 2005, by and between the Issuer and the Bond Trustee (as amended from time to time, the "*Trust Indenture*");

WHEREAS, the Issuer may issue additional variable rate general obligation corporate purpose bonds (the "*Additional Bonds*" and, collectively with the Series V8 Bonds, the "*Bonds*"), up to \$150,000,000 in aggregate principal amount of which Bonds may be covered by this Agreement, as set forth herein;

WHEREAS, the Issuer wishes to enhance the liquidity of the Bonds by providing for the purchase of the Bonds which are not remarketed upon certain tenders by the holders thereof on or prior to the last day of the Facility Period (as hereinafter defined) as provided herein through purchases of Bonds by the Liquidity Provider;

WHEREAS, the Liquidity Provider is willing, upon the occurrence of certain events, to purchase Bonds tendered by the holders thereof, upon the terms and conditions set forth in this Agreement; and

WHEREAS, in reliance upon the provisions hereof, the Liquidity Provider is willing to enter into this Agreement with the Issuer and the Bond Trustee.

NOW, THEREFORE, the parties hereto agree as follows:

### ARTICLE I

#### DEFINITIONS

*Section 1.1. Specific Terms.* As used herein, the following terms have the meanings indicated below or in the referenced Section of this Agreement, unless the context clearly indicates otherwise:

"*Additional Bonds*" means Bonds secured by a general obligation of the Issuer, payable from taxes levied on all taxable property within the Issuer, without limitation on rate or amount, on a parity with the Series V8 Bonds, issued pursuant to the Trust Indenture or any Additional Series Trust Indenture, bearing interest at a multi-modal rate and which are covered by this Agreement.

*"Additional Series Trust Indenture"* means a trust indenture entered into by the Issuer and a bond trustee, pursuant to which the Issuer issues Additional Bonds.

*"Affiliate"* means with respect to a Person, any Person (whether for-profit or not-for-profit), which "controls," or is "controlled" by, or is under common "control" with such Person. For purposes of this definition, a Person "controls" another Person when the first Person possesses or exercises directly, or indirectly through one or more other affiliates or related entities, the power to direct the management and policies of the other Person, whether through the ownership of voting rights, membership, the power to appoint members, trustees or directors, by contract, or otherwise.

*"Agreement"* means this Standby Bond Purchase Agreement, as amended or supplemented.

*"Alternate Liquidity Facility"* has the meaning set forth in the Trust Indenture or Additional Series Trust Indenture, as the case may be, with respect to a particular series (or Tranche) of Bonds.

*"Amortization End Date"* means, with respect to any Bank Bond, the third anniversary of the Amortization Start Date, but in any event not later than the third anniversary of the last day of the Facility Period.

*"Amortization Payment Date"* means, with respect to any Bank Bond, (a) the first Business Day of the third full month following the Purchase Date on which such Bonds became Bank Bonds and each first Business Day of each third month thereafter occurring prior to the related Amortization End Date, and (b) the Amortization End Date.

*"Amortization Start Date"* means the Purchase Date.

*"Annual Filing"* means the annual financial information, if any, to be provided by the Issuer pursuant to the continuing disclosure undertaking of the Issuer with respect to the Bonds pursuant to Section 15c2-12 of the Securities Exchange Act of 1934, as amended.

*"Available Commitment"* means on any day the sum of the Available Interest Commitment and the Available Principal Commitment on such day, initially \$\_\_\_\_\_.

*"Available Interest Commitment"* initially means \$\_\_\_\_\_, which initial amount equals 34 days' interest on the initial amount of the Available Principal Commitment based upon an assumed rate of interest of 12% per annum and a year of 365 days, and actual days elapsed, and thereafter means such initial amount adjusted from time to time as follows: (a) downward by an amount that bears the same proportion to such initial amount as the amount of any reduction in the Available Principal Commitment, in accordance with clause (a), (b) or (c) of the definition herein of Available Principal Commitment, bears to the initial Available Principal Commitment and (b) upward by an amount that bears the same proportion to such initial amount as the amount of any increase in the Available Principal Commitment, in accordance with clause (d) or (e) of the definition herein of Available Principal Commitment, bears to the initial Available Principal Commitment. Any adjustments to the Available Interest Commitment pursuant to clauses (a) or (b) hereof shall occur simultaneously with the occurrence of the events described in such clauses.

*"Available Principal Commitment"* means, initially, the aggregate principal amount of the Bonds Outstanding, \$25,000,000, and thereafter means such initial amount adjusted from time to time as follows: (a) downward by the amount of any mandatory reduction of the Available Principal Commitment pursuant to Section 2.4 hereof; (b) downward by the principal amount of any Bonds for the purchase of which funds are made available by the Liquidity Provider to purchase Bonds pursuant to Section 2.1 hereof; (c) downward by the principal amount of any Bonds of which the interest rate borne by such Bonds has been Converted; (d) upward by the principal amount of any Bonds theretofore purchased by the Liquidity Provider pursuant to Section 2.1 hereof which are remarketed by the Remarketing Agent and for which the Liquidity Provider has received immediately available funds equal to the principal amount thereof and accrued interest thereon (or deemed to be remarketed pursuant to Section 2.5(c) hereof); and (e) upward by the principal amount of any Additional Bonds that pursuant to the terms of Section 2.4(c) hereof are Eligible Bonds; *provided, however*, that the sum of (i) the Available Principal Commitment plus (ii) the aggregate principal amount of Bank Bonds shall never exceed \$150,000,000. Any adjustments to the Available Principal Commitment pursuant to clauses (a), (b), (c), (d) or (e) hereof shall occur simultaneously with the occurrence of the events described in such clauses.

*"Bank Bond Custodian"* means J.P. Morgan Trust Company, National Association, or any successor thereto appointed pursuant to the terms of the Bank Bond Custody Agreement and any other bank bond custodian appointed by the Liquidity Provider for any Additional Bonds.

*"Bank Bond Custody Agreement"* means the Bank Bond Custody Agreement dated as of even date herewith between the Liquidity Provider and the Bank Bond Custodian, substantially in the form of Exhibit G hereto, as amended from time to time, and such other bank bond custody agreement between the Liquidity Provider and the Bank Bond Custodian as may be entered into from time to time with respect to Additional Bonds, as amended from time to time.

*"Bank Bondholder"* means the Liquidity Provider (but only in its capacity as owner (which as used herein shall mean beneficial owner if at the relevant time Bank Bonds are Book Entry Bonds) of Bank Bonds pursuant to this Agreement) and any other Person to whom the Liquidity Provider has sold Bank Bonds pursuant to Section 2.5(a) hereof.

*"Bank Bonds"* means each Bond purchased with funds provided hereunder by the Liquidity Provider, until remarketed or deemed to be remarketed in accordance with Section 2.5(c) hereof.

*"Bank Rate"* means, for each day of determination with respect to any Bank Bond, (i) for the period from and including the Purchase Date of such Bank Bond to but not including the earliest to occur of (x) the last day of the Facility Period and (y) the thirty-first (31st) calendar day following the related Purchase Date, the Base Rate, (ii) for the period from and including the 31st calendar day following the related Purchase Date to but not including the earliest to occur of (x) the last day of the Facility Period and (y) the sixty-first (61st) calendar day following the related Purchase Date, the rate per annum equal to the Base Rate from time to time in effect plus 1.00%, and (iii) thereafter, the rate per annum equal to the Base Rate from time to time in effect plus 2.00%; *provided* that from and after the occurrence of an Event of Default, the Bank Rate shall equal the Default Rate.

"*Base Rate*" means, for any day, a fluctuating rate of interest per annum equal to the greater of (i) the rate of interest most recently designated by the Liquidity Provider in the United States as its "base rate" or "prime rate" (or equivalent) or (ii) the Fed Funds Rate plus 0.5% per annum.

"*Bondholders*" has the meaning set forth in the Trust Indenture or Additional Series Trust Indenture, as the case may be, with respect to a particular series or Tranche of Bonds.

"*Bonds*" has the meaning set forth in the recitals hereof.

"*Bond Counsel*" means Hawkins Delafield & Wood LLP and Quarles & Brady LLP (or another nationally recognized bond counsel selected by the Issuer and approved by the Liquidity Provider).

"*Bond Register*" means the registration books maintained by the Trustee in accordance with the Trust Indenture or by an other bond trustee in accordance with an Additional Series Trust Indenture.

"*Bond Trustee*" means J.P. Morgan Trust Company, National Association, acting hereunder not in its individual capacity but solely as Trustee under the Trust Indenture and any successor bond trustee or other bond trustee appointed for the Bonds pursuant to the Trust Indenture or any Additional Series Trust Indenture.

"*Book Entry Bonds*" mean the Bonds so long as the book entry system with DTC and its participants is used for determining beneficial ownership of the Bonds.

"*Business Day*" means a day (a) other than a Saturday, a Sunday or the Friday after Thanksgiving Day; (b) on which banks located in New York City or the city in which the corporate trust or corporate trust agency office of the Bond Trustee responsible for the administration of the Trust Indenture is located are not required or authorized to be closed; (c) on which The New York Stock Exchange is not closed; or (d) with respect to any Bonds, on which banks located in the cities in which the principal office or payment office of the Remarketing Agent, the Liquidity Provider or Broker-Dealer for such Bonds is not required or authorized to be closed.

"*Code*" means the Internal Revenue Code of 1986, as amended.

"*Commitment Expiration Date*" means the later of (a) 5:00 p.m. (Eastern United States time) on November \_\_\_\_, 2010, and (b) 5:00 p.m. (Eastern United States time) on the last day of any extension of such date pursuant to Section 10.9(b) hereof or, if such last day is not a Business Day, the Business Day next preceding such day.

"*Commitment Period*" means the period from the Effective Date hereof to and including the earliest of (a) the Commitment Expiration Date, (b) the first date on which no Bonds are Outstanding, (c) 5:00 p.m. (Eastern United States time) on the Conversion Date on which the interest rate borne by all of the Bonds has been Converted, (d) 5:00 p.m. (Eastern United States time) on the thirtieth (30th) day following the date on which a Notice of Termination Date is received by the Issuer and the Bond Trustee, or if such thirtieth (30th) day is not a Business Day,

the next succeeding Business Day, and (e) the date on which the Available Commitment has been reduced to zero or terminated in its entirety pursuant to Section 2.4, Section 2.11 or Section 8.2 hereof.

*"Conversion Date"* means the date on which the Issuer elects to Convert all or a portion of the Bonds.

*"Convert"* or *"Converted"* means, with respect to any Bond, a change or conversion of the interest rate to other than a Variable Rate.

*"Daily Interest Rate"* has the meaning given such term in the Trust Indenture or Additional Series Trust Indenture, as the case may be, with respect to a particular series or Tranche of Bonds.

*"Debt"* of any Person means at any date, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (c) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business, (d) all obligations of such Person as lessee under capital leases, (e) all Debt of others secured by a lien on any asset of such Person, whether or not such Debt is assumed by such Person, and (f) all Guarantees by such Person of Debt of other Persons.

*"Default"* means any occurrence, circumstance or event, or any combination thereof, which, with the lapse of time and/or giving of notice, would constitute an Event of Default.

*"Default Rate"* means the Base Rate from time to time in effect plus 3%.

*"Default Tender"* means a mandatory tender of the Bonds as a result of the Liquidity Provider's delivery of a Notice of Termination Date to the Bond Trustee pursuant to Section 8.2(b).

*"Differential Interest Amount"* means, with respect to any Bank Bond, the excess of (a) interest which has accrued and could actually be paid on such Bank Bonds at the Bank Rate, as determined in accordance with Sections 2.2(a) and 3.1 hereof, up to but excluding the Business Day on which such Bank Bonds are purchased from the Bank Bondholders pursuant to Section 2.5(c) hereof, over (b) the interest accrued on such Bonds received by the Bank Bondholders as part of the Sale Price.

*"Dollars," "US\$," and "U.S. Dollars"* means the lawful currency of the United States of America.

*"DTC"* means The Depository Trust Company.

*"Effective Date"* has the meaning set forth in the introductory paragraph of Article IV hereof.

*"Eligible Bonds"* has the meaning set forth in Section 2.1 hereof.

*"Event of Default"* has the meaning set forth in Article VIII hereof.

*"Excess Bank Bond Interest"* has the meaning set forth in Section 2.2(a) hereof.

*"Expiration Date"* means the later of (a) 5:00 p.m. (Eastern United States time) on November \_\_\_\_, 2010, and (b) 5:00 p.m. (Eastern United States time) on the last day of any extension of such date pursuant to Section 10.9(c) hereof or, if such last day is not a Business Day, the Business Day next preceding such day.

*"Facility Period"* means the period from the Effective Date hereof to and including the earliest of (a) the Expiration Date, (b) the first date on which no Bonds are Outstanding, (c) 5:00 p.m. (Eastern United States time) on the Conversion Date on which the interest rate borne by all of the Bonds has been Converted, (d) 5:00 p.m. (Eastern United States time) on the thirtieth (30th) day following the date on which a Notice of Termination Date is received by the Issuer and the Bond Trustee, or if such thirtieth (30th) day is not a Business Day, the next succeeding Business Day, and (e) the date on which the Available Commitment has been reduced to zero or terminated in its entirety pursuant to Section 2.4, Section 2.11 or Section 8.2 hereof.

*"Fed Funds Rate"* means for any day the rate of interest per annum as determined by the Liquidity Provider at which overnight Federal Funds are offered to the Liquidity Provider for such day by major banks in the interbank market, with any change in such rate to become effective on the date of any change in such rate. Each determination of the Fed Funds Rate by the Liquidity Provider shall be deemed conclusive and binding on the Issuer absent manifest error.

*"Fitch"* means Fitch, Inc. or any successor thereto.

*"Governmental Agency"* means any national, state or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, agency, bureau or entity (including any zoning authority, the Federal Deposit Insurance Corporation or the Federal Reserve Board, any central bank or any comparable authority), or any arbitrator with authority to bind a party at law.

*"Guarantee"* by any Person means any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Debt or other obligation of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation (whether arising by virtue of partnership arrangements, by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement condition or otherwise) or (b) entered into for the purpose of assuring in any other manner the obligee of such Debt or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part).

*"Interest Component"* has the meaning set forth in Section 2.1 hereof.

*"Interest Payment Date,"* with respect to interest on the Bonds, has the meaning assigned in the Trust Indenture or Additional Series Trust Indenture, as the case may be, with respect to

the applicable series or Tranche of Bonds, and with respect to interest payable on Bank Bonds, means the first Business Day of each calendar month and each other interest payment date described in Section 3.1 hereof, and, also with respect to interest on Bonds, the stated maturity date, the date of any redemption, any Conversion Date or any Purchase Date.

*"Investment Grade"* means, with respect to a rating by S&P, a rating of "BBB-" (or its equivalent).

*"Issuer"* means the City of Milwaukee, Wisconsin, and its successors.

*"Lien"* on any asset means any mortgage, deed of trust, lien, pledge, charge, security interest, hypothecation, assignment, deposit arrangement or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected or effective under applicable law, as well as the interest of a vendor or lessor under any conditional sale agreement, capital or finance lease or other title retention agreement relating to such asset.

*"Liquidity Provider"* has the meaning set forth in the introductory paragraph hereof.

*"Mandatory Purchase"* means the mandatory purchase of all or a portion of the Bonds, pursuant to the applicable sections of the Trust Indenture or Additional Series Trust Indenture, as the case may be, relating to such series or Tranche of Bonds, at a price equal to the principal amount thereof plus, if the date of Mandatory Purchase is other than an Interest Payment Date for the Bonds, accrued interest.

*"Maximum Bank Bond Interest Rate"* means, with respect to Bank Bonds, (i) for the period from and including the Purchase Date of such Bank Bond to but not including the earliest to occur of (x) the last day of the Facility Period and (y) the thirty-first (31st) calendar day following the related Purchase Date, the Base Rate, (ii) for the period from and including the 31st calendar day following the related Purchase Date to but not including the earliest to occur of (x) the last day of the Facility Period and (y) the sixty-first (61st) calendar day following the related Purchase Date, the rate per annum equal to the Base Rate from time to time in effect plus 1.00%, and (iii) thereafter, the rate per annum equal to the Base Rate from time to time in effect plus 2.00%; *provided* that from and after the occurrence of an Event of Default, the Bank Rate shall equal the Default Rate; *provided, further* that the Maximum Bank Bond Interest Rate shall not, in any case, exceed 12% per annum.

*"Maximum Lawful Rate"* has the meaning set forth in Section 2.2(a) hereof.

*"Moody's"* means Moody's Investors Service, Inc., or any successor thereto.

*"Notice of Liquidity Provider Purchase"* means (a) in the case of a purchase of Bonds by the Liquidity Provider as a result of an Optional Tender, a notice in the form of Exhibit A attached hereto and incorporated herein by this reference, or (b) in the case of a purchase of Bonds by the Liquidity Provider as a result of a Mandatory Purchase, a notice in the form of Exhibit B attached hereto and incorporated herein by this reference.

*"Notice of Termination Date"* has the meaning set forth in Section 8.2(b) hereof.

*"Official Statement"* means the Official Statement dated November \_\_\_\_, 2005 pertaining to the Series V8 Bonds, and, as applicable, the Official Statement pertaining to any Additional Bonds.

*"Optional Tender"* means a tender of the Bonds for purchase at the option of a holder pursuant to the applicable sections of the Trust Indenture or Additional Series Trust Indenture, as the case may be, applicable to such series or Tranche of Bonds.

*"Other Taxes"* has the meaning set forth in Section 2.8(a) hereof.

*"Outstanding"* has the meaning set forth in the Trust Indenture or Additional Series Trust Indenture, as the case may be, applicable to a series or Tranche of Bonds.

*"Parity Debt"* means any bonds, notes or other evidence of indebtedness issued by, or on behalf of, the Issuer which are on a parity with the Bonds.

*"Payment Date"* means, with respect to any Bank Bond, the earliest to occur of (a) the Amortization End Date, (b) 5:00 p.m. (Eastern United States time) on the date such Bank Bond is Converted, (c) the date on which the Bonds are paid in full, or (d) the effective date of an Alternate Liquidity Facility.

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

*"Purchase Contract"* means, the Purchase Contract dated November \_\_\_\_, 2005 between Banc of America Securities LLC, and the Issuer, pertaining to the Series V8 Bonds, and, as applicable, the Purchase Contract pertaining to any Additional Bonds.

*"Purchase Date"* has the meaning set forth in Section 2.3 hereof.

*"Purchase Notice"* has the meaning set forth in Section 2.5(b) hereof.

*"Purchase Price"* means, with respect to any Eligible Bond on any Purchase Date therefor, the unpaid principal amount thereof plus accrued interest thereon from and including the Interest Payment Date next preceding such Purchase Date to but excluding the Purchase Date thereof, in each case without premium; *provided* that accrued interest will not be included in the Purchase Price if the applicable Purchase Date is an Interest Payment Date; *provided further* the aggregate amount of Purchase Price constituting the Interest Component shall not exceed the amount specified in Section 2.1 hereof.

*"Purchaser"* has the meaning set forth in Section 2.5(b) hereof.

*"Related Documents"* means this Agreement, the Bonds, the Bank Bond Custody Agreement, the Trust Indenture, the Official Statement, the Purchase Contract and the Remarketing Agent Agreement, and the equivalent documents executed in connection with the issuance of any Additional Bonds, as the same may be amended or modified from time to time in accordance with their respective terms and the terms hereof.

"*Remarketing Agent*" has the meaning given such term in the Trust Indenture or Additional Series Trust Indenture, as the case may be, with respect to the applicable series or Tranche of Bonds.

"*Remarketing Agent Agreement*" has the meaning given such term in the Trust Indenture or Additional Series Trust Indenture, as the case may be, with respect to the applicable series or Tranche of Bonds.

"*S&P*" means Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc., or any successor thereto.

"*Sale Date*" has the meaning set forth in Section 2.5(b) hereof.

"*Sale Price*" has the meaning set forth in Section 2.5(b) hereof.

"*Series V8 Bonds*" has the meaning given such term in the recitals hereof.

"*State*" means the State of Wisconsin.

"*Taxes*" has the meaning set forth in Section 2.8 hereof.

"*Termination Event*" means the occurrence of an Event of Default specified in Section 8.1(a) ("Payments"), Section 8.1(f) ("Insolvency"), Section 8.1(g) ("Other Documents"), Section 8.1(h) ("Invalidity"), Section 8.1(i) ("Ratings Downgrade"), or Section 8.1(j) ("Default on Other Obligations") hereof, each of which shall result in the termination of the Available Commitment and the Liquidity Provider's obligation to purchase Bonds hereunder pursuant to the provisions of Section 8.2(a) hereof.

"*Trust Indenture*" has the meaning given such term in the recitals hereof.

"*Variable Rate*" means a Daily Interest Rate or a Weekly Interest Rate.

"*Weekly Interest Rate*" has the meaning given such term in the Trust Indenture or Additional Series Trust Indenture, as the case may be, with respect to a particular series or Tranche of Bonds.

"*Written*" or "*in writing*" means any form of written communication or a communication by means of telex, telecopier device or telegraph.

*Section 1.2. Incorporation of Certain Definitions by Reference.* Each capitalized term used herein and not defined herein shall have the meaning provided therefor in the Trust Indenture, unless the context otherwise requires.

*Section 1.3. Accounting Matters.* All accounting terms used herein without definition shall be interpreted in accordance with generally accepted accounting principles, and except as otherwise expressly provided herein all accounting determinations required to be made pursuant to this Agreement shall be made in accordance with generally accepted accounting principles.

*Section 1.4. Interpretation.* All words used herein shall be construed to be of such gender or number as the circumstances require. Reference to any document means such document as amended or supplemented from time to time as permitted pursuant to its terms and the terms hereof. Reference herein to any Article or Section shall be deemed to be a reference to the corresponding Article or Section of this Agreement unless otherwise specified.

## ARTICLE II

### THE COMMITMENT; FEES

*Section 2.1. Commitment to Purchase Bonds.* Subject to the terms and conditions of this Agreement, the Liquidity Provider hereby agrees from time to time during the Facility Period to purchase, at the Purchase Price, with immediately available funds, Bonds that bear interest at a Daily Interest Rate or a Weekly Interest Rate and which are not Bank Bonds or Bonds owned by or held on behalf of, for the benefit of or for the account of, the Issuer or any Affiliate of the Issuer (herein referred to as "*Eligible Bonds*") which are tendered pursuant to (i) an Optional Tender or (ii) a Mandatory Purchase and which, in either case, the Remarketing Agent has been unable to remarket or for which remarketing proceeds have not been received by the Remarketing Agent or the Bond Trustee by the specified time set forth in the Trust Indenture or Additional Series Trust Indenture, up to the amount of the Available Commitment. The Liquidity Provider will pay said Purchase Price with its own funds and not with any funds of the Issuer. The aggregate principal amount (or portion thereof) of any Bond purchased on any Purchase Date shall be an authorized denomination of at least \$100,000 and in integral multiples thereof with respect to Bonds in a Daily Interest Rate Period or Weekly Interest Rate Period or such other authorized denominations permitted by the Trust Indenture or Additional Series Trust Indenture, as applicable to such series of Bonds, and in any case (x) the aggregate principal amount of all Bonds purchased on any Purchase Date shall not exceed the Available Principal Commitment (calculated without giving effect to any purchase of Bonds by the Liquidity Provider on such date) at 10:00 a.m. (Eastern United States time) on such date, and (y) the maximum amount of the Purchase Price of such Bonds representing the principal amount of Eligible Bonds purchased on such Purchase Date which the Liquidity Provider agrees to provide hereunder shall be the Available Principal Commitment, as such amount may be reduced pursuant hereto. The aggregate amount of the Purchase Price comprising interest on Bonds (the "*Interest Component*") purchased on any Purchase Date shall not exceed the lesser of (i) the Available Interest Commitment on such date and (ii) the actual aggregate amount of interest accrued on each such Bond to such Purchase Date; *provided* that if the applicable Purchase Date is an Interest Payment Date, the amount described in this clause (ii) shall be reduced by the amount of interest payable on each such Eligible Bond on such Interest Payment Date.

*Section 2.2. Bank Bonds.* Any Bonds purchased by the Liquidity Provider pursuant to Section 2.1 hereof shall thereupon constitute Bank Bonds and have all of the characteristics of Bank Bonds as set forth herein and in the Trust Indenture or Additional Series Trust Indenture, as applicable to such series of Bonds. All Bank Bonds shall bear interest at the Bank Rate as described below:

(a) Subject to the provisions of Section 2.2(c) hereof, all Bank Bonds shall bear interest at the Bank Rate, *provided* that in no event shall the Bank Rate exceed the

maximum non-usurious lawful rate of interest permitted to be paid by the Issuer by applicable law (the “*Maximum Lawful Rate*”). In the event that Bank Bonds would bear interest at a rate in excess of the Maximum Lawful Rate for any period, the Liquidity Provider shall receive interest on account of such Bank Bonds only at the Maximum Lawful Rate for such period (the difference between the interest payable to the Liquidity Provider if such Bank Bonds had continuously borne interest at the Bank Rate, and the interest actually paid to the Liquidity Provider at the Maximum Lawful Rate is hereinafter referred to as the “*Excess Bank Bond Interest*”). Notwithstanding any subsequent reduction in the Bank Rate, such Bank Bonds shall bear interest, from and after the date on which any Excess Bank Bond Interest is accrued, at the Maximum Lawful Rate until the earlier of (i) the date on which the interest paid to the Liquidity Provider on such Bank Bonds in excess of the Bank Rate, equals such Excess Bank Bond Interest and (ii) the date such Bank Bonds are redeemed or remarketed pursuant to the Trust Indenture or Additional Series Trust Indenture, as applicable to such series of Bonds. The Issuer shall pay to the Liquidity Provider or the Bank Bondholder, as applicable, accrued interest, including any accrued but unpaid Excess Bank Bond Interest, on such Bank Bonds as provided in Section 3.1 hereof. On the first Business Day of each week, and otherwise upon the request of the Issuer, while any Excess Bank Bond Interest is outstanding the Liquidity Provider shall notify the Issuer of the amount of such accrued but unpaid Excess Bank Bond Interest; *provided, however*, the failure to so notify the Issuer shall not effect the accrual of or the obligation of the Issuer to pay the Excess Bank Bond Interest.

(b) Notwithstanding anything herein or in the Trust Indenture or Additional Series Trust Indenture, as applicable, to the contrary, all amounts owed to the Liquidity Provider with respect to Bank Bonds shall become immediately due and payable on the Payment Date if not repaid or otherwise declared due and payable prior to such date in accordance with the terms of the Trust Indenture or Additional Series Trust Indenture, as applicable, or of this Agreement.

(c) The Issuer agrees to pay to the Liquidity Provider, on demand, interest at the Default Rate on any and all amounts owed by the Issuer under this Agreement or under the Bank Bonds from and after the occurrence of an Event of Default.

(d) Interest on Bank Bonds shall be calculated on the basis of a year of 365 or 366 days, as applicable, and the actual number of days elapsed.

### *Section 2.3. Method of Purchasing.*

(a) The Bond Trustee shall notify the Liquidity Provider in writing by not later than 11:00 a.m. (Eastern United States time), on the Business Day immediately following the seventh day prior to the Purchase Date, of the maximum amount which could be payable on the Purchase Date to pay the Purchase Price of tendered Bonds, with respect to Bonds bearing interest at a Weekly Interest Rate. The Bond Trustee shall give notice by telecopier promptly confirmed by a written notice in the form of Exhibit A or Exhibit B, as applicable, to the Liquidity Provider, pursuant to an Optional Tender or a Mandatory Purchase, no later than 10:30 a.m. (Eastern United States time) on the Business Day on which Bonds are subject to an Optional Tender or Mandatory Purchase. Notwithstanding the first sentence of this paragraph, if the Liquidity Provider receives notice in the form of Exhibit A or Exhibit B, as applicable, as provided above, and subject, in each case, to the satisfaction of the conditions set forth in Article

VI hereof, the Liquidity Provider will transfer to the Bond Trustee not later than 2:00 p.m. (Eastern United States time) on such date (a "*Purchase Date*") (or not later than 2:00 p.m. (Eastern United States time) on the next Business Day if the Liquidity Provider receives such notice after 10:30 a.m. (Eastern United States time)), in immediately available funds, an amount equal to the aggregate Purchase Price of all or such portion of such Eligible Bonds as requested from the Bond Trustee. The Liquidity Provider shall not have any responsibility for, or incur any liability in respect of, any act, or any failure to act, by the Bond Trustee which results in the failure of the Bond Trustee to effect the purchase of Bonds for the account of the Liquidity Provider with such funds provided pursuant to this Section 2.3(a) or otherwise. Bonds purchased pursuant to this Section 2.3(a) shall be registered in the name of the Liquidity Provider or, if directed in writing by the Liquidity Provider, its nominee or designee on the Bond Register and shall be promptly delivered by the Bond Trustee to the Bank Bond Custodian to be held as Bank Bonds under the Bank Bond Custody Agreement or as the Liquidity Provider may otherwise direct in writing, and prior to such delivery shall be held by the Bond Trustee as agent on behalf of the Liquidity Provider. If the Bonds purchased pursuant to this Section 2.3(a) are Book Entry Bonds, the beneficial ownership of such Bonds shall be credited to the account of the Liquidity Provider, or if directed in writing by the Liquidity Provider, the Bank Bond Custodian or other nominee or designee of the Liquidity Provider, maintained at DTC, and such Bonds shall be registered in the name of the Liquidity Provider or its nominee or designee on the Bond Register, and prior to the sale of any Bank Bond by the Liquidity Provider as provided in Section 2.5(a) hereof the Liquidity Provider agrees to give all notices in the manner and by the time required by DTC to exclude such Bank Bond from Mandatory Purchases of Bonds. The Interest Component of the Purchase Price paid for such Bonds shall be paid to the Liquidity Provider as provided in Section 3.1 hereof.

(b) In the event that any funds paid by the Liquidity Provider to the Bond Trustee pursuant to Section 2.3(a) hereof shall not be required to be applied to purchase Bonds as provided herein, such funds shall be held and be returned to the Liquidity Provider as soon as practicable by the Bond Trustee and until so returned shall be held by the Bond Trustee for the account of the Liquidity Provider. In the event that such funds are not returned to the Liquidity Provider in immediately available funds as provided in Section 2.10(a) hereof by 4:00 p.m. (Eastern United States time) on the same day on which such funds were advanced, the Bond Trustee shall pay or cause to be paid to the Liquidity Provider interest on such funds, payable on demand and in any event on the date on which such funds are returned, at a rate equal to the Bank Rate.

*Section 2.4. Reduction, Termination or Increase of Available Commitment.*

(a) *Mandatory Reductions of Available Commitment.* Upon receipt by the Liquidity Provider of notice of (i) any redemption, repayment, defeasance or other payment of all or any portion of the principal amount of the Bonds (other than payment of the Purchase Price pursuant to a remarketing) or (ii) the Conversion Date, the aggregate Available Principal Commitment shall be reduced by the principal amount of the Bonds so redeemed, repaid or otherwise paid or so Converted, as the case may be. The Issuer shall cause written notice of such redemption, repayment, defeasance, Conversion Date or other payment to be promptly delivered to the Liquidity Provider and the Bond Trustee.

(b) *Automatic Termination.* The Available Commitment shall automatically terminate at 5:00 p.m. (Eastern United States time) on the date on which an Alternate Liquidity Facility has become effective with respect to all Outstanding Bonds.

(c) *Increase of Available Commitment Upon Issuance of Additional Bonds.* With the approval of the Liquidity Provider in its sole discretion, the Available Principal Commitment shall be increased by the principal amount of Additional Bonds issued by the Issuer (but not to exceed an Available Principal Commitment of \$150,000,000) upon satisfaction of the following conditions, which are hereby made conditions precedent to any Additional Bonds becoming Eligible Bonds:

1. Not less than 30 days prior to the issuance of the Additional Bonds the Liquidity Provider shall have received from the Issuer a notice of the Issuer's intent to apply this Agreement to such Additional Bonds, in the form of Exhibit E hereto.

2. The conditions precedent set forth in Article IV hereof shall have been satisfied as of the date of issuance of the Additional Bonds as if such conditions referred to the Additional Bonds.

3. The Liquidity Provider shall have provided notice substantially in the form of Exhibit F hereto, setting forth the increased Available Principal Commitment, Available Interest Commitment, and Available Commitment.

4. The fee set forth in Section 2.7(d) hereof shall have been paid or provision therefor shall have been made.

*Section 2.5. Sale of Bank Bonds.*

(a) *Right to Sell Bank Bonds.* The Liquidity Provider expressly reserves the right to sell, at any time, Bank Bonds subject, however, to the express terms of this Agreement. The Liquidity Provider agrees that such sales (other than sales made pursuant to Section 2.5(c) hereof) will be made only to institutional investors or other entities or individuals which customarily purchase commercial paper or tax-exempt securities in large denominations. The Liquidity Provider agrees to notify the Issuer, the Bond Trustee and the Remarketing Agent promptly in writing of any such sale (other than a sale made pursuant to Section 2.5(c) hereof) and, if such Bank Bond is a Book Entry Bond, specifying the account at DTC to which such Bank Bond is credited; and to notify the transferee in writing that such Bond is no longer an Eligible Bond so long as it remains a Bank Bond and that there may not be a short-term investment rating assigned to such Bond so long as it remains a Bank Bond. The Bank Bondholder purchasing a Bank Bond from the Liquidity Provider shall be deemed to have agreed (i) not to sell such Bank Bond to any Person except the Liquidity Provider or a Purchaser identified by the Remarketing Agent pursuant to Section 2.5(b) and (ii) if such Bank Bond is a Book Entry Bond, to give all notices in the manner and by the time required by DTC to exclude such Bank Bond from Mandatory Purchases of Bonds while it remains a Bank Bond. Prior to selling a Bank Bond to a Bank Bondholder, the Liquidity Provider shall obtain a written acknowledgment from the Bank Bondholder stating that the Bank Bondholder has no right to tender such Bank Bond except as provided herein.

(b) *Purchase Notices.* Prior to 12:00 noon (Eastern United States time) on any Business Day on which a Bank Bondholder holds Bank Bonds, unless the Liquidity Provider has delivered a Notice of Termination Date, the Remarketing Agent may deliver a notice (a "*Purchase Notice*") to a Bank Bondholder as registered on the Bond Register and to the Liquidity Provider, stating that it has located a purchaser (the "*Purchaser*") for some or all of the Bank Bonds and that such Purchaser desires to purchase on the Business Day following the Business Day on which a Bank Bondholder receives, prior to 12:00 noon (Eastern United States time), a Purchase Notice (a "*Sale Date*") an authorized denomination of such Bonds at a price equal to the principal amount thereof (the "*Sale Price*"), any accrued interest thereon to be paid by the Issuer on the Sale Date as provided in Section 3.1(iv)(E) hereof.

(c) *Sale of Bank Bonds.* A Bank Bondholder shall decide whether to sell the Bank Bonds to any Purchaser and shall give notice of such decision to the Issuer, the Bond Trustee and the Remarketing Agent by 2:00 p.m. (Eastern United States time), on the Business Day preceding the Sale Date. In the event such notice is not timely delivered by a Bank Bondholder, the Bank Bondholder shall be deemed to have determined to sell the Bank Bonds to a Purchaser on the Sale Date (subject to receipt by it of the funds called for by the next following sentence). If a Bank Bondholder determines or is deemed to have determined to sell the Bank Bonds to a Purchaser, the Bank Bondholder shall deliver such Bank Bonds to the Bond Trustee (or, in the case of Bank Bonds which are Book Entry Bonds, shall cause the beneficial ownership thereof to be credited to the account of the Remarketing Agent at DTC) by 10:00 a.m. (Eastern United States time) on the Sale Date against receipt of the Sale Price therefor in immediately available funds or at the Bank Bondholder's address listed in the Bond Register, and such Bonds shall thereupon no longer be considered Bank Bonds. When Bank Bonds are purchased in accordance with this Section 2.5(c), the Bond Trustee shall, upon receipt of such Bank Bonds and upon receipt of written notice from the Bank Bondholder that it has received the applicable Sale Price, notify the Issuer that such Bonds are no longer Bank Bonds. On the Sale Date, the Differential Interest Amount of such Bonds shall be paid to the Liquidity Provider as provided in Section 3.1 hereof. Any sale of a Bank Bond pursuant to this Section 2.5 shall be without recourse to the seller and without representation or warranty of any kind. If a Bank Bondholder notifies the Bond Trustee and the Remarketing Agent, as provided in the first sentence of this Section 2.5(c), that it will not sell its Bank Bonds, the Bond Trustee shall notify the Issuer, the Remarketing Agent and the Bank Bondholder that as of the Sale Date such Bond or Bonds shall no longer constitute Bank Bonds and such Bonds shall be deemed to have been remarketed and the applicable Available Commitment shall be appropriately increased and such Bonds shall bear interest at the same rate as Bonds that are not Bank Bonds.

*Section 2.6. Rights of Bank Bondholders.* Upon purchasing Bank Bonds, Bank Bondholders shall be entitled to and, where necessary, shall be deemed assigned all rights and privileges accorded Bondholders, and any additional rights and privileges as to payment of interest and redemption that are provided by this Agreement with respect to Bank Bonds. Upon purchasing Bank Bonds, Bank Bondholders shall be recognized by the Issuer and the Bond Trustee as the true and lawful owners (or, in the case of Book Entry Bonds, beneficial owners) of such Bank Bonds, free from any claims, liens, security interests, equitable interests and other interests of the Issuer, except as such interests might exist under the terms of the Bank Bonds with respect to all owners (or, in the case of Book Entry Bonds, beneficial owners) of the Bonds.

Section 2.7. *Facility Fee and Other Fees.*

(a) The Issuer hereby agrees to pay to the order of the Liquidity Provider a nonrefundable facility fee (the "*Facility Fee*") with respect to the Available Commitment of the Liquidity Provider hereunder at the rate per annum set forth below (the "*Facility Fee Rate*") for the duration of the Facility Period on the average daily amount of the Available Commitment during each period in respect of which payment is made. The applicable Facility Fee Rate for any period shall be determined on the basis of the publicly announced rating ("*Credit Rating*") on the Bonds or any of the Issuer's Parity Debt (without giving effect to any bond insurance policy or other credit enhancement securing the Bonds or such Parity Debt) by S&P, Fitch or Moody's during such period.

<u>Credit Rating</u> (S&P/Fitch/Moody's)	<u>Facility Fee Rate</u>
AA-/AA-/Aa3 or better	.13%
A+/A+/A1	.23%
A/A/A2	.33%
A-/A-/A3	.43%
BBB+/BBB+/Baa1	.53%
BBB/BBB/Baa2	.63%
BBB-/BBB-/Baa3	.73%

If the Credit Ratings assigned by S&P and/or Fitch and/or Moody's appear in more than one tier (i.e., a split rating), the Facility Fee Rate will be based on the tier that includes the lowest Credit Rating. Each change in the Facility Fee Rate resulting from a change in the Credit Ratings shall become effective on the date of announcement or publication by S&P, Fitch or Moody's, respectively, of a change in such rating or, in the absence of such announcement or publication, on the effective date of such changed rating. In the event that the Credit Ratings assigned by any of S&P, Fitch or Moody's have been suspended or withdrawn, the Credit Rating shall be deemed to be equal to BBB-/BBB-/Baa3. Upon the occurrence and during the continuance of an Event of Default, the Facility Fee then in effect will increase by 1.00% per annum. Immediately after the Issuer shall have obtained knowledge of any downgrade, suspension or withdrawal of any Credit Rating, the Issuer shall provide written notice to the Liquidity Provider of such downgrade, suspension or withdrawal and the effective date thereof. Such Facility Fee shall be payable in immediately available funds quarterly in arrears (each such payment to be computed on the basis of a year of 360 days and the actual number of days elapsed) in respect of the Available Commitment from time to time in effect, payable (i) on December 1, 2005, for the period from the Effective Date through November 30, 2005, and (ii) on the first Business Day of each March, June, September and December occurring thereafter during the Facility Period, and on the last day of the Facility Period. If the Available Commitment is terminated in its entirety, all accrued Facility Fees shall be payable on the effective date of such termination. The Liquidity Provider shall timely provide quarterly invoices to the Issuer for amounts owing under

this Agreement, but delivery or receipt of, or failure of delivery or receipt of, any such invoice shall not affect the Issuer's payment obligations hereunder.

(b) The Issuer also hereby agrees to pay to the Liquidity Provider, on the date of each purchase of Bonds by the Liquidity Provider pursuant to Section 2.3 hereof, a draw fee equal to \$250.00.

(c) The Issuer also hereby agrees to pay to the Liquidity Provider on the date of the appointment of any successor Bond Trustee, a transfer fee of \$2,500.00 (which shall include the fees of any legal counsel retained by the Liquidity Provider in connection therewith).

(d) The Issuer also hereby agrees to pay to the Liquidity Provider, (i) in connection with the written request by the Issuer of any amendment, supplement, modification, consent or waiver to this Agreement, (ii) on the date of any issuance of each series of Additional Bonds to which this Agreement is to apply pursuant to Section 2.4(c) hereof, and (iii) in connection with any extension of the Expiration Date, a non-refundable increased commitment and/or amendment fee of \$5,000, plus the reasonable fees of any legal counsel (which shall not exceed \$7,500 plus expenses) retained by the Liquidity Provider in connection therewith.

(e) Notwithstanding any provision of the Trust Indenture, the Issuer agrees not to terminate this Agreement or replace this Agreement with an Alternate Liquidity Facility prior to the earlier of (i) November \_\_, 2006, or (ii) the date on which S&P shall have lowered the Liquidity Provider's short-term rating below "A-1+" or the Liquidity Provider's long-term rating below "AA-", or (iii) the date the Issuer receives notice from the Liquidity Provider of an increased cost, reduction or payment pursuant to Section 2.9 hereof or of Taxes or Other Taxes pursuant to Section 2.8 hereof; *provided* that the amounts payable by the Issuer to the Liquidity Provider pursuant to Section 2.9 or Section 2.8 would not be charged by the issuer of the Alternate Liquidity Facility, or (iv) the date the Liquidity Provider fails to extend the Expiration Date upon a written request of the Issuer, unless the Issuer shall pay the Liquidity Provider a termination fee in the amount of .12% of the Available Commitment immediately preceding its replacement. As a condition to any such termination or replacement, the Issuer shall comply with Section 2.11 and Section 7.7 hereof. Thereafter, no termination fee shall be payable upon termination or replacement.

*Section 2.8. Net of Taxes, Etc.*

(a) *Taxes.* Any and all payments to the Liquidity Provider by the Issuer hereunder shall be made free and clear of and without deduction for any and all taxes, levies, imposts, deductions, charges, withholdings or liabilities imposed thereon, excluding, however, taxes imposed on or measured by the net income or capital of the Liquidity Provider by any jurisdiction or any political subdivision or taxing authority thereof or therein solely as a result of a connection between the Liquidity Provider and such jurisdiction or political subdivision (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being hereinafter referred to as "*Taxes*"). If the Issuer shall be required by law to withhold or deduct any Taxes imposed by the United States or any political subdivision thereof from or in respect of any sum payable hereunder to the Liquidity Provider, (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable

to additional sums payable under this Section 2.8), the Liquidity Provider receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Issuer shall make such deductions and (iii) the Issuer shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law. If the Issuer shall make any payment under this Section 2.8 to or for the benefit of the Liquidity Provider with respect to Taxes and if the Liquidity Provider shall claim any credit or deduction for such Taxes against any other taxes payable by the Liquidity Provider to any taxing jurisdiction in the United States then the Liquidity Provider shall pay to the Issuer an amount equal to the amount by which such other taxes are actually reduced; *provided* that the aggregate amount payable by the Liquidity Provider pursuant to this sentence shall not exceed the aggregate amount previously paid by the Issuer with respect to such Taxes. In addition, the Issuer agrees to pay any present or future stamp, recording or documentary taxes and any other excise or property taxes, charges or similar levies that arise under the laws of the United States of America or the States of New York, Wisconsin and Massachusetts from any payment made hereunder or from the execution or delivery or otherwise with respect to this Agreement (hereinafter referred to as "*Other Taxes*"). The Liquidity Provider shall provide to the Issuer within a reasonable time a copy of any written notification it receives with respect to Other Taxes owing by the Issuer to the Liquidity Provider hereunder *provided* that the Liquidity Provider's failure to send such notice shall not relieve the Issuer of its obligation to pay such amounts hereunder.

(b) *Indemnity.* The Issuer shall, to the fullest extent permitted by law, indemnify the Liquidity Provider for the full amount of Taxes and Other Taxes including any Taxes or Other Taxes imposed by any jurisdiction on amounts payable under this Section 2.8 paid by the Liquidity Provider or any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted. The Liquidity Provider agrees to give notice to the Issuer of the assertion of any claim against the Liquidity Provider relating to such Taxes or Other Taxes as promptly as is practicable after being notified of such assertion; *provided* that the Liquidity Provider's failure to notify the Issuer promptly of such assertion shall not relieve the Issuer of its obligation under this Section 2.8. Subject to prior appropriation by the Common Council of the Issuer, if necessary, payments by the Issuer pursuant to this indemnification shall be made within thirty (30) days from the date the Liquidity Provider makes written demand therefor, which demand shall be accompanied by a certificate describing in reasonable detail the basis thereof. The Liquidity Provider agrees to repay to the Issuer any refund (including that portion of any interest that was included as part of such refund) with respect to Taxes or Other Taxes paid by the Issuer pursuant to this Section 2.8 received by the Liquidity Provider for Taxes or Other Taxes that were paid by the Issuer pursuant to this Section 2.8 and to contest, with the cooperation and at the expense of the Issuer, any such Taxes or Other Taxes which the Liquidity Provider or the Issuer reasonably believes not to have been properly assessed.

(c) *Notice.* Within thirty (30) days after the date of any payment of Taxes or Other Taxes by the Issuer, the Issuer shall furnish to the Liquidity Provider, the original or a certified copy of a receipt evidencing payment thereof.

(d) *Survival of Obligations.* The obligations of the Issuer under this Section 2.8 shall survive the termination of this Agreement and shall be payable .

*Section 2.9. Increased Costs.*

(a) If the Liquidity Provider shall have determined that the adoption or implementation of, or any change in, any law, rule, treaty or regulation, or any policy, guideline or directive of, or any change in the interpretation or administration thereof by any court, central bank or other administrative or governmental authority (in each case, whether or not having the force of law), or compliance by the Liquidity Provider with any request or directive of any such court, central bank or other administrative or governmental authority (whether or not having the force of law), shall (A) change the basis of taxation of payments to the Liquidity Provider of any amounts payable hereunder (except for taxes on the overall net income of the Liquidity Provider), (B) impose, modify or deem applicable any reserve, special deposit or similar requirement against making or maintaining its obligations under this Agreement or assets held by, or deposit with or for the account of, the Liquidity Provider or (C) impose on the Liquidity Provider any other condition regarding this Agreement, and the result of any event referred to in clause (A), (B) or (C) above shall be to increase the cost to the Liquidity Provider of making or maintaining its obligations hereunder, or to reduce the amount of any sum received or receivable by the Liquidity Provider hereunder, then, upon request in writing by the Liquidity Provider, the Issuer shall pay to the Liquidity Provider, at such time and in such amount as is set forth in paragraph (c) of this Section 2.9, such additional amount or amounts as will compensate the Liquidity Provider for such increased costs or reductions in amount.

(b) If the Liquidity Provider shall have determined that the adoption or implementation of, or any change in, any law, rule or regulation, or any policy, guideline or directive of, or any change in the interpretation or administration thereof, by, any court, central bank or other administrative or governmental authority, or compliance by the Liquidity Provider with any directive of or guidance from any central bank or other authority (in each case, whether or not having the force of law), shall impose, modify or deem applicable any capital adequacy or similar requirement (including, without limitation, a request or requirement that affects the manner in which the Liquidity Provider allocates capital resources to its commitments, including its obligations under lines of credit) that either (A) affects or would affect the amount of capital to be maintained by the Liquidity Provider or (B) reduces or would reduce the rate of return on the Liquidity Provider's capital to a level below that which the Liquidity Provider could have achieved but for such circumstances (taking into consideration the Liquidity Provider's policies with respect to capital adequacy) then, upon request in writing by the Liquidity Provider, the Issuer shall pay to the Liquidity Provider, at such time and in such amount as is set forth in paragraph (c) of this Section, such additional amount or amounts as will compensate the Liquidity Provider for such cost of maintaining such increased capital or such reduction the rate of return on the Liquidity Provider's capital.

(c) All payments of amounts referred to in paragraphs (a) and (b) of this Section shall be due thirty (30) days following the Issuer's receipt of notice thereof in writing from the Liquidity Provider and shall be payable, in full, on the next succeeding quarterly payment date that the fee described in Section 2.7(a) hereof is due and payable. Interest on the sums due as described in paragraphs (a) and (b) of this Section, and in the preceding sentence, shall begin to accrue from the date when the payments were first due and shall otherwise be payable in accordance with Section 2.2 hereof; *provided*, that from and after the required date of payment, interest shall begin to accrue on such obligations at a rate per annum equal to the

Default Rate until such delinquent payments have been paid in full. A certificate as to such increased cost, increased capital or reduction in return incurred by the Liquidity Provider as a result of any event mentioned in paragraphs (a) or (b) of this Section setting forth, in reasonable detail, the basis for calculation and the amount of such calculation shall be submitted by the Liquidity Provider to the Issuer and shall be conclusive (absent manifest error) as to the amount thereof. In making the determinations contemplated by the above referenced certificate, the Liquidity Provider may make such reasonable estimates, assumptions, allocations and the like that the Liquidity Provider in good faith determines to be appropriate.

*Section 2.10. Computations: Payments.*

(a) Except as otherwise provided herein, interest and fees and other amounts payable to or to the order of the Liquidity Provider hereunder shall be computed on the basis of a year of 365 or 366 days, as applicable, and actual days elapsed, and interest on Bank Bonds shall be computed on the basis of a year comprised of 365 or 366 days, as applicable, and actual days elapsed. Any payments (other than those described in Section 2.3(b)) hereof received by, or as directed by, the Liquidity Provider later than 2:00 p.m. (Eastern United States time) on any day shall be deemed to have been paid on the next succeeding Business Day and interest shall accrue thereon until such next Business Day at the rate applicable thereto. All payments to the Liquidity Provider hereunder shall be made in Dollars and in immediately available funds. Unless the Liquidity Provider shall otherwise direct, all such payments shall be made by means of wire transfer of funds through the Federal Reserve Wire System to the account of State Street Bank and Trust Company, ABA Number: 011-000-028 Account Number: 4867-932-8 Account Name: Municipal Finance Fee Receivable, Acct. Reference: City of Milwaukee Variable Rate General Obligation Corporate Purpose Bonds, Series 2005 V8, or such other account as the Liquidity Provider may specify in writing from time to time.

(b) The Issuer agrees to pay to the Liquidity Provider on each Purchase Date or Sale Date, as applicable, an amount equal to any charge imposed on the Liquidity Provider pursuant to the Trust Indenture in connection with the transfer or exchange of Bonds. The Issuer agrees to cause the Bond Registrar to give the Liquidity Provider timely notice of each such charge, including the amount thereof.

(c) Payments made to the Liquidity Provider under this Agreement shall first be applied to any fees, costs, charges or expenses payable to the Liquidity Provider hereunder, next to any past due interest, next to any current interest due, and then to outstanding principal.

(d) Any amounts due and payable and remaining unpaid under this Agreement shall accrue interest at the Default Rate until paid, anything to the contrary herein notwithstanding.

*Section 2.11. Voluntary Termination.* (a) Upon (a) providing the Liquidity Provider (with a copy to the Bond Trustee and the Remarketing Agent) with thirty (30) days' prior written notice (except that no prior notice shall be required in connection with a termination following the default by the Liquidity Provider in honoring its payment obligations hereunder); (b) paying to the Liquidity Provider all costs, fees and payments due hereunder; and (c) paying to the

Liquidity Provider all principal and accrued interest owing on any Bank Bonds, the Issuer may with notice to the Bond Trustee and the Remarketing Agent terminate this Agreement.

(b) If at any time the Issuer shall issue Parity Debt which bears interest at a Variable Rate and the Issuer does not utilize the unused liquidity contemplated by the terms of this Agreement to provide liquidity support for such Parity Debt, the Issuer shall promptly, and in any event within ten (10) days of such issuance, notify the Liquidity Provider (with a copy to the Bond Trustee) of the issuance of such Parity Debt, and the Liquidity Provider shall have the right, but not the obligation, to terminate the ability of the Issuer to increase the Available Commitment pursuant to Section 2.4(c) of this Agreement.

### ARTICLE III

#### BANK BONDS

*Section 3.1. Maturity; Interest.* Notwithstanding anything to the contrary contained in the Bonds, the Issuer agrees that, with respect to any Bank Bond, (i) the Issuer shall pay or cause to be paid such Bank Bond in full no later than the Payment Date, if not earlier required to be paid under this Agreement; (ii) the Interest Component, if any, included in the Purchase Price for such Bond shall be due and payable on the Purchase Date on which such Bond became a Bank Bond; (iii) the interest on the unpaid amount of each such Bank Bond from and including the applicable Purchase Date shall be computed at a rate per annum equal to the Bank Rate, as determined pursuant to Section 2.2 hereof, and (iv) interest payable pursuant to clause (iii) shall be payable (A) monthly, in arrears, on the first Business Day of each calendar month, (B) upon redemption (to the extent of the interest accrued on the amount being redeemed), (C) on the Payment Date (whether by acceleration or otherwise), (D) after the Payment Date monthly, in arrears, on the first Business Day of each calendar month or on demand, and (E) in the case of any Differential Interest Amount with respect to a Bank Bond, by the Issuer on the applicable Sale Date, *provided* that whenever the Bank Rate is the Default Rate interest shall also be payable monthly, in arrears, on the first Business Day of each calendar month or on demand *provided further, however*, that to the extent interest payable on Bank Bonds exceeds the Maximum Bank Bond Interest Rate, such excess amount owing under this Agreement shall be automatically, without further action or notice on the part of the Liquidity Provider or the Issuer, converted to a fee payable by the Issuer on the dates set forth above, subject, however, to prior appropriation by the Issuer. In the event any Bank Bond is remarketed or otherwise transferred by the Liquidity Provider before payment in full of the Differential Interest Amount with respect thereto, the provisions of this Section 3.1 shall continue to apply to such indebtedness until all sums for all periods during which the same was a Bank Bond are paid. On any date on which Excess Bank Bond Interest is due and payable, the Liquidity Provider shall notify the Issuer and the Bond Trustee as to the amount of such Excess Bank Bond Interest due on such date, *provided* that the failure of the Liquidity Provider to so notify the Issuer or the Bond Trustee shall not affect the accrual of the obligation of the Issuer to pay such Excess Bank Bond Interest. In the event any Bank Bond is remarketed or otherwise transferred by the Liquidity Provider before payment in full of the amounts payable by the Issuer with respect thereto, including Excess Bank Bond Interest, the provisions of this Section 3.1 shall continue to apply to such indebtedness until all sums for all periods during which the same was a Bank Bond are paid.

*Section 3.2. Amortization of Bank Bonds.* Notwithstanding anything to the contrary contained in the Bonds, the Trust Indenture or Additional Series Trust Indenture, as applicable, or herein, the Issuer agrees to cause the mandatory redemption of Bank Bonds Outstanding on the last day of the Facility Period, *provided*, that, so long as no Event of Default has occurred and is continuing, the Issuer may cause such mandatory redemption in twelve (12) equal quarterly installments on each Amortization Payment Date, *provided, further*, that in any event all of the then unpaid principal amount of Bank Bonds shall be redeemed on the earlier of the Amortization End Date or the occurrence of an Event of Default.

## ARTICLE IV

### CONDITIONS PRECEDENT TO EFFECTIVENESS

This Agreement shall become effective as of November \_\_\_\_, 2005 (the "*Effective Date*") (the date of initial delivery of the Series V8 Bonds), *provided* that each of the following conditions have been fulfilled to the satisfaction of the Liquidity Provider. The execution and delivery of this Agreement by the Liquidity Provider shall constitute the Liquidity Provider's acknowledgment that such conditions have been satisfied or waived.

*Section 4.1. Representations.* On the Effective Date (and after giving effect to the terms hereof), (a) there shall exist no Event of Default or Default, (b) all representations and warranties made by the Issuer herein or in any of the Related Documents to which it is a party shall be true and correct with the same effect as though such representations and warranties had been made at and as of such time, (c) except as described in the Official Statement or any other documents provided by the Issuer to the Liquidity Provider and approved by the Liquidity Provider prior to the Effective Date, no material adverse change shall have occurred in the condition (financial or otherwise) or operations of the Issuer between the date of the Issuer's most recent audited financial statements and the Effective Date, and no transactions or obligations having a material adverse effect on the condition (financial or otherwise) or operations of the Issuer, whether or not arising from transactions in the ordinary course of the Issuer's business, shall have been entered into by the Issuer subsequent to the date of the Issuer's most recent audited financial statements, and (d) except as described in the Official Statement no transaction or event shall have occurred and no change shall have occurred in the condition (financial or otherwise) or operations of the Issuer between the date of the Issuer's most recent audited financial statements and the Effective Date which materially adversely affects the issuance of any of the Bonds, the security for any of the Bonds, or the Issuer's ability to repay when due its obligations under this Agreement, any of the Bonds and the Related Documents.

*Section 4.2. Other Documents.*

(a) On the Effective Date, the Liquidity Provider shall have received executed originals or certified copies of each of the following documents, which documents shall be in full force and effect on the Effective Date and in form and substance reasonably satisfactory to the Liquidity Provider and its counsel:

- (i) the Trust Indenture;

- (ii) the Official Statement;
- (iii) the Remarketing Agent Agreement; and
- (iv) the Bank Bond Custody Agreement.

(b) All filings, recordings, re-filings and re-recordings shall have been made, notices given, all filing fees, taxes and expenses in connection therewith shall have been paid and all such action shall have been taken, which are necessary or advisable on the Effective Date to grant to the Trustee a duly perfected security interest in the Trust Estate for the benefit of the Bondholders, if required.

*Section 4.3. Legal Opinions.* The Liquidity Provider shall have received legal opinions or reliance letters authorizing the Liquidity Provider to rely on legal opinions, in form and substance satisfactory to the Liquidity Provider and its counsel, addressed to the Liquidity Provider and dated the Effective Date, of:

- (a) Co-Bond Counsel, including a reliance letter if not addressed to the Liquidity Provider;
- (b) Counsel to the Issuer; and
- (c) Counsel to the Liquidity Provider, as to such matters as the Issuer and Co-Bond Counsel may reasonably request.

*Section 4.4. Bank Bond Custody Agreement.* On the Effective Date, the Bank Bond Custody Agreement shall have been duly executed and delivered by the Bank Bond Custodian and shall be in force and effect.

*Section 4.5. Supporting Documents of the Issuer.* There shall have been delivered to the Liquidity Provider such information and copies of documents, approvals (if any) and records certified, where appropriate, of corporate and legal proceedings as the Liquidity Provider may have requested relating to the Issuer's entering into and performing this Agreement and the other Related Documents to which it is a party, and the transactions contemplated hereby and thereby. Such documents shall, in any event, include:

- (a) A certificate of the Issuer, in form and substance satisfactory to the Liquidity Provider and its counsel, executed by an executive officer of the Issuer, dated the Effective Date, to the effect that the conditions set forth in Sections 4.1, 4.2 and 4.8 hereof have been satisfied as of such date and that all actions required to be taken, all consents required to be obtained, and all resolutions required to be adopted by (which resolutions shall be attached to such certificate), the Issuer under applicable law have been done, obtained and adopted; and
- (b) An incumbency certificate with respect to the officers or agents of the Issuer who are authorized to execute any documents or instruments on behalf of the Issuer under this Agreement and the other Related Documents to which the Issuer is a party.

*Section 4.6. Supporting Documents of the Bond Trustee.* There shall have been delivered to the Liquidity Provider incumbency certificates with respect to the officers or agents of the Bond Trustee who are authorized to execute the respective Related Documents to which the Bond Trustee is a party.

*Section 4.7. Other Supporting Documents.* There shall have been delivered to the Liquidity Provider such information and copies of documents, approvals (if any) and records (certified, where appropriate) of corporate and legal proceedings as the Liquidity Provider may have requested relating to the entering into and performance by each of the parties (other than the Liquidity Provider) thereto, of each of the Related Documents or the transactions contemplated thereby or the tax exempt status of the Bonds.

*Section 4.8. Payment of Fees and Expenses.* The fees and expenses and all other amounts (including attorneys' fees and expenses) payable on the Effective Date pursuant to Section 10.2 hereof shall have been received.

*Section 4.9. Rating.* The Liquidity Provider shall have received satisfactory evidence that the Bonds shall have been assigned a long-term rating of at least "AA" by S&P and a short-term rating of at least "A-1+" by S&P.

*Section 4.10. Other Documents.* The Liquidity Provider shall have received such other documents, instruments, approvals (and, if requested by the Liquidity Provider, certified duplicates or executed copies thereof) or opinions as the Liquidity Provider may reasonably request.

## ARTICLE V

### REPRESENTATIONS AND WARRANTIES

To induce the Liquidity Provider to enter into this Agreement and to purchase Bonds as provided herein, the Issuer makes the following representations and warranties to, and agreements with the Liquidity Provider (which representations, warranties and agreements shall survive the execution and delivery of this Agreement and any purchases of Bonds by the Liquidity Provider):

*Section 5.1. Status.* The Issuer is a municipal corporation of the State and operates under a home rule charter pursuant to the laws of the State, is organized and existing under the laws of the State, with all requisite power and authority to execute and deliver, and to perform its obligations under this Agreement and the Related Documents to which it is a party and to issue, execute and deliver the Bonds.

*Section 5.2. Power and Authority.* The Issuer has the requisite power and authority to execute and deliver, and to perform its obligations under, this Agreement and the other Related Documents to which it is or will be a party and has taken all necessary action to authorize the execution, delivery and performance of this Agreement and the other Related Documents to which it is or will be a party.

*Section 5.3. Enforceability.* Assuming due authorization, execution and delivery by each of the other parties thereto, each of this Agreement and the Related Documents to which the Issuer is a party constitutes the legal, valid and binding obligation of the Issuer enforceable in accordance with its terms, subject, as to enforceability, to applicable bankruptcy, moratorium, insolvency or similar laws affecting the rights of creditors generally and to certain principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law). Each of the Related Documents is or will be on the Effective Date in full force and effect.

*Section 5.4. No Conflict.* The execution and delivery of this Agreement and the Related Documents and the performance by the Issuer of its obligations thereunder do not and will not violate any constitutional provision or any law or any regulation, order, writ, injunction or decree of any court or governmental body, agency or other instrumentality applicable to the Issuer, or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any lien (other than the lien of the Trust Indenture) upon any of the assets of the Issuer pursuant to the terms of, any ordinance, resolution, mortgage, indenture, agreement or instrument to which the Issuer is a party or by which it or any of its properties is bound.

*Section 5.5. Consents.* All consents, licenses, approvals, validations and authorizations of, and registrations, validations or declarations by or with, any court or any Governmental Agency, bureau or agency required to be obtained in connection with the execution, delivery, performance, validity or enforceability of this Agreement and the other Related Documents (including the Bonds) have been obtained and are in full force and effect.

*Section 5.6. Litigation.* Except as disclosed in the Official Statement, there is no litigation, action, suit, arbitration, proceeding or administrative proceeding, or, to its knowledge, any inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to its knowledge, threatened against or affecting it (x) wherein an unfavorable decision, ruling or finding would materially adversely affect (i) the transactions contemplated by or the validity of this Agreement, any of the Related Documents or any agreement or instrument to which it is a party and which is contemplated by this Agreement or the Related Documents, or (ii) its Property, assets, operations or condition, financial or otherwise, or its ability to perform its obligations hereunder or under the Related Documents to which it is a party; or (y) which in any way contests its existence, organization or powers or the titles of its officers to their respective offices.

*Section 5.7. Default.* No Event of Default or Default has occurred and is continuing.

*Section 5.8. Official Statement.* The Official Statement prepared with respect to the Bonds and the transactions herein contemplated, true copies of which have heretofore been delivered to the Liquidity Provider, does not contain, and such Official Statement (including any amendments or supplements prepared subsequent to its date) (a true copy of which, in each case, shall be furnished to the Liquidity Provider prior to the distribution thereof) will not contain, any untrue statement of a material fact and such Official Statement does not omit, and will not omit, to state a material fact necessary to make the statements therein, in the light of the circumstances under which made, not misleading, except no representation is made as to information furnished in writing by the Liquidity Provider expressly for inclusion therein.

*Section 5.9. Bonds.* Each Bond will be duly issued under the Trust Indenture or an Additional Series Trust Indenture, as applicable, and each such Bond shall be entitled to the benefits thereof.

*Section 5.10. Assignment of Bonds.* The Bank Bonds purchased pursuant to Article II hereof will be transferred to the Liquidity Provider free and clear of all Liens, security interests or claims of any Person other than the Liquidity Provider, except for consensual Liens or other security interests as may be created by the Liquidity Provider.

*Section 5.11. Incorporation of Representations and Warranties.* The Issuer hereby makes to the Liquidity Provider the same representations and warranties as were made by it in the Trust Indenture and the Purchase Contract, which representations and warranties, together with the related definitions of terms contained therein, are hereby incorporated by reference with the same effect as if each and every such representation and warranty and definition were set forth herein in its entirety.

*Section 5.12. Financial Statements.* The financial statements of the Issuer as of December 31, 2004, and the auditors' report with respect thereto, copies of which have heretofore been furnished to the Liquidity Provider, are complete and correct and fairly present the financial condition of the Issuer, at such date and for such period, and were prepared in accordance with generally accepted accounting principles, consistently applied. Since December 31, 2004, there has been no material adverse change in the condition (financial or otherwise) or operations of the Issuer, except as disclosed in such Official Statement, and other documents provided by the Issuer to the Liquidity Provider. Since the date of such Official Statement no transaction or event shall have occurred and no change shall have occurred in the condition (financial or otherwise) or operations of the Issuer which materially adversely affects the issuance of any of the Bonds, the security for any of the Bonds, or the Issuer's ability to repay when due its obligations under this Agreement, any of the Bonds and the Related Documents.

*Section 5.13. Complete and Correct Information.* All information, reports and other papers and data with respect to the Issuer furnished to the Liquidity Provider were, at the time the same were so furnished, complete and correct in all material respects. Any financial, budget and other projections furnished to the Liquidity Provider were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair and reasonable in light of conditions existing at the time of delivery of such financial, budget or other projections, and represented, and as of the date of this representation, represent, the Issuer's best estimate of the Issuer's future financial performance. No fact is known to the Issuer that materially and adversely affects or in the future may (so far as it can reasonably foresee) materially and adversely affect the security for any of the Bonds, or the Issuer's ability to repay when due its obligations under this Agreement, any of the Bonds and the Related Documents that has not been set forth in the Official Statement referenced in Section 5.12 hereof or in the financial information and other documents referred to in this Section 5.13 or in such information, reports, papers and data or otherwise disclosed in writing to the Liquidity Provider. Taken as a whole, the documents furnished and statements made by the Issuer in connection with the negotiation, preparation or execution of this Agreement and the Related Documents do not contain untrue statements of material facts or omit to state material facts necessary to make the statements contained therein in light of the circumstances under which they were made, not misleading.

*Section 5.14. No Proposed Legal Changes.* There is no amendment, or to the knowledge of the Issuer, proposed amendment certified for placement on a statewide ballot, to the Constitution of the State or any published administrative interpretation of the Constitution of the State or any State law, or any legislation that has passed either house of the State legislature, or any published judicial decision interpreting any of the foregoing, the effect of which is to materially adversely affect the issuance of any of the Bonds, the security for any of the Bonds, or the Issuer's ability to repay when due its obligations under this Agreement, any of the Bonds, and the other Related Documents.

*Section 5.15. The Bond Trustee and the Remarketing Agent.* J.P. Morgan Trust Company, National Association (or a successor or assign approved in writing by the Liquidity Provider) is the duly appointed and acting Bond Trustee and Bank Bond Custodian, and Banc of America Securities LLC (or a successor or assign approved in writing by the Liquidity Provider) is the duly appointed and acting Remarketing Agent as to the Series V8 Bonds. The Issuer shall appoint one or more Remarketing Agents for any Additional Bonds.

*Section 5.16. Sovereign Immunity.* The defense of sovereign immunity is not available to the Issuer in any proceedings by the Liquidity Provider to enforce any of the obligations of the Issuer under this Agreement, any Related Document or the Bonds, and, to the extent permitted by applicable law, the Issuer consents to the initiation of any such proceedings in any court of competent jurisdiction and agrees not to assert the defense of sovereign immunity in any such proceedings.

*Section 5.17. Pledge of Taxes.* (a) The Bonds when issued and delivered by the Issuer will constitute a general obligation of the Issuer (i) to which the full faith and credit of the Issuer is pledged, and (ii) for the payment of principal of and interest on which taxes will be levied, and proceeds of taxes levied will be applied as provided in, and to the extent required in, the Trust Indenture or any Additional Series Trust Indenture, as applicable.

(b) The proceeds of any taxes levied or required to be levied pursuant to Section 2.06 of the Trust Indenture or the analogous section of any Additional Series Trust Indenture, as applicable, for payment of the Bonds of such series related thereto, have not been, and will not be, pledged by the Issuer to the payment of any other obligation, and upon payment to the Bond Trustee for deposit in the Series 2005 V8 Debt Service Account under the Trust Indenture or the analogous fund of any Additional Series Trust Indenture, as applicable, will not be subject to any prior claim or prior lien.

## ARTICLE VI

### CONDITIONS PRECEDENT TO PURCHASE

*Section 6.1. Conditions.* The obligation of the Liquidity Provider to purchase Bonds hereunder on any date is subject to the satisfaction of the following conditions, unless waived in writing by the Liquidity Provider:

(a) No Termination Event or automatic suspension event described in Section 8.2(c) shall have occurred; and

(b) The Liquidity Provider shall have received the Notice of Liquidity Provider Purchase(s) as provided in Section 2.3 hereof, including the provision of Section 2.3 hereof that requires the Liquidity Provider to purchase Bonds on the Business Day it receives the notice referenced in such Section 2.3 from the Bond Trustee by 10:30 a.m. (Eastern United States time).

Each notification delivered pursuant to clause (b) of Section 6.1 hereof shall constitute a representation and warranty by the Issuer on each Purchase Date that, to its knowledge, the condition described in clause (a) of Section 6.1 has been satisfied on the Purchase Date.

## ARTICLE VII

### COVENANTS

The Issuer covenants and agrees that, so long as any of the Bonds shall be Outstanding or any amounts remain unpaid hereunder:

*Section 7.1. Payment Obligations.* The Issuer shall promptly pay or cause to be paid all amounts payable by it hereunder and under the Related Documents according to the terms hereof or thereof, shall take such actions as may be necessary to include all payments hereunder which are subject to appropriation in its budget, and shall duly perform each of its obligations under this Agreement and the other Related Documents to which it is a party. All payments of principal, interest and any other sums due hereunder shall be made in the amounts required hereunder without any reduction or setoff, notwithstanding the assertion of any right of recoupment or setoff or of any counterclaim by the Issuer.

*Section 7.2. Related Documents.*

(a) The Issuer agrees that it will perform and comply with each and every covenant and agreement required to be performed or observed by it in each Related Document to which it is a party and in each case such provisions, together with the related definitions of terms contained therein, are hereby incorporated by reference herein with the same effect as if each and every such provision were set forth herein in its entirety.

(b) The Issuer shall not amend, supplement or otherwise modify (or permit any of the foregoing), or request or agree to any consent or waiver under, or effect or permit the cancellation, acceleration or termination of, or (except as otherwise permitted under the Related Documents) release or permit the release of any collateral held under any of the Related Documents which is not otherwise contemplated by, or permitted pursuant to the terms of, any of the Related Documents, without the prior written consent of the Liquidity Provider; *provided, however,* that (i) with respect to amendments, supplements and modifications to the Related Documents which do not require consent of the Bondholders pursuant to Section 10.06 of the Trust Indenture, such consent of the Liquidity Provider shall not be unreasonably withheld, conditioned or delayed; and (ii) the consent of the Liquidity Provider shall not be required with respect to supplements entered into solely for the purpose of providing for the issuance of a series of bonds pursuant to the Trust Indenture.

*Section 7.3. Reporting Requirements.* The Issuer shall keep proper books of record and account in which full, true and correct entries will be made of all dealings and transactions of or in relation to affairs, operations, transactions and activities of the Issuer in accordance with generally accepted accounting principles applicable to governmental entities, consistently applied, and will furnish to the Liquidity Provider a copy of each of the following:

(a) As soon as available, and in any event within 15 days after the Issuer has released its financial statements, but in no event later than 270 days after the close of each fiscal year of the Issuer, the most recent Annual Filing and the complete audited financial statements of the Issuer including the statement of net assets as of the end of such fiscal year and the related statement of revenues, expenses and changes in net assets for such fiscal year, setting forth in each case in comparative form the corresponding figures for the preceding fiscal year, all in reasonable detail, together with an audit opinion letter signed by the Issuer's independent public accountants confirming that the financial statements have been prepared in accordance with generally accepted accounting principles, consistently applied, and that such audit has been conducted in accordance with generally accepted auditing standards; and

(b) Forthwith, and in any event within five (5) Business Days, after any officer of the Issuer obtains knowledge thereof, a certificate of the Chief Financial Officer or Treasurer of the Issuer setting forth the occurrence of any Default or Event of Default, the details thereof and the action which the Issuer is taking or proposes to take with respect thereto;

(c) Simultaneously with the delivery of each set of the financial statements and the Annual Filing referred to in clause (a) above and otherwise at the request of the Liquidity Provider, a certificate of the Chief Financial Officer or Treasurer of the Issuer stating whether there exists on the date of such certificate any Default or Event of Default, and if so, the details thereof and the action which the Issuer is taking or proposes to take with respect thereto;

(d) At the request of the Liquidity Provider, copies of any information or request for information concerning this Agreement or any of the Related Documents as and when provided to the Bond Trustee.

(e) At the request of the Liquidity Provider, within 30 days of the issuance of any public issuance of Parity Debt of the Issuer, copies of any disclosure documents distributed in connection therewith;

(f) Simultaneously with the delivery of each set of the financial statements and the Annual Filing referred to in clause (a) above and otherwise at the request of the Liquidity Provider, (i) a copy of the most recent rating letter received with respect to a new issue of the Issuer confirming the then current unenhanced long-term rating on bonds of the Issuer issued under the Trust Indenture, and (ii) a copy of the most recent rating letter received confirming the unenhanced, long-term credit rating of the Issuer, if any; and

(g) Such other information respecting the affairs, condition and/or operations, financial or otherwise, of the Issuer as the Liquidity Provider may from time to time reasonably request.

*Section 7.4. Compliance With Law.* The Issuer shall comply with all laws, ordinances, orders, rules and regulations that may be applicable to it if the failure to comply could have a material adverse effect on the security for any of the Bonds, or the Issuer's ability to repay when due its obligations under this Agreement, any of the Bonds, and the Related Documents.

*Section 7.5. Notices.* The Issuer will promptly furnish, or cause to be furnished, to the Liquidity Provider (i) notice of the occurrence of any default under the Trust Indenture or any Additional Series Trust Indenture, (ii) notice of the failure by the Remarketing Agent or the Bond Trustee to perform any of its obligations under the Remarketing Agent Agreement or the Trust Indenture or any Additional Series Trust Indenture, as applicable, (iii) notice of any proposed substitution of this Agreement, (iv) each notice required to be given to the Liquidity Provider pursuant to the Trust Indenture or any Additional Series Trust Indenture, and (v) notice of any litigation, administrative proceeding or business development which may materially adversely affect its business, properties or affairs or the ability of the Issuer to perform its obligations as set forth hereunder or under any of the Related Documents to which it is a party.

*Section 7.6. Certain Information.* The Issuer shall not include in an offering document for the Bonds any information concerning the Liquidity Provider that is not supplied in writing, or otherwise consented to, by the Liquidity Provider expressly for inclusion therein.

*Section 7.7. Liquidity.*

(a) Unless all Bonds are redeemed or converted to a Mode not requiring a Liquidity Facility, the Issuer agrees to use its best efforts to obtain an Alternate Liquidity Facility in the event (i) the Liquidity Provider shall decide not to extend the Expiration Date pursuant to Section 10.9(b) hereof, (ii) the Issuer terminates this Agreement pursuant to Section 2.11 hereof, (iii) the Liquidity Provider shall furnish a Notice of Termination Date to the Bond Trustee or (iv) a Default Tender shall have been effected with any funds made available hereunder.

(b) The Issuer agrees that, with respect to any Alternate Liquidity Facility, the Issuer will require, as a condition to its effectiveness, that the issuer of the Alternate Liquidity Facility provide funds to the extent necessary, in addition to other funds available, on the date the Alternate Liquidity Facility becomes effective, for the purchase of all Bank Bonds at par plus accrued interest (at the Bank Rate) through the Purchase Date. On such date any and all amounts due hereunder and due under the Trust Indenture or any Additional Series Trust Indenture, as applicable, or the Bonds to the Liquidity Provider shall be payable in full to the Liquidity Provider.

(c) The Issuer shall not permit an Alternate Liquidity Facility to become effective with respect to fewer than all of the Bonds without the prior written consent of the Liquidity Provider.

*Section 7.8. Appointment of Successors and Replacements.* So long as this Agreement is in effect and the Liquidity Provider has not wrongfully failed to purchase Bonds pursuant to a properly presented Purchase Notice, the Issuer will not permit the appointment of a successor Bond Trustee or Remarketing Agent unless the Issuer has obtained the prior written consent of the Liquidity Provider, which consent shall not be unreasonably withheld. If the rating of any

entity serving in any such capacity shall fall below "A2" or "A" by either Moody's or S&P, respectively, the Issuer shall use its best efforts to replace any such entity at the request of the Liquidity Provider; *provided, however*, that the Liquidity Provider agrees not to request the replacement of the Bond Trustee or Remarketing Agent so long as no failure to perform the obligations of the Bond Trustee or the Remarketing Agent, as applicable, has occurred. The Issuer will cause a Remarketing Agent to be in place at all times while this Agreement is in effect or any Bank Bonds are outstanding.

*Section 7.9. [Reserved].*

*Section 7.10. Maintenance of Approvals: Filings, Etc.* The Issuer shall at all times maintain in effect, renew and comply with all the terms and conditions of all consents, filings, licenses, approvals and authorizations as may be necessary or appropriate under any applicable law or regulation for its execution, delivery and performance of this Agreement and the other Related Documents to which it is a party.

*Section 7.11. Inspection Rights.* To the extent permitted by law, the Issuer shall, at any reasonable time and from time to time, upon reasonable notice, permit the Liquidity Provider or any agents or representatives thereof, at the Issuer's expense, to examine and make copies of the records and books of account related to the transactions contemplated by this Agreement, to visit its properties and to discuss its affairs, finances and accounts with any of its officers and independent accountants *provided, however*, that prior to the occurrence of an Event of Default, the Issuer shall not be required to pay for more than one inspection per fiscal year. The Issuer will not unreasonably withhold its authorization for its independent accountants to discuss its affairs, finances and accounts with the Liquidity Provider.

*Section 7.12. Permitted Liens.* The Issuer shall not create or incur or suffer to be incurred or to exist any Lien on any other funds, accounts or other property held under the Trust Indenture or any Additional Series Trust Indenture, as applicable, except as permitted by the Trust Indenture or any Additional Series Trust Indenture.

*Section 7.13. Unenhanced Bond Rating.* The Issuer shall use its best efforts to maintain an unenhanced long-term rating on bonds of the Issuer issued under the Trust Indenture of not less than "AA-" by S&P.

*Section 7.14. Litigation, Etc.* The Issuer shall give prompt notice in writing to the Liquidity Provider of any litigation, administrative proceeding or business development which, if adversely determined, may materially adversely affect its business, properties or affairs and reasonably would impair the ability of the Issuer to perform its obligations as set forth hereunder or under any of the Related Documents to which it is a party.

*Section 7.15. Deposit of Taxes.* The Issuer will deposit promptly into the Series 2005 V8 Debt Service Account any proceeds of taxes required to be levied pursuant to Section 2.06 of the Trust Indenture or any analogous section of any Additional Series Trust Indenture, as applicable, when such proceeds are delivered to the Trustee by the Issuer. Nothing contained in this Section 7.15 shall prevent the Issuer from making payments into the Series 2005 V8 Debt Service Account sooner than required by the Trust Indenture or any Additional Series Trust

Indenture, as applicable, nor shall the provisions hereof be construed as requiring or permitting the Issuer to pay into the Series 2005 V8 Debt Service Account or any analogous account greater or lesser amounts than the amounts required by the Trust Indenture or any Additional Series Trust Indenture, as applicable.

*Section 7.16. Maintenance of Existence.* The Issuer shall use its best efforts to preserve and maintain its existence as a municipal corporation of the State organized and existing under the laws of the State, and to perform its obligations under this Agreement and the Related Documents.

*Section 7.17. Use of Proceeds.* The Issuer shall use the proceeds of the Bonds for the purposes set forth in the Trust Indenture or the Additional Series Trust Indenture applicable to such series of Bonds.

*Section 7.18. Defeasance.* The Issuer shall not cause to be discharged in full the pledge of any moneys, securities, funds and property pledged pursuant to the Trust Indenture or any Additional Series Trust Indenture and any rights granted pursuant to such Trust Indenture or Additional Series Trust Indenture until all amounts payable to the Liquidity Provider under this Agreement have been paid in full.

## ARTICLE VIII

### EVENTS OF DEFAULT

*Section 8.1. Events of Default.* The occurrence of any of the following events shall constitute an "Event of Default":

(a) *Payments.* Any principal of, or interest on, any Bond (including any Bank Bond) or any other amount owed to the Liquidity Provider pursuant to Section 2.2 or Section 3.1 hereof shall not be paid when due; or

(b) *Fee Payments.* The Issuer shall fail to pay any amount owing under Section 2.7(a) hereof within ten (10) days after the same shall become due; or

(c) *Representations.* Any representation or warranty made or deemed to be made to the Liquidity Provider by or on behalf of the Issuer in this Agreement or in any Related Document or in any certificate or statement delivered hereunder or thereunder shall be incorrect or untrue in any material respect when made or deemed to have been made; or

(d) *Certain Covenants.* The Issuer shall fail to observe or perform any covenant or agreement of the Issuer set forth in Sections 7.2(b), 7.3(b), 7.4, 7.6, 7.7(b), 7.7(c), 7.8, 7.11, 7.15, 7.16 and 7.18 hereof; or

(e) *Other Covenants.* The Issuer shall default in the due performance or observance of any other term, covenant or agreement contained (or incorporated by reference) in this Agreement (other than those referred to in subsections (a), (b), (c) and (d) hereof) and such default shall remain unremedied for a period of thirty (30) days after the Liquidity Provider shall have given written notice thereof to the Issuer; or

(f) *Insolvency.* (i) The Issuer shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its Debts, or (B) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets, or the Issuer shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the Issuer any case, proceeding or other action of a nature referred to in clause (i) above which (x) results in an order for such relief or in the appointment of a receiver or similar official or (y) remains undismissed, undischarged or unbonded for a period of sixty (60) days; or (iii) there shall be commenced against the Issuer, any case, proceeding or other action seeking issuance of a warrant of attachment, execution, rehabilitation, distraint or similar process against all or any substantial part of its assets, which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within sixty (60) days from the entry thereof; or (iv) the Issuer shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) above; or (v) the Issuer shall generally not, or shall be unable to, or so admit in writing its inability to, pay its Debts; or

(g) *Other Documents.* A default under the Trust Indenture with respect to the payment of principal of or interest on the Bonds authorized thereunder or under any trust indenture or resolution with respect to the payment of principal of or interest on any Parity Debt; or

(h) *Invalidity.* Any material provision of this Agreement or any Related Document (other than the Official Statement or the Purchase Contract) shall cease to be valid and binding on the Issuer or any other party thereto or shall be declared to be null and void, or the validity or enforceability thereof shall be contested by the Issuer or such other party thereto or by any Governmental Agency having jurisdiction, or any Governmental Agency having jurisdiction shall find or rule that any material provision of this Agreement or any Related Document (other than the Official Statement or the Purchase Contract) is not valid or binding on the Issuer or such other party thereto, or the Issuer or such other party (in each case, through an authorized person) shall deny that it has any or further liability or obligation under any such document; or

(i) *Ratings Downgrade.* S&P shall reduce the long-term credit rating of the Bonds below Investment Grade; or

(j) *Default on Other Obligations.* The Issuer shall default in any payment of principal of or premium, if any, or interest on any Parity Debt in excess of \$5,000,000 and such default shall continue beyond the expiration of the applicable grace period, if any, or the Issuer shall fail to perform any other agreement, term or condition contained in any agreement under which any such Parity Debt is created or secured, which shall permit or result in the declaring due and payable of such Parity Debt prior to the date on which it would otherwise have become due and payable; or

(k) *Judgment.* A final judgment or order for the payment of money in excess of \$15,000,000 shall have been rendered against the Issuer and shall, by order of the Governmental Agency issuing such final judgment or order, be payable as a general obligation of the Issuer, and such judgment or order shall not have been satisfied, paid when due, stayed pending appeal or bonded pending appeal within 30 days of becoming final.

*Section 8.2. Remedies.*

(a) In the case of any Termination Event, the Available Commitment and the obligation of the Liquidity Provider to purchase Bonds shall immediately terminate without notice or demand to any Person, and thereafter the Liquidity Provider shall be under no obligation to purchase Bonds. Promptly upon such Event of Default, the Liquidity Provider shall give written notice of the same to the Issuer, the Bond Trustee and the Remarketing Agent; *provided*, that the Liquidity Provider shall incur no liability or responsibility whatsoever by reason of its failure to give such notice and such failure shall in no way affect the termination of the Liquidity Provider's Available Commitment and of its obligation to purchase Bonds pursuant to this Agreement. Upon receipt of written notice from the Liquidity Provider pursuant to the subsection (a), the Bond Trustee shall notify all Bondholders of the termination of the Available Commitment and the termination of the obligation of the Liquidity Provider to purchase the Bonds.

(b) In the case of the occurrence of any Event of Default (other than as specified in Section 8.2(a) above), the Liquidity Provider may give written notice of such Event of Default and termination of this Agreement (a "*Notice of Termination Date*") to the Bond Trustee, the Issuer, and the Remarketing Agent, requesting a Default Tender. The obligation of the Liquidity Provider to purchase Bonds shall terminate on the thirtieth (30th) day (or if such day is not a Business Day, the next following Business Day) after such Notice of Termination Date is received by the Bond Trustee and on such date the Available Commitment shall terminate and the Liquidity Provider shall be under no obligation hereunder to purchase Bonds.

(c) Upon the occurrence and during the continuance of a Default described in Section 8.1(f)(ii) or (iii), the obligation of the Liquidity Provider to advance funds for the purchase of Bonds hereunder shall be immediately and automatically suspended, without notice, and the Liquidity Provider shall be under no further obligation hereunder to purchase Bonds, until the bankruptcy, insolvency or similar proceeding referred to therein is terminated prior to the court entering an order granting the relief sought in such proceeding. In the event such proceeding is terminated, then the obligations of the Liquidity Provider hereunder shall be automatically reinstated and the terms of this Agreement shall continue in full force and effect (unless the obligation of the Liquidity Provider to purchase Bonds hereunder shall otherwise have terminated as provided in this Section 8.2) as if there had been no such suspension. If at any time prior to the earlier of (i) the Stated Expiration Date and (ii) the date that is four (4) years following the suspension of the obligation of the Liquidity Provider to purchase Bonds, (x) the Default which gave rise to such suspension is cured or ceased to be continuing and (y) the obligation of the Liquidity Provider to purchase Bonds under this Agreement has not otherwise terminated, then, upon written notice from the Issuer to the Liquidity Provider to such effect, the obligation of the Liquidity Provider to purchase Bonds under this Agreement shall be automatically reinstated. If the Default which gave rise to the suspension of the obligations of

the Liquidity Provider to advance funds for the purchase of Bonds under this Agreement has not been cured or has not ceased to be continuing prior to the four (4) year anniversary of such occurrence and the obligation of the Liquidity Provider to purchase Bonds under this Agreement has not otherwise terminated, then the obligations of the Liquidity Provider to advance funds for the purchase of Bonds shall be terminated upon written notice from the Liquidity Provider to the Issuer and the Bond Trustee and thereafter the Liquidity Provider shall have no further obligations to purchase any Bonds; *provided* that the Liquidity Provider shall not incur any liability or responsibility whatsoever by reason of its failure to give such notice and such failure shall in no way affect the termination of the Available Commitment and of the obligations of the Liquidity Provider to purchase Bonds under this Agreement.

(d) Upon the occurrence of any Event of Default, the Liquidity Provider may declare all accrued and unpaid amounts payable to it hereunder to be immediately due and payable (other than payments of principal of and interest on Bank Bonds, acceleration rights with respect to which are governed by the Trust Indenture), and the Liquidity Provider shall have all remedies provided at law or equity, including, without limitation, specific performance; *provided, however*, the Liquidity Provider agrees to purchase Bonds on the terms and conditions of this Agreement notwithstanding the occurrence of an Event of Default which does not terminate its obligation to purchase Bonds under Section 8.2(a) or (b) hereof or suspend its obligation to purchase Bonds under Section 8.12(c).

(e) The remedies provided in Section 8.2(a), (b), (c) or (d) hereof shall only be exclusive with respect to such Events of Default to the extent they are obtained by the Liquidity Provider. If, for any reason whatsoever the Liquidity Provider is not able to obtain all such remedies, then the Liquidity Provider hereby reserves the right and shall have the right to pursue any other available remedies, whether provided by law, equity or this Agreement.

## ARTICLE IX

### OBLIGATIONS ABSOLUTE

*Section 9.1. Obligations Absolute.* The obligations of the Issuer under this Agreement shall be absolute, unconditional and irrevocable and shall be paid or performed strictly in accordance with the terms of this Agreement, under all circumstances whatsoever, including, without limitation, the following circumstances:

(a) to the extent permitted by applicable law, any lack of validity or enforceability of this Agreement or any Related Document or any other agreement or instrument delivered in connection herewith or therewith;

(b) any amendment or waiver of or any consent to departure from, the terms of any of the Related Documents;

(c) the existence of any claim, set-off, defense or other right which the Issuer may have at any time against the Bond Trustee, the Remarketing Agent, the Liquidity Provider or any other Person, whether in connection with this Agreement, the Related Documents or any

unrelated transaction; *provided, however*, that nothing herein contained shall prevent the assertion of such claim by separate suit;

(d) any statement or any other document presented other than by the Liquidity Provider under this Agreement or any of the Related Documents proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect whatsoever; or

(e) any other circumstances or happening whatsoever, whether or not similar to any of the foregoing.

## ARTICLE X

### MISCELLANEOUS

#### *Section 10.1. Amendments; Liability of the Liquidity Provider.*

(a) No amendment or waiver of any provision of this Agreement or other Related Document, nor consent to any departure by the Issuer therefrom, shall in any event be effective unless the same shall be in writing and signed by the Liquidity Provider, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

(b) With respect to the Liquidity Provider, to the extent permitted by law, the Issuer assumes all risks of the acts or omissions of the Bond Trustee and its agents in respect of their use of this Agreement or any amounts made available by the Liquidity Provider hereunder. Neither the Liquidity Provider nor any of its officers or directors shall be liable or responsible for: (i) the use which may be made of this Agreement or any amounts made available by the Liquidity Provider hereunder or for any acts or omissions of the Bond Trustee or the Remarketing Agent or their agents in connection therewith; (ii) the validity, sufficiency or genuineness of documents, or of any endorsement(s) thereon, even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged; or (iii) any other circumstances whatsoever in making or failing to make payment under this Agreement, except only that the Issuer shall have a claim against the Liquidity Provider, and the Liquidity Provider shall be liable to the Issuer to the extent, but only to the extent, of any direct, as opposed to consequential, damages suffered by the Issuer which the Issuer proves (as evidenced by a final decision by a court of competent jurisdiction) were caused by the Liquidity Provider's gross negligence or willful failure to make payment under this Agreement strictly in accordance with the terms hereof. In furtherance and not in limitation of the foregoing, the Liquidity Provider may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary.

(c) The Issuer assumes all risks associated with the acceptance by the Liquidity Provider of documents received by telecommunication, it being agreed that the use of telecommunication devices is for the benefit of the Issuer and that the Liquidity Provider assumes no liabilities or risks with respect thereto.

#### *Section 10.2. Costs and Expenses.*

(a) To the extent permitted by law, the Issuer agrees to reimburse the Liquidity Provider in respect of all reasonable out-of-pocket costs, charges and expenses (including reasonable attorneys' fees) arising in connection with the preparation, execution, delivery, administration and enforcement of, preservation of rights in connection with a workout, restructuring or default under an amendment or waiver with respect to, this Agreement, the Bonds and the other Related Documents and any stamp and other taxes and fees payable or determined to be payable in connection with the execution and delivery of this Agreement and any other documents or instruments that may be delivered in connection therewith.

(b) To the extent permitted by law, the Issuer agrees, subject to prior appropriation by the Common Council of the Issuer, if necessary, to indemnify and hold harmless the Liquidity Provider, its officers, directors, employees and agents (each an "*Indemnified Party*") from and against any and all claims, damages, losses, liabilities, reasonable costs or expenses whatsoever which an Indemnified Party may incur (or which may be claimed against an Indemnified Party by any Person) by reason of or in connection with the execution and delivery of and consummation of the transactions contemplated under this Agreement and the Related Document, including, without limitation, (i) the offering, sale, remarketing or resale of Bonds (including, without limitation, by reason of any untrue statement or alleged untrue statement contained or incorporated by reference in any preliminary official statement or official statement, or in any supplement or amendment thereof, prepared with respect to the Bonds, or the omission or alleged omission to state therein a material fact necessary to make such statements, in the light of the circumstances under which they are or were made, not misleading or the failure to deliver an official statement to any offeree or purchaser of Bonds) and (ii) the execution and delivery of, or payment or failure to pay by any Person (other than the Liquidity Provider as and when required by the terms and provisions hereof) under, this Agreement; *provided, however*, that the Issuer shall not be required to indemnify the Liquidity Provider for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by (a) the willful misconduct or gross negligence of the Liquidity Provider (including without limitation, with respect to the Liquidity Provider, failure of the Liquidity Provider to honor its obligations to purchase Bonds upon the satisfaction of the applicable conditions precedent set forth herein and in accordance with the terms of this Agreement) or (b) the material inaccuracy of any information included or incorporated by reference in any official statement referred to in Section 5.8 hereof concerning the Liquidity Provider which was furnished in writing by the Liquidity Provider expressly for inclusion or incorporated by reference therein. Nothing in this Section 10.2 is intended to limit the obligations of the Issuer under the Bonds or of the Issuer to pay its obligations hereunder and under the Related Documents.

(c) The provisions of this Section 10.2 and Sections 2.8 and 2.9 hereof shall survive the termination of this Agreement and the payment in full of the Bonds and the obligations of the Issuer hereunder. The Liquidity Provider shall notify the Issuer of any amounts which are owed to such party pursuant to this Section 10.2.

*Section 10.3. Notices.* Unless otherwise specified herein, all notices, requests, demands or other communications to or upon the respective parties hereto or referred to herein shall be deemed to have been given (i) in the case of notice by letter, when delivered by hand or four (4) days after the same is deposited in the mails, first class postage prepaid, and (ii) in the case of notice by telecopier, when sent, receipt confirmed, addressed to them as follows or at such other

address as any of the parties hereto may designate by written notice to the other parties hereto and the Remarketing Agent:

Issuer: City of Milwaukee, Wisconsin  
City Hall, Room 404  
200 E. Wells Street  
Milwaukee, Wisconsin 53202  
Attention: Comptroller  
Tel: (414) 286-3321  
Fax: (414) 286-0653

Liquidity Provider  
(regarding credit matters): State Street Global Markets, LLC  
State Street Financial Center SFC/5  
One Lincoln Street  
Boston, Massachusetts 02111-2900  
Attention: Darren De Gennaro  
Tel: (617) 664-4237  
Fax: (617) 310-5782

Liquidity Provider  
(regarding operational matters) State Street Global Markets, LLC  
State Street Financial Center SFC/5  
One Lincoln Street  
Boston, Massachusetts 02111-2900  
Attention: Kateryna Polyakova  
Tel: (617) 664-8362  
Fax: (617) 310-5741

Bond Trustee: J.P. Morgan Trust Company, National Association  
111 E Wisconsin Avenue - 15th Fl  
Milwaukee, Wisconsin 53202  
Attention: Daniel Olson  
Tel: (414) 977-8119  
Fax: (414) 977-6624

Remarketing Agent: Banc of America Securities LLC  
231 South LaSalle Street  
16<sup>th</sup> Floor [IL1-231-16-15]  
Chicago, Illinois 60604  
Attention: Jana M. Wesley, Managing Director  
Tel: (312) 828-4181  
Fax: (312) 828-4749

*Section 10.4. Successors and Assigns.* (a) This Agreement shall be binding upon and inure to the benefit of the Issuer, the Bond Trustee, the Liquidity Provider and their respective successors, endorsees and assigns, except that, as long as this Agreement is in effect and the

Liquidity Provider is not in default hereunder, the Issuer may not assign or transfer its rights or obligations hereunder without the prior written consent of the Liquidity Provider. The Liquidity Provider may grant a participation to any financial institution in all or any part of, or any interest (undivided or divided) in, the Liquidity Provider's rights and benefits under this Agreement, any Bonds owned by it and the other Related Documents, and to the extent of that participation such participant shall, except as set forth in the following clause (ii), have the same rights and benefits against the Issuer hereunder as it would have had if such participant were a direct party hereto; *provided* that (i) no such participation shall affect the obligations of the Liquidity Provider to purchase Bonds as herein provided; (ii) the Issuer shall be required to deal only with the Liquidity Provider with respect to any matters under this Agreement and no such participant shall be entitled to enforce directly against the Issuer any provision hereunder; and (iii) such participant shall not be any Person registered as an investment company under the Investment Company Act of 1940, as amended, substantially all of the assets of which are invested in obligations exempt from federal income taxation under Section 103 of the Code or any similar or successor provision.

(b) The obligations of the Liquidity Provider under this Agreement or any part hereof may be assigned by the Liquidity Provider to any financial institution only with the prior written consent of the Issuer; *provided, however*, the Liquidity Provider may assign and pledge all or any portion of the amounts owing to it with respect to Bank Bonds to any Federal Reserve Bank or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System and any Operating Circular issued by such Federal Reserve Bank, *provided* that any payment in respect of such assigned amounts owed with respect to Bank Bonds made by Issuer to the Liquidity Provider in accordance with the terms of this Agreement shall satisfy Issuer's obligations hereunder in respect of such assigned obligation to the extent of such payment. No such assignment shall release the Liquidity Provider from its obligations hereunder.

*Section 10.5. Governing Law; Waiver of Jury Trial; Jurisdiction.*

(a) THIS AGREEMENT SHALL BE DEEMED TO BE A CONTRACT UNDER, AND FOR ALL PURPOSES SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK; *PROVIDED* THAT THE DUTIES AND OBLIGATIONS OF THE ISSUER UNDER THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE, WITHOUT GIVING EFFECT TO CONFLICT OF LAW PRINCIPLES.

(b) TO THE FULLEST EXTENT PERMITTED BY LAW, THE ISSUER, THE BOND TRUSTEE, AND THE LIQUIDITY PROVIDER WAIVE THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF OR RELATED TO THIS AGREEMENT, ANY OTHER DOCUMENT DELIVERED IN CONNECTION HERewith, OR THE TRANSACTIONS CONTEMPLATED HEREBY OR IN ANY ACTION, PROCEEDING OR OTHER LITIGATION OF ANY TYPE BROUGHT BY ANY OF THE PARTIES AGAINST ANY OTHER PARTY OR ANY LIQUIDITY PROVIDER-RELATED PERSON, PARTICIPANT OR ASSIGNEE, WHETHER WITH RESPECT TO CONTRACT CLAIMS, TORT CLAIMS,

OR OTHERWISE. THE ISSUER, THE BOND TRUSTEE, AND THE LIQUIDITY PROVIDER AGREE THAT ANY SUCH CLAIM OR CAUSE OF ACTION SHALL BE TRIED BY A COURT TRIAL WITHOUT JURY. WITHOUT LIMITING THE FOREGOING, THE PARTIES FURTHER AGREE THAT THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY IS WAIVED BY OPERATION OF THIS SECTION AS TO ANY ACTION, COUNTERCLAIM OR OTHER PROCEEDING WHICH SEEKS, IN WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF THIS AGREEMENT OR ANY OTHER DOCUMENT DELIVERED IN CONNECTION HERewith OR ANY PROVISION HEREOF OR THEREOF. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT AND ANY OTHER DOCUMENTS DELIVERED IN CONNECTION THEREWITH. TO THE FULL EXTENT PERMITTED BY LAW, EACH OF THE ISSUER, THE BOND TRUSTEE AND THE LIQUIDITY PROVIDER HEREBY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OF THE RELATED DOCUMENTS.

(c) THE ISSUER, THE BOND TRUSTEE AND THE LIQUIDITY PROVIDER HEREBY IRREVOCABLY (i) AGREE THAT ANY SUIT, ACTION OR OTHER PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT MAY BE BROUGHT IN ANY FEDERAL OR STATE COURT LOCATED IN NEW YORK, NEW YORK AND CONSENT TO THE JURISDICTION OF SUCH COURT IN ANY SUCH SUIT, ACTION OR PROCEEDING AND (ii) WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT OR THEY MAY HAVE TO THE LAYING OF VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING IN ANY SUCH COURT AND ANY CLAIM THAT ANY SUCH SUIT, ACTION OR PROCEEDING HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

*Section 10.6. No Waivers, Amendments, Etc.* No provision of this Agreement shall be waived, amended or supplemented except by a written instrument executed by the parties hereto.

*Section 10.7. Counterparts.* This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

*Section 10.8. Source of Funds.* The Liquidity Provider agrees that all funds provided by it hereunder will be paid from funds of the Liquidity Provider and not directly or indirectly from funds or collateral on deposit with or for the account of, or pledged with or for the account of, the Liquidity Provider by the Issuer.

*Section 10.9. Term of the Agreement.*

(a) *Term.* The term of this Agreement shall be until the later of (x) the last day of the Facility Period and (y) the payment in full of the principal of and interest on all Bank Bonds and all other amounts due hereunder.

(b) *Extension of Commitment Period.* Upon written request of the Issuer to the Liquidity Provider provided substantially in the form of Exhibit C hereto, made not less than

90 days nor more than 120 days prior to the then current Commitment Expiration Date or at such other time as is acceptable to the Liquidity Provider, the then current Commitment Expiration Date may be extended from time to time by agreement in writing between the Liquidity Provider and the Issuer (the period from the preceding Commitment Expiration Date to such new Commitment Expiration Date being herein sometimes called the "*Extended Commitment Period*"). The Extended Commitment Period may itself be extended in a like manner. The Liquidity Provider has no obligation to agree to any Extended Commitment Period. If the Liquidity Provider, in its sole discretion following such request by the Issuer, agrees to extend any such period, the Liquidity Provider shall give written notice of the election to extend to the Issuer and the Bond Trustee, substantially in the form of Exhibit D hereto, within forty-five (45) days of such request. If the Liquidity Provider does not so notify the Issuer and the Bond Trustee, the Commitment Expiration Date shall not be extended. At the time of any extension, the Liquidity Provider may, in its sole discretion as a condition to such extension, require changes in the terms and conditions of this Agreement, including the Facility Fees and any other fees payable hereunder, and the Bank Rate.

(c) *Extension of Facility Period.* Upon written request of the Issuer to the Liquidity Provider provided substantially in the form of Exhibit C hereto, made not less than 90 days nor more than 120 days prior to the then current Expiration Date or at such other time as is acceptable to the Liquidity Provider, the then current Expiration Date may be extended from time to time by agreement in writing between the Liquidity Provider and the Issuer (the period from the preceding Expiration Date to such new Expiration Date being herein sometimes called the "*Extended Facility Period*"). The Extended Facility Period may itself be extended in a like manner. The Liquidity Provider has no obligation to agree to any Extended Facility Period. If the Liquidity Provider, in its sole discretion following such request by the Issuer, agrees to extend any such period, the Liquidity Provider shall give written notice of the election to extend to the Issuer, the Bond Trustee and the Remarketing Agent, substantially in the form of Exhibit D hereto, within forty-five (45) days of such request. If the Liquidity Provider does not so notify the Issuer, the Expiration Date shall not be extended. At the time of any extension, the Liquidity Provider may, in its sole discretion as a condition to such extension, require changes in the terms and conditions of this Agreement, including the Facility Fees and any other fees payable hereunder, and the Bank Rate.

*Section 10.10. Headings.* Section headings in this Agreement (the texts of which are set forth in the Table of Contents hereof) are included herein for convenience of reference only and shall not have any effect for purposes of interpretation or construction of the terms of Agreement.

*Section 10.11. Complete and Controlling Agreement.* This Agreement and the other Related Documents completely set forth the agreements between the Liquidity Provider and the Issuer and completely supersede all prior agreements, both written and oral, between the Liquidity Provider and the Issuer relating to the matters set forth herein and in the Related Documents.

*Section 10.12. Losses Relating to Telephonic Notices.* The Issuer hereby agrees to compensate the Liquidity Provider for the loss of use of funds in the event the Liquidity Provider disburses funds hereunder (a) in any attempt to make purchases of Bonds based upon telephonic

requests made by any Person or Persons which the Liquidity Provider in good faith believes to be the Bond Trustee or its designees (but the foregoing shall not imply any standard of care against the Liquidity Provider with respect to requests made in any other manner, except as otherwise expressly agreed herein), and (b) in any amount in excess of that actually required to purchase Bonds hereunder due to the Bond Trustee incorrectly stating such amount in its Purchase Notice (to the extent such loss of use of funds is not covered by Section 2.3 hereof). A certificate of the Liquidity Provider as to the amount of any such loss shall be conclusive, absent manifest error.

*Section 10.13. Adjustment.* The Issuer expressly agrees that to the extent the Issuer makes a payment or payments and such payment or payments, or any part thereof, are subsequently invalidated, declared to be fraudulent or preferential, set aside or are required to be repaid to a trustee, receiver, or any other party under any bankruptcy act, state or federal law, common law or equitable cause, then to the extent of such payment or repayment, the obligations to the Liquidity Provider or part thereof intended to be satisfied shall be revived and continued in full force and effect as if said payment or payments had not been made.

[signature pages immediately follow]

IN WITNESS WHEREOF, the parties hereto have caused this Standby Bond Purchase Agreement to be duly executed and delivered by their authorized representatives as of the Effective Date.

CITY OF MILWAUKEE, WISCONSIN

By: \_\_\_\_\_  
Name:  
Title:

J.P. MORGAN TRUST COMPANY,  
NATIONAL ASSOCIATION, as Bond Trustee

By: \_\_\_\_\_  
Name:  
Title:

STATE STREET BANK AND TRUST  
COMPANY, as Liquidity Provider

By: \_\_\_\_\_  
Name: Timothy Batler  
Title: Senior Vice President

## EXHIBIT A

### NOTICE OF LIQUIDITY PROVIDER PURCHASE (Optional Tender)

State Street Bank and Trust Company

Ladies and Gentlemen:

The undersigned, a duly authorized officer or signatory of \_\_\_\_\_, as trustee (the "*Bond Trustee*"), hereby certifies to STATE STREET BANK AND TRUST COMPANY, as liquidity provider (the "*Liquidity Provider*"), in accordance with the Standby Bond Purchase Agreement (the "*Standby Purchase Agreement*") dated as of November 1, 2005, among the City of Milwaukee, Wisconsin, the Bond Trustee and the Liquidity Provider (all capitalized terms herein having the meanings ascribed thereto in the Standby Purchase Agreement), that:

1. Notice of a tender of Eligible Bonds for purchase having a Purchase Price of \$\_\_\_\_\_, pursuant to Section 4.02(a) of the [Trust Indenture][Additional Series Trust Indenture]\*, has been received of which \$\_\_\_\_\_ constitutes principal and \$\_\_\_\_\_ constitutes accrued interest.

2. Amounts available for the payment of the Purchase Price of such Eligible Bonds is \$\_\_\_\_\_ of which \$\_\_\_\_\_ is available to pay principal and of which \$\_\_\_\_\_ is available to pay accrued interest.

3. The total principal amount requested hereby for the payment of the principal portion of the Purchase Price of Eligible Bonds is \$\_\_\_\_\_ which amount does not exceed the Available Principal Commitment or the principal amount referred to in paragraph 1 above minus the principal amount referred to in 2 above.

4. The total amount requested hereby to pay the portion of the Purchase Price for Eligible Bonds constituting accrued interest is \$\_\_\_\_\_, which amount does not exceed the Available Interest Commitment or the amount of interest referred to in paragraph 1 above minus the amount of interest referred to in paragraph 2 above.

5. Eligible Bonds referred to above having a Purchase Price of \$\_\_\_\_\_ [the amount in paragraph 3 plus the amount in paragraph 4] are hereby tendered to the Liquidity Provider for purchase pursuant to the Standby Purchase Agreement on the date hereof.

6. Upon completion of purchase, the Bond Trustee will [register such Bonds, or if a Bond for which notice of tender for purchase pursuant to 4.02(a) of the [Trust Indenture][Additional Series Trust Indenture] has been given is not delivered, issue a new Bond in replacement of the undelivered Bond, in the name of the Liquidity Provider or if directed in

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\* Bond Trustee to insert applicable section reference.

writing by the Liquidity Provider its nominee or designee on the Bond Register] [cause the beneficial ownership of such Bonds to be credited to the account of the Liquidity Provider or if directed in writing by the Liquidity Provider its nominee or designee with DTC and register such Bonds in the name of the Liquidity Provider or its nominee or designee on the Bond Register] [,and will promptly deliver such Bonds to the Bank Bond Custodian or as the Liquidity Provider may otherwise direct in writing, and prior to such delivery will hold such Bonds as agent for the Liquidity Provider].

7. The Purchase Date is \_\_\_\_\_, \_\_\_\_\_.

8. The purchase price for such Eligible Bonds is to be paid to the Bond Trustee as follows: [insert wire transfer instructions]

9. The Bond Trustee has not received written notice of a Termination Event or automatic suspension event described in Section 8.2(c).

IN WITNESS WHEREOF, the Bond Trustee has executed and delivered this certificate as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

\_\_\_\_\_, as Bond Trustee

By: \_\_\_\_\_

Name:

Title:

**EXHIBIT B**

**NOTICE OF LIQUIDITY PROVIDER PURCHASE  
(Mandatory Purchase)**

State Street Bank and Trust Company

Ladies and Gentlemen:

The undersigned, a duly authorized officer or signatory of \_\_\_\_\_, as trustee (the "*Bond Trustee*"), hereby certifies to STATE STREET BANK AND TRUST COMPANY, as Liquidity Provider (the "*Liquidity Provider*"), in accordance with the Standby Bond Purchase Agreement (the "*Standby Purchase Agreement*") dated as of November 1, 2005 among the City of Milwaukee, Wisconsin, the Bond Trustee and the Liquidity Provider (all capitalized terms herein having the meanings ascribed thereto in the Standby Purchase Agreement), that:

1. Eligible Bonds have been called for mandatory purchase having a Purchase Price of \$\_\_\_\_\_, pursuant to Section [4.02(b)][4.02(c)]\* of the [Trust Indenture][Additional Series Trust Indenture]\*\*, of which \$\_\_\_\_\_ constitutes principal and \$\_\_\_\_\_ constitutes accrued interest.

2. Amounts available for the payment of the Purchase Price of such Eligible Bonds is \$\_\_\_\_\_ of which \$\_\_\_\_\_ is available to pay principal and of which \$\_\_\_\_\_ is available to pay accrued interest.

3. The total principal amount requested hereby for the payment of the principal portion of the Purchase Price of Eligible Bonds is \$\_\_\_\_\_ which amount does not exceed the Available Principal Commitment or the principal amount referred to in paragraph 1 above minus the principal amount referred to in 2 above.

4. The total amount requested hereby to pay the portion of the Purchase Price for Eligible Bonds constituting accrued interest is \$\_\_\_\_\_, which amount does not exceed the Available Interest Commitment or the amount of interest referred to in paragraph 1 above minus the amount of interest referred to in paragraph 2 above.

5. Eligible Bonds referred to above having a Purchase Price of \$\_\_\_\_\_ [the amount in paragraph 3 plus the amount in paragraph 4] are hereby tendered to the Liquidity Provider for purchase pursuant to the Standby Purchase Agreement on the date hereof.

\_\_\_\_\_  
\* Bond Trustee to insert applicable section reference.

\*\* Bond Trustee to insert applicable reference.

6. Upon completion of purchase, the Bond Trustee will [register such Bonds or, if a Bond subject to mandatory purchase pursuant to 4.02(b)][4.02(c)]<sup>\*\*\*</sup> of the [Trust Indenture][Additional Series Trust Indenture]<sup>\*\*\*\*</sup> is not delivered, issue a new Bond in replacement of the undelivered Bond, in the name of the Liquidity Provider or if directed in writing by the Liquidity Provider its nominee or designee on the Bond Register] [cause the beneficial ownership of such Bonds to be credited to the account of the Liquidity Provider or if directed in writing by the Liquidity Provider its nominee or designee with DTC and register such Bonds in the name of the Liquidity Provider or its nominee or designee on the Bond Register] [,and will promptly deliver such Bonds to the Bank Bond Custodian or as the Liquidity Provider may otherwise direct in writing, and prior to such delivery will hold such Bonds as agent for the Liquidity Provider].

7. The Purchase Date is \_\_\_\_\_, \_\_\_\_\_.

8. The purchase price for such Bonds is to be paid to the Bond Trustee as follows:

[insert wire transfer instructions]

9. The Bond Trustee has not received written notice of a Termination Event or automatic suspension event described in Section 8.2(c).

IN WITNESS WHEREOF, the Bond Trustee has executed and delivered this Certificate as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_, as Bond Trustee

By: \_\_\_\_\_

Name:

Title:

\_\_\_\_\_  
<sup>\*\*\*</sup> Bond Trustee to insert applicable section reference.

<sup>\*\*\*\*</sup> Bond Trustee to insert applicable reference.

**EXHIBIT C**

**FORM OF REQUEST FOR EXTENSION OF EXPIRATION DATE**

[DATE]

State Street Bank and Trust Company

Re: Request for Extension of Expiration Date

Ladies and Gentlemen:

Reference is hereby made to that certain Standby Bond Purchase Agreement, dated as of November 1, 2005 (the "*Agreement*"), among the City of Milwaukee, Wisconsin (the "*Issuer*"), J.P. Morgan Trust Company, National Association, as trustee (the "*Bond Trustee*"), and State Street Bank and Trust Company, as Liquidity Provider (the "*Liquidity Provider*"). All capitalized terms contained herein which are not specifically defined shall be deemed to have the definition set forth in the Agreement. The Issuer hereby requests, pursuant to Section 10.9 of the Agreement, that the [Commitment Expiration Date for the Commitment Period be extended by [IDENTIFY APPROPRIATE PERIOD]] [Expiration Date for the Facility Period be extended by [IDENTIFY APPROPRIATE PERIOD]]. We have enclosed along with this request the following information:

1. The outstanding principal amount of Bonds;
2. The nature of any and all Events of Default and all conditions, events and acts which with notice or lapse of time or both would become an Event of Default, or, if no such Events of Default, or conditions, events or acts exist, a statement to that effect; and
3. Any other pertinent information previously requested by the Liquidity Provider.

The Liquidity Provider is required to notify the Bond Trustee, and the Remarketing Agent of the Liquidity Provider's decision with respect to this request for extension within forty-five (45) days of the date of receipt hereof. If the Liquidity Provider fails to notify the Issuer of its decision within such 45-day period, the Liquidity Provider shall be deemed to have rejected such request.

Very truly yours,

CITY OF MILWAUKEE, WISCONSIN

By: \_\_\_\_\_

Name:

Title:

**EXHIBIT D**

**NOTICE OF EXTENSION**

City of Milwaukee, Wisconsin  
J.P. Morgan Trust Company, National Association, as Bond Trustee  
Banc of America Securities LLC, as Remarketing Agent

Re: Notice of Extension of Expiration Date

Ladies and Gentlemen:

Reference is hereby made to that certain Standby Bond Purchase Agreement, dated as of November 1, 2005 (the "*Agreement*"), among the City of Milwaukee, Wisconsin (the "*Issuer*"), J.P. Morgan Trust Company, National Association, as Bond Trustee (the "*Bond Trustee*"), and State Street Bank and Trust Company, as liquidity provider (the "*Liquidity Provider*"). All capitalized terms contained herein which are not specifically defined shall be deemed to have the definition set forth in the Agreement.

Pursuant to the request made by the Issuer pursuant to Section 10.9 of the Agreement, dated \_\_\_\_\_, \_\_\_\_\_, the Liquidity Provider hereby extends the [Commitment Expiration Date for the Commitment Period to [IDENTIFY APPROPRIATE EXTENDED COMMITMENT EXPIRATION DATE]] [Expiration Date for the Facility Period to [IDENTIFY APPROPRIATE EXTENDED EXPIRATION DATE]].

Very truly yours,

STATE STREET BANK AND TRUST  
COMPANY, as Liquidity Provider

By: \_\_\_\_\_  
Name:  
Title:

**EXHIBIT E**

**FORM OF NOTICE OF INTENT TO ISSUE ADDITIONAL BONDS**

[DATE]

State Street Bank and Trust Company

Re: Notice of Intent to Issue Additional Bonds

Ladies and Gentlemen:

Reference is hereby made to that certain Standby Bond Purchase Agreement, dated as of November 1, 2005 (the "*Agreement*"), among the City of Milwaukee, Wisconsin (the "*Issuer*"), J.P. Morgan Trust Company, National Association, as Bond Trustee (the "*Bond Trustee*"), and State Street Bank and Trust Company, as liquidity provider (the "*Liquidity Provider*"). All capitalized terms contained herein which are not specifically defined shall be deemed to have the definition set forth in the Agreement. The Issuer hereby notifies you, pursuant to Section 2.4(c) of the Agreement, that the Issuer intends to issue Additional Bonds that are to be Eligible Bonds under the Agreement. The principal amount of Additional Bonds to be issued is not to exceed \$\_\_\_\_\_, and the intended date of issuance of the Additional Bonds is \_\_\_\_\_.

Very truly yours,

CITY OF MILWAUKEE, WISCONSIN

By: \_\_\_\_\_

Name:

Title:

**EXHIBIT F**

**FORM OF NOTICE OF INCREASE OF AVAILABLE COMMITMENT UPON  
ISSUANCE OF ADDITIONAL BONDS**

City of Milwaukee, Wisconsin  
J.P. Morgan Trust Company, National Association, as Bond Trustee  
Banc of America Securities LLC, as Remarketing Agent

Re: Notice of Increase of Available Commitment Upon Issuance of Additional  
Bonds

Ladies and Gentlemen:

Reference is hereby made to that certain Standby Bond Purchase Agreement, dated as of November 1, 2005 (the "*Agreement*"), among the City of Milwaukee, Wisconsin (the "*Issuer*"), J.P. Morgan Trust Company, National Association, as Bond Trustee (the "*Bond Trustee*"), and State Street Bank and Trust Company, as liquidity provider (the "*Liquidity Provider*"). All capitalized terms contained herein which are not specifically defined shall be deemed to have the definition set forth in the Agreement.

Pursuant to Section 2.4(c) of the Agreement, and pursuant to the Notice of Intent to Issue Additional Bonds, delivered by the Issuer pursuant to Section 2.4(c) of the Agreement, dated \_\_\_\_\_, and in connection with the issuance of \$\_\_\_\_\_ aggregate principal amount of the Issuer's Variable Rate General Obligation Corporate Purpose Bonds, Series 200\_\_ (the "*Additional Bonds*"), please take notice that, as of the date set forth below, the Available Principal Commitment is increased to \$\_\_\_\_\_, the Available Interest Commitment is increased to \$\_\_\_\_\_, and the Available Commitment is increased to \$\_\_\_\_\_. The definition of "Bonds" shall be deemed to include the Additional Bonds.

Dated: \_\_\_\_\_, 20\_\_

Very truly yours,

STATE STREET BANK AND TRUST  
COMPANY, as Liquidity Provider

By: \_\_\_\_\_  
Name:  
Title:

## EXHIBIT G

### FORM OF BANK BOND CUSTODY AGREEMENT

BANK BOND CUSTODY AGREEMENT dated as of November 1, 2005, by and between J.P. Morgan Trust Company, National Association (the "*Custodian*"), and State Street Bank and Trust Company, as liquidity provider (the "*Liquidity Provider*").

WHEREAS, the City of Milwaukee, Wisconsin (the "*Issuer*"), J.P. Morgan Trust Company, National Association, as Trustee (the "*Bond Trustee*," which term shall include any successor thereto appointed pursuant to the terms of the Trust Indenture as defined below), and the Liquidity Provider have entered into a certain Standby Bond Purchase Agreement dated as of the date hereof (as amended or otherwise modified from time to time, the "*Agreement*") pursuant to which the Liquidity Provider has agreed to purchase in certain circumstances the Issuer's Variable Rate General Obligation Corporate Purpose Bonds, Series 2005 V8 (the "*Bonds*"); and

WHEREAS, the Bonds were issued pursuant to the Trust Indenture (as defined in the Agreement); and

WHEREAS, the Trust Indenture requires that the Bonds delivered by the holders thereof to the Bond Trustee pursuant to the Trust Indenture be purchased under certain circumstances by the Liquidity Provider under the Agreement; and

WHEREAS, it is a condition to the effectiveness of the obligations of the Liquidity Provider under the Agreement that the Custodian shall have entered into this Bank Bond Custody Agreement; and

WHEREAS, the Custodian has agreed to act as custodian and agent for the Liquidity Provider as herein provided;

NOW, THEREFORE, in consideration of the mutual covenants recited herein, and other good and valuable consideration, receipt of which is hereby acknowledged, it is hereby agreed as follows:

1. The Liquidity Provider appoints the Custodian as its agent and bailee for the purpose of receiving Bank Bonds (as defined in the Agreement) under the Agreement and holding such Bank Bonds for and on behalf of the Liquidity Provider. The Custodian hereby agrees to hold such Bank Bonds for such purpose, as the Liquidity Provider's agent and bailee. As used herein, the term "Bank Bonds" means, unless the context otherwise requires, the beneficial ownership of any Bank Bonds during any period that Bank Bonds are maintained as Book Entry Bonds.

2. Except at the written direction of the Liquidity Provider, the Bank Bond Custodian shall not pledge, hypothecate, transfer or release possession of any Bank Bonds held by or registered in the name of the Custodian on behalf of the Liquidity Provider to any person or in any manner not in accordance with this Bank Bond Custody Agreement and shall not enter into any other agreement regarding possession of such Bank Bonds without the prior written consent of the Liquidity Provider. The Custodian will not release Bank Bonds to the purchaser

of such Bank Bonds unless the Liquidity Provider has delivered to the Custodian, in addition to its written direction contemplated above in this paragraph, written notice (which may be by telex, answerback received or telecopier) that a portion of the Available Principal Commitment (as defined in the Agreement) in an amount equal to the principal amount of such Bank Bonds and the corresponding increase in the Available Interest Commitment (as defined in the Agreement) pursuant to the terms of the Agreement has each been reinstated.

3. Upon written notice to the Liquidity Provider and release and delivery to the Liquidity Provider or its designee of any Bank Bonds then held by the Custodian pursuant to this Custody Agreement, the Custodian shall have the right to terminate its obligations with respect to such Bank Bonds under this Bank Bond Custody Agreement. The Liquidity Provider shall have the option to terminate this Bank Bond Custody Agreement at any time upon written notice to the Custodian and, upon such termination, the Custodian will release and deliver to the Liquidity Provider or its designee any Bank Bonds then held by the Custodian hereunder. The Liquidity Provider may also from time to time request that the Custodian release and deliver to the Liquidity Provider all or a portion of the Bank Bonds then held by the Custodian without termination of this Bank Bond Custody Agreement, and upon receipt of any such request in writing, the Custodian will release and deliver such Bank Bonds to the Liquidity Provider or its designee then held by the Custodian.

4. In acting under this Bank Bond Custody Agreement the Custodian shall not be liable to the Liquidity Provider except for gross negligence or willful misconduct in the performance of its obligations hereunder.

5. The Custodian's duties are only such as are specifically provided herein, and the Custodian shall incur no fiduciary or other liability whatsoever to the Liquidity Provider or any other person, except to the extent the Liquidity Provider incurs loss or liability due to the Custodian's gross negligence or willful misconduct as determined by a court of competent jurisdiction. The Custodian may consult with counsel and shall be fully protected in any action taken in good faith in accordance with such advice. The Custodian may rely conclusively and shall be fully protected in acting upon any written instructions given to it hereunder and believed by it to have been properly executed.

6. The Custodian may resign at any time by giving written notice thereof to the Liquidity Provider. Such resignation shall not become effective until a successor Custodian shall have been appointed by the Liquidity Provider and shall have accepted such appointment in writing. The Liquidity Provider will use its commercially reasonable efforts to promptly appoint a successor Custodian. The resigning Custodian may, at the expense of the Issuer, petition any court of competent jurisdiction, including without limitation the Supreme Court of the State of New York, for the appointment of a successor Custodian.

7. This Bank Bond Custody Agreement cannot be amended or modified except in a writing signed by the Liquidity Provider and the Custodian.

8. This Bank Bond Custody Agreement shall inure to the benefit of and shall be binding upon the Custodian and the Liquidity Provider and their respective successors and assigns.

9. THIS IS THE BANK BOND CUSTODY AGREEMENT REFERRED TO IN THE AGREEMENT, AND SHALL BE GOVERNED BY THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO CHOICE OF LAW RULES.

10. This Bank Bond Custody Agreement may be executed in counterparts which, taken together, shall constitute a single document.

11. Capitalized terms used herein without definition shall have the same meanings herein as such terms have in the Agreement.

[signature pages immediately follow]

IN WITNESS WHEREOF, the parties hereto have caused this Bank Bond Custody Agreement to be duly executed and delivered by their authorized representatives as of the date first above written.

J.P. MORGAN TRUST COMPANY,  
NATIONAL ASSOCIATION, as Custodian

By: \_\_\_\_\_  
Name:  
Title:

STATE STREET BANK AND TRUST  
COMPANY, as Liquidity Provider

By: \_\_\_\_\_  
Name: Timothy Batler  
Title: Senior Vice President

ACCEPTED AND AGREED TO:

CITY OF MILWAUKEE, WISCONSIN

By: \_\_\_\_\_  
Name:  
Title: