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**SERIES 2012B SUPPLEMENTAL TRUST AGREEMENT**

**by and between**

**PALM BEACH SCHOOL BOARD LEASING CORP.**

**and**

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,  
(successor in interest to NationsBank of Florida, N.A.)  
as Trustee**

**Dated as of June 1, 2012**

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## **SERIES 2012B SUPPLEMENTAL TRUST AGREEMENT**

**THIS SERIES 2012B SUPPLEMENTAL TRUST AGREEMENT**, dated June 1, 2012 (the “Series 2012B Supplemental Trust Agreement”), supplements the Master Trust Agreement, dated as of November 1, 1994 (the “Master Trust Agreement” and together with this Series 2012B Supplemental Trust Agreement, the “Trust Agreement”), by and between **PALM BEACH SCHOOL BOARD LEASING CORP.**, a not-for-profit corporation, duly organized and existing under the laws of the State of Florida (the “Corporation”), as lessor under the within mentioned Master Lease, and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.** (successor in interest to NationsBank of Florida, N.A.), a national banking association with corporate trust powers qualified to accept trusts of the type set forth in the Trust Agreement, with its designated corporate trust office in Jacksonville, Florida (the “Trustee”).

### **W I T N E S S E T H:**

**WHEREAS**, The School Board of Palm Beach County, Florida (the “School Board”) has deemed it to be in its best interest to lease-purchase certain real and personal property from time to time and has entered into a Master Lease Purchase Agreement, dated as of November 1, 1994 (the “Master Lease”), between the Corporation, as lessor, and the School Board, as lessee; and

**WHEREAS**, pursuant to the Master Lease, the School Board may from time to time, by execution of a Schedule to the Master Lease, direct the Corporation to acquire, construct and lease-purchase to the School Board the items of real or personal property described in such Schedule (which items of property are collectively referred to herein as “Facilities”); and

**WHEREAS**, provision for the payment of the cost of acquiring, constructing and installing such Facilities may be made by the issuance and sale from time to time of one or more Series (as defined in the Trust Agreement) of certificates of participation issued under the Trust Agreement (the “Certificates”), which shall be secured by and be payable from Basic Lease Payments to be made by the School Board pursuant to the Master Lease and related Schedules; and

**WHEREAS**, the Trustee, at the direction of the Corporation, has issued Series of Certificates of Participation from time to time to provide funds for the lease purchase financing of certain Facilities and the refinancing of the lease-purchase of other Facilities; and

**WHEREAS**, the Trustee, at the request of the Corporation, has agreed to issue additional Series of Certificates to provide funds for the lease-purchase financing of certain Facilities; and

**WHEREAS**, each Series of Certificates shall be secured independently from each other Series of Certificates, except as otherwise provided in the Trust Agreement; and

**WHEREAS**, the School Board and the Corporation have entered into a (i) a Series 2002D-1 Ground Lease dated as of December 1, 2002, (ii) Schedule 2002D-1 dated as of December 1, 2002 (“Schedule 2002D-1” and together with the Master Lease, the “Original Series 2002D-1 Lease”), and (iii) Schedule 2002D-2 dated as of December 1, 2002 (“Schedule 2002D-2” and together with the Master Lease, the “Original Series 2002D-2 Lease” and, collectively with the Original Series 2002D-1 Lease, the “Original Series 2002D Leases”),

pursuant to which the School Board leased certain real and personal property to the Corporation (the "Series 2002D-1 Facilities" and the "Series 2002D-2 Facilities", respectively) and subleased from the Corporation such real property (the "Series 2002D-1 Facility Sites") and leased the improvements thereon; and

**WHEREAS**, the Corporation has entered into the Master Trust Agreement to provide for the issuance of series of Certificates of Participation to the public from time to time, representing undivided proportionate interests in the principal portion and interest portion of the basic lease payments to be made by the School Board under the Master Lease and the Schedule or Schedules relating to such series of Certificates; and

**WHEREAS**, to provide funds for the acquisition and/or construction of the Series 2002D Facilities, Certificates of Participation, Series 2002D were issued in the aggregate principal amount of \$191,215,000 (the "Series 2002D Certificates") pursuant to the Master Trust Agreement, as supplemented by a Series 2002D Supplemental Trust Agreement dated as of December 1, 2002; and

**WHEREAS**, the Corporation assigned substantially all of its interest in the Series 2002D Ground Lease and the Original Series 2002D Leases to the Trustee pursuant to a Series 2002D Assignment Agreement dated as of December 1, 2002; and

**WHEREAS**, the School Board refunded a portion of its obligations under the Original Series 2002D Leases by amending and restating Schedule 2002D-1 and Schedule 2002D-2 and issuing Certificates of Participation, Series 2005A (the "Series 2005A Certificates") in an aggregate principal amount of \$124,630,000 pursuant to the Master Trust Agreement, as supplemented by a Series 2005A Supplemental Trust Agreement dated as of March 1, 2005 (the Trust Agreement as so supplemented is referred to herein as the "Series 2005A Supplemental Trust Agreement"), evidencing undivided proportionate interests of the owners thereof in a portion of the Basic Lease Payments to be made by the School Board pursuant to the Master Lease as supplemented by the Original Series 2002D Leases, as amended and supplemented to that date; and

**WHEREAS**, the School Board refunded an additional portion of its obligations under the Series 2002D Leases by amending and restating Schedule 2002D-1 and Schedule 2002D-2 and issuing Certificates of Participation, Series 2012A (the "Series 2012A Certificates") in an aggregate principal amount of \$20,085,000 pursuant to the Master Trust Agreement, as supplemented by a Series 2012A Supplemental Trust Agreement dated as of May 1, 2012 (the Trust Agreement as so supplemented is referred to herein as the "Series 2012A Supplemental Trust Agreement"), evidencing undivided proportionate interests of the owners thereof in a portion of the Basic Lease Payments to be made by the School Board pursuant to the Master Lease as supplemented by the Original Series 2002D Leases, as amended and supplemented to that date; and

**WHEREAS**, in connection with the Series 2002D Certificates the School Board entered into an ISDA Master Agreement with Citibank, N.A. New York ("Citibank") dated January 1, 2003 (together with the amended and restated schedule thereto and the Confirmation dated as of August 10, 2005), pursuant to which, in exchange for an upfront payment from Citibank to the

School Board, the School Board granted Citibank the option to put the District into a synthetic fixed payer swap; and

**WHEREAS**, Citibank has notified the School Board that, in accordance with the Series 2002D Interest Rate Exchange Agreement, Citibank is exercising its option to put the District into a synthetic fixed-rate payer swap on August 1, 2012; and

**WHEREAS**, the School Board has determined that, simultaneously with the effective date of the fixed-rate payer swap, it is in the best interest of the District to refinance a portion of its obligations under the Original Series 2002D Leases, as previously amended and supplemented, and to refund the outstanding Series 2002D Certificates other than the Series 2002D Certificates maturing on August 1, 2012, which will be defeased but not refunded (as further described below, the "Refunded Certificates"), through the further amendment and restatement of Schedule 2002D-1 and Schedule 2002D-2 (together with the Master Lease, collectively, the "Series 2002D Leases"), and the issuance, pursuant to this Series 2012B Supplemental Trust Agreement, of refunding Certificates of Participation, Series 2012B, in the aggregate principal amount of \$116,555,000 (the "Series 2012B Certificates"), representing undivided proportionate interests of the owners thereof in Basic Lease Payments to be made by the School Board pursuant to the Series 2002D Leases equally and ratably with the Series 2005A Certificates allocable to the Series 2002D Leases and the Series 2012A Certificates; and

**WHEREAS**, pursuant to the provisions of Sections 7.3 of the Master Lease and Section 302 of the Master Trust Agreement, the Corporation and the School Board may direct the Trustee to issue refunding Certificates; and

**WHEREAS**, the Trustee has received an order from an Authorized Corporation Representative relating to the issuance of the Series 2012B Certificates; and

**WHEREAS**, a portion of the proceeds of the Series 2012B Certificates will be deposited with The Bank of New York Mellon Trust Company, N.A., as escrow agent (the "Escrow Agent") under an Escrow Deposit Agreement (the "Escrow Deposit Agreement") to be entered into by the School Board and the Escrow Agent and invested in Government Obligations (as defined therein) until used to pay the Refunded Certificates on August 1, 2012, at a prepayment price equal to the principal portion of Basic Lease Payments represented by the Refunded Certificates; and;

**WHEREAS**, all things necessary to make the Series 2012B Certificates, when executed by the Trustee and issued as provided herein and in the Trust Agreement, valid, binding and legal obligations according to the terms thereof, have been done and performed, and the creation, execution and delivery of this Series 2012B Supplemental Trust Agreement, and the creation, execution and issuance of the Series 2012B Certificates subject to the terms thereof, have in all respects been duly authorized;

**NOW, THEREFORE, THIS SERIES 2012B SUPPLEMENTAL TRUST AGREEMENT WITNESSETH:**

## ARTICLE I DEFINITIONS

**SECTION 101 DEFINITIONS.** Words and terms that are defined in the Trust Agreement shall have the same meanings ascribed to them when used herein, unless the context or use indicates a different meaning or intent. In addition to the words and terms defined in the Trust Agreement or elsewhere defined in this Series 2012B Supplemental Trust Agreement, the following words and terms as used herein with respect to the Series 2012B Certificates shall have the following meaning unless the context or use indicates another or different meaning or intent:

**“Accrual Period”** means with respect to the Series 2012B Certificates, the period commencing on an Interest Accrual Date and ending on the day immediately preceding the next Interest Accrual Date.

**“Alternate Letter of Credit”** means an irrevocable direct-pay letter of credit, providing liquidity and credit support for the Series 2012B Certificates and which satisfies the requirements of Section 704. Any extension or renewal of a Letter of Credit is not an “Alternate Letter of Credit.”

**“Alternate Liquidity Facility”** means a Liquidity Facility issued and delivered pursuant to Section 502 of this Series 2012B Supplemental Trust Agreement to replace a Liquidity Facility to purchase Series 2012B Certificates tendered for purchase as provided in this Series 2012B Supplemental Trust Agreement.

**“Authorized Denominations”** means: (a) \$5,000 or any integral multiple thereof with respect to Long-Term Rate Certificates in a Long-Term Rate Period of ten (10) years or more or to their respective Maturity Dates, (b) \$250,000 or any integral multiple of \$5,000 in excess thereof in the Initial Period, or (c) \$100,000 or any integral multiple of \$5,000 in excess of \$100,000 in an Interest Rate Period not described in the preceding clause (a) or (b).

**“Bank”** means the issuer of a Letter of Credit, provided that at any time that an Alternate Letter of Credit is in effect each reference to the “Bank” shall mean the issuer of such Alternate Letter of Credit.

**“Business Day”** means a day other than (a) a Saturday, Sunday or day on which banks in the State of New York or banks located in each of the cities in which the designated office of the Trustee, the Tender Agent, if any, the Remarketing Agent, if any, the Series 2012B Credit Facility Issuer, the Calculation Agent, if any, and the Liquidity Provider, if any, is located are required or authorized by law or executive order to close for business, and (b) a day on which DTC or The New York Stock Exchange is closed.

**“Calculation Agent”** means, following the Initial Period, any Person appointed by the School Board, to serve as calculation agent in the determination of the Index Floating Rate for the Series 2012B Certificates.

**“Certificate Interest Term”** means, with respect to Short-Term Rate Certificates, each period established in accordance with Section 202(e) of this Series 2012B Supplemental Trust

Agreement during which the interest portion of Basic Lease Payments represented by Short-Term Rate Certificates is calculated at a Certificate Interest Term Rate.

**“Certificate Interest Term Rate”** means, with respect to each Series 2012B Certificate, calculation of the interest portion of Basic Lease Payments represented by such Series 2012B Certificate established periodically in accordance with Section 202(e) of this Series 2012B Supplemental Trust Agreement.

**“Certificate Purchase Fund”** means the trust fund established with a Tender Agent pursuant to Section 401 of this Series 2012B Supplemental Trust Agreement.

**“Closing Date”** means the date of delivery of the Series 2012B Certificates to the Initial Purchaser against payment therefor.

**“Conversion”** means a conversion of the determination of Series 2012B Interest from one Interest Rate Period to another Interest Rate Period as provided in Section 202(b)(ii), 202(c)(ii), 202(d)(ii), 202(e)(ii), 202(g)(ii), or 202(i)(ii), of this Series 2012B Supplemental Trust Agreement.

**“Conversion Date”** means the effective date of a Conversion.

**“Counterparty”** means the Person entering into a Hedge Agreement with the School Board.

**“Daily Rate”** means the rate determined for the interest portion of Basic Lease Payments represented by Daily Rate Certificates for a Daily Rate Period pursuant to Section 202(c) of this Series 2012B Supplemental Trust Agreement.

**“Daily Rate Certificate”** means, on any date, a Series 2012B Certificate while the interest portion of Basic Lease Payments represented thereby is calculated at a Daily Rate.

**“Daily Rate Period”** means, with respect to a Daily Rate Certificate, each period during which a Daily Rate is in effect with respect to the calculation of Series 2012B Interest.

**“Delayed Remarketing Certificates”** means Long-Term Rate Certificates and other than in the Initial Period, Index Floating Rate Certificates, that have not been remarketed on a mandatory Tender Date.

**“Delayed Remarketing Period”** means, with respect to Delayed Remarketing Certificates, the period commencing on the day immediately following the last day of the preceding Long-Term Rate Period or other than in the Initial Period, Index Floating Rate Period, as the case may be, and ending on the day that funds are available to pay the Tender Price of such Series 2012B Certificates.

**“Differential Interest Amount”** means, with respect to any Provider Certificate, the portion of the accrued interest owing to the Liquidity Provider with respect thereto which exceeds the amount of accrued interest payable by the purchaser of such Provider Certificate upon its remarketing by the Remarketing Agent.



**“Eligible Account”** means an account that is either (a) maintained with a federal or state-chartered depository institution or trust company that has a Standard & Poor’s short-term debt rating of at least ‘A-2’ (or, if no short-term debt rating, a long-term debt rating of ‘BBB+’); or (b) maintained with the corporate trust department of a federal depository institution or state-chartered depository institution subject to regulations regarding fiduciary funds on deposit similar to Title 12 of the U.S. Code of Federal Regulation Section 9.10(b), which, in either case, has corporate trust powers and is acting in its fiduciary capacity. In the event that an account required to be an “Eligible Account” no longer complies with the requirement, the Tender Agent or Trustee, as the case may be, should promptly (and, in any case, within not more than 30 calendar days) move such account to another financial institution such that the Eligible Account requirement will again be satisfied.

**“Expiration Date”** means the expiration date of the Liquidity Facility or an Alternate Liquidity Facility, as extended from time to time.

**“Favorable Opinion”** means a written opinion of Special Tax Counsel to the effect that the action proposed to be taken is authorized or permitted by the terms of the Trust Agreement and will not adversely affect the excludability from gross income for federal income tax purposes of the interest portion represented by any Series 2012B Certificate (subject to the inclusion of any exception provided under the Code).

**“Hedge Agreement”** means (a) the Series 2002D Interest Rate Exchange Agreement or (b) any other interest rate exchange agreement, or an interest rate swap agreement, a forward purchase contract, a put option contract, a call option contract or any other financial product which is used by the School Board as a hedging device not for investment but with respect to its obligation to pay the interest portion of Basic Lease Payments represented by any of the Series 2012B Certificates, entered into between the School Board and a Counterparty, for the purpose of (1) reducing or otherwise managing the School Board’s risk of interest rate changes or (2) effectively converting the School Board’s interest rate exposure, in whole or in part, from a fixed rate exposure to a variable rate exposure, or from a variable rate exposure to a fixed rate exposure; provided that with respect to an arrangement described in clause (b), such arrangement shall be specifically designated in a certificate of an Authorized School Board Representative as a “Hedge Agreement” for purposes of this Series 2012B Supplemental Trust Agreement.

**“Hedge Obligations”** means net payments required to be made by the School Board under a Hedge Agreement from time to time as a result of fluctuation in hedged interest rates, or fluctuation in the value of any index of payment.

**“Hedge Receipts”** means net payments received by the School Board from a Counterparty under a Hedge Agreement.

**“Immediate Termination Event”** means the termination of the Liquidity Provider’s obligation to purchase the Series 2012B Certificates supported by its Liquidity Facility without notice or demand in accordance with the Liquidity Facility.

**“Index Floating Rate”** means the LIBOR Index plus the Spread.

**“Index Floating Rate Certificate”** means, on any date, a Series 2012B Certificate while the Series 2012B Interest represented thereby is calculated at an Index Floating Rate.

**“Index Floating Rate Determination Date”** means, for any LIBOR Reset Date, the second London Business Day immediately preceding such LIBOR Reset Date.

**“Index Floating Rate Period”** means, with respect to an Index Floating Rate Certificate, each period during which an Index Floating Rate is in effect.

**“Initial Period”** means, with respect to Series 2012B Certificates issued as Index Floating Rate Certificates, the period commencing on the Closing Date and ending on the earliest to occur of (i) July 30, 2015, (ii) a Conversion Date, and (iii) the date on which the Index Floating Rate Certificates are paid in full.

**“Initial Purchaser”** means Wells Fargo Bank, National Association.

**“Interest Accrual Date”** with respect to the Series 2012B Certificates means:

(a) for Weekly Rate Certificates, the first day of the Weekly Rate Period and, thereafter, the first day of each calendar month;

(b) for Daily Rate Certificates, the first day of the Daily Rate Period and, thereafter, the first day of each calendar month;

(c) for Long-Term Rate Certificates, the first day of the Long-Term Rate Period and, thereafter, each Interest Payment Date during that Long-Term Rate Period other than the last such Interest Payment Date;

(d) for each Short Term Certificate, the first day of the Certificate Interest Term within a Short-Term Rate Period; and

(e) for Index Floating Rate Certificates, the first day of the Index Floating Rate Period and, thereafter, each Interest Payment Date during such Index Floating Rate Period.

**“Interest Payment Date”** means with respect to Series 2012B Certificates,

(i) for any Daily Rate Certificate, the first Business Day of the next succeeding calendar month;

(ii) for any Weekly Rate Certificate, the first Business Day of each calendar month;

(iii) for any Long-Term Rate Certificate, each February 1 and August 1, commencing on the February 1 or August 1 specified by the School Board in its notice of Conversion;

(iv) for any Short-Term Rate Certificate in a Certificate Interest Term, the day next succeeding the last day of that Certificate Interest Term;

(v) for each Interest Rate Period, the day next succeeding the last day thereof;

(vi) for Provider Certificates, each date on which interest on the Provider Certificates is due and payable in accordance with the provisions of the Liquidity Facility or any reimbursement or similar agreement entered into between the School Board and the Liquidity Provider;

(vii) for any Index Floating Rate Certificate, each February 1 and August 1, (A) during the Initial Period, commencing on August 1, 2012, and (B) after a Conversion, commencing on the February 1 or August 1 specified by the School Board in its notice of Conversion; and

(viii) for any Series 2012B Certificates which are to be prepaid, any date on which such prepayment is due and for any Series 2012B Certificate, the Maturity Date.

**“Interest Rate Period”** means each Daily Rate Period, Weekly Rate Period, Short-Term Rate Period, Long-Term Rate Period, or Index Floating Rate Period.

**“Investment Agreement”** means an agreement for the investment of moneys entered into by the Trustee with a provider rated at least AA- and Aa3 by S&P and Moody’s, respectively, and whether such agreement is in the form of an interest-bearing time deposit, repurchase agreement or any similar arrangement and any note delivered pursuant to such agreement, which such agreement includes the following restrictions:

(1) the invested funds are available for withdrawal without penalty or premium, at any time that (i) the Trustee is required to pay moneys from the Fund(s) established under this Trust Agreement to which the agreement is applicable, or (ii) any Rating Agency indicates that it will lower or actually lowers, suspends or withdraws the rating on the Bonds on account of the rating of the entity providing, guaranteeing or insuring, as applicable, the agreement;

(2) the agreement, and if applicable the guarantee or insurance, is an unconditional and general obligation of the provider and, if applicable, the guarantor or insurer of the agreement, and ranks pari passu with all other unsecured unsubordinated obligations of the provider, and if applicable, the guarantor or insurer of the agreement;

(3) the Trustee receives an Opinion of Counsel, which may be subject to customary qualifications, that such agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and, if applicable, an Opinion of Counsel that any guaranty or insurance policy provided by a guarantor or insurer is legal, valid, binding and enforceable upon the guarantor or insurer in accordance with its terms; and

(4) the agreement provides that if during its term the rating of the provider providing, guaranteeing or insuring, as applicable, the agreement, is withdrawn, suspended by any Rating Agency or falls below AA- by S & P or Aa3 by Moody's, the provider must, within 10 days, either: (i) collateralize the agreement by depositing collateral with the Trustee or a third party custodian, such collateralization to be effected in a manner and in an amount sufficient to maintain the then current rating of the Series 2012B Certificates (if the agreement is not already collateralized) with Investment Securities described in paragraph (b) consisting of direct obligations of the United States Treasury that have a value equal to at least 100% of the principal plus accrued interest or senior debt obligations and/or debentures issued by the Federal agencies or government sponsored entities described in paragraph (c) or (d) of the definition of Investment Securities that have a value equal to at least 103% of the principal plus accrued interest, or (ii) terminate the agreement.

**“Investment Securities”** means any of the following securities, if and to the extent the same are at the time legal under State law and School Board policy for investment of the School Board's funds:

(a) Cash (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in paragraph (b) below).

(b) Noncallable direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America.

(c) Noncallable obligations of any federal agency the timely payment of the principal and interest on which are guaranteed by the full faith and credit of the United States of America.

(d) Senior debt obligations rated “AAA” by S & P and “Aaa” by Moody's issued by Fannie Mae or Freddie Mac, and other senior debt obligations of other government-sponsored agencies approved by the Credit Facility Issuer insuring the Series of Certificates relating to the moneys invested.

(e) U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks (including the Trustee and any of its affiliates) which have a rating on their short-term certificates of deposit on the date of purchase of “A-1” or “A-1+” by S & P and “P-1” by Moody's and maturing no more than 360 days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank.)

(f) Commercial paper which is rated at the time of purchase in the single highest classification, “A-1+” by S & P and “P-1” by Moody's and which matures not more than 270 days after the date of purchase.

(g) Investments in a money market fund rated “AAAm” or “AAAm-G” or better by S & P.

(h) Pre-refunded Municipal Obligations defined as follows: Any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and

(1) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of S & P and Moody's; or

(2) (x) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or obligations described in paragraph (b) above, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date of dates pursuant to such irrevocable instructions, as appropriate, and (y) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate; Pre-refunded Municipal Obligations meeting the requirements of this subsection (2) hereof may not be used as Investment Securities without prior written approval of the Rating Agency.

(i) An Investment Agreement;

(j) Repurchase agreements ("Repos") providing for the transfer of securities from a dealer bank or securities firm (seller/borrower) to the School Board or Trustee (buyer/lender), and the transfer of cash from the School Board or Trustee to the dealer bank or securities firm with an agreement that the dealer bank or securities firm will repay the cash plus a yield to the School Board or Trustee in exchange for the securities at a specified date.

Repos must satisfy the following criteria:

(i) Repos must be between the School Board or Trustee and a dealer bank or securities firm satisfying the following criteria: (A) Primary dealers on the Federal Reserve reporting dealer list which fall under the jurisdiction of the Securities Investor Protection Corporation ("SIPC") and (B) which are rated "A-" and "A3" or better by S&P and Moody's.

(ii) The written Repo contract must include the following:

(A) Securities which are acceptable for transfer are:

(I) Obligations described in paragraph (b) above.

(II) Obligations described in paragraph (c) above.

(B) The term of the Repo may be up to 30 days.

(C) The collateral must be delivered to the Trustee (if the Trustee is not supplying the collateral) or a third party acting as agent for the Trustee (if the Trustee is supplying the collateral) before/simultaneous with payment (perfection by possession of certificated securities).

(D) The Trustee has a perfected first priority security interest in the collateral.

(E) The collateral is free and clear of third party liens and in the case of SIPC brokers was not acquired pursuant to a Repo or reverse Repo.

(F) Failure to maintain the requisite collateral percentage, after a two day restoration period, will require the Trustee to liquidate the collateral.

(G) Valuation of Collateral.

(I) The securities must be valued by the dealer bank or securities firm, as applicable, weekly, marked-to-market at current market price plus accrued interest:

(II) The value of collateral must be equal to 103% of the amount of cash transferred by the School Board or Trustee to the dealer bank or security firm under the Repo plus accrued interest. If the value of securities held as collateral slips below 103% of the value of the cash transferred by the School Board or Trustee, then additional cash and/or acceptable securities must be transferred.

(H) In the event of a provider downgrade below either "A-" or "A3" by S&P and Moody's, respectively, the agreement shall terminate.

(k) Forward delivery agreements with providers rated at least "A-" and "A3" by S&P and Moody's, respectively, provided that, in the event of a provider downgrade below either "A-" or "A3" by S&P and Moody's, respectively, the agreement shall terminate; further provided, that no investment delivered pursuant to a forward purchase agreement may have a maturity of more than five years.

(l) Collateralized investment agreements with providers rated at least "A-" and "A3" by S&P and Moody's, respectively, provided that (i) collateral consisting of direct obligations of the United States Treasury be posted that has a value equal to at least 104% of the principal plus accrued interest or collateral consisting of "AAA"-rated debt obligations and/or debentures described in paragraph (c) or (d) above be posted that has a value equal to at least 105% of the principal plus accrued interest, and (ii) in the event of a provider downgrade below either "A-" or "A3" by S&P and Moody's, respectively, the agreement shall terminate.

(m) Any other investment if such investment is within the guidelines of the Rating Agency for similar obligations with the then-current rating on the related Certificates, in both cases with advance notice to the Rating Agency.

**“Lease Payment Dates”** shall have the meaning given to such term in the Series 2002D Lease.

**“Letter of Credit”** means a letter of credit, any replacement letter of credit, any confirming letter or credit and any renewal(s) or extension(s) of any such letter of credit; and, upon the expiration or termination of the Letter of Credit and the issuance and delivery of an Alternate Letter of Credit, each reference to the Letter of Credit shall mean such Alternate Letter of Credit.

**“Letter of Credit Agreement”** means an agreement entered into between the School Board and the provider of a Letter of Credit.

**“LIBOR Index”** means 70% of the One Month LIBOR Rate.

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

**“Liquidity Facility”** means a line of credit, letter of credit, standby purchase agreement or similar liquidity facility, issued by a commercial bank or other financial institution which is of sufficient strength to cause the short-term ratings for the Series 2012B Certificates to be at least “A-1+” by S&P or “VMIG-1” by Moody’s, delivered to or entered into and accepted by the Trustee and the Tender Agent and acceptable to the Insurer.

**“Liquidity Provider”** means the commercial bank or other financial institution issuing (or having primary obligation, or acting as agent for the financial institution so obligated, under) a Liquidity Facility then in effect.

**“Liquidity Facility Purchase Account”** means the account with that name established within the Certificate Purchase Fund pursuant to Section 401 of this Series 2012B Supplemental Trust Agreement.

**“Long-Term Rate”** means a term, non-variable interest rate established in accordance with Section 202(d) of this Series 2012B Supplemental Trust Agreement.

**“Long-Term Rate Certificate”** means, on any date, a Series 2012B Certificate while the Series 2012B Interest represented thereby is calculated at a Long-Term Rate.

**“Long-Term Rate Period”** means, with respect to a Long-Term Rate Certificate, each period during which a Long-Term Rate is in effect.

**“Mandatory Standby Tender”** means the mandatory tender of the Series 2012B Certificates pursuant to Section 307(c) of this Series 2012B Supplemental Trust Agreement upon receipt by the Trustee of written notice from the Liquidity Provider that an event with respect to the Liquidity Facility has occurred which requires or gives the Liquidity Provider the option to terminate such Liquidity Facility upon notice and requires that all Outstanding Series 2012B

