CITY COUNCIL
ATLANTA, GEORGIA

No. 04-O-0431

**AN ORDINANCE BY COUNCILMEMBER DEBI STARNES,
AS SUBSTITUTED BY THE FINANCE EXECUTIVE COMMITTEE**

A SEVENTH SUPPLEMENTAL BOND ORDINANCE SUPPLEMENTING THE RESTATED AND AMENDED MASTER BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON MARCH 20, 2000 (99-O-1896), AS AMENDED AND SUPPLEMENTED BY THE FIRST SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON MARCH 30, 2000 (00-O-0214), THE SECOND SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON OCTOBER 7, 2002 (02-O-1463), THE AMENDED AND RESTATED THIRD SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON MAY 19, 2003 (03-O-0772), THE FOURTH SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON JUNE 2, 2003 (03-O-0835), THE FIFTH SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON SEPTEMBER 15, 2003 (03-O-1448) AND THE SIXTH SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON NOVEMBER 17, 2003 (03-O-1871), TO PROVIDE FOR THE ISSUANCE OF REVENUE BONDS SECURED BY A SENIOR LIEN ON GENERAL REVENUES AND THE ISSUANCE OF HYBRID BONDS SECURED BY A SENIOR LIEN ON PFC REVENUES AND A SUBORDINATE LIEN ON GENERAL REVENUES TO PROVIDE FUNDS TO FINANCE OR REFINANCE, IN WHOLE OR IN PART, THE COST OF THE PLANNING, ENGINEERING, DESIGN, ACQUISITION AND CONSTRUCTION OF CERTAIN IMPROVEMENTS TO HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT, TO PROVIDE FOR A REASONABLY REQUIRED DEBT SERVICE RESERVE AND TO PAY EXPENSES RELATING THERETO; TO PROVIDE FUNDS TO REFUND THE CITY'S OUTSTANDING AIRPORT LIMITED OBLIGATION BOND ANTICIPATION NOTES, SERIES 2003; TO RATIFY, AUTHORIZE AND APPROVE THE PREPARATION, USE AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND A FINAL OFFICIAL STATEMENT IN CONNECTION WITH THE OFFER AND SALE OF THE BONDS; TO PROVIDE FOR THE ANNUAL SUBMISSION OF CERTAIN FINANCIAL INFORMATION AND OPERATING DATA PURSUANT TO RULE 15c2-12 OF THE SECURITIES AND EXCHANGE COMMISSION; TO PROVIDE FOR THE FORM OF THE BONDS AND FOR THE EXECUTION OF THE BONDS; TO PROVIDE FOR THE PLACE OF PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; AND FOR OTHER PURPOSES:

SEVENTH
SUPPLEMENTAL BOND ORDINANCE

ADOPTED APRIL___, 2004
BY THE CITY COUNCIL OF THE CITY OF ATLANTA
PROVIDING FOR THE ISSUANCE OF

Not to Exceed $275,000,000 in the aggregate
Airport General Revenue Bonds
Series 2004A and Series 2004B

Not to Exceed $675,000,000 in the aggregate
Airport Passenger Facility Charge and
Subordinate Lien General Revenue Bonds
Series 2004C
Series 2004D (Auction Rate Securities)
Series 2004E (Auction Rate Securities)

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SEVENTH SUPPLEMENTAL BOND ORDINANCE

A SEVENTH SUPPLEMENTAL BOND ORDINANCE SUPPLEMENTING THE RESTATED AND AMENDED MASTER BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON MARCH 20, 2000 (99-O-1896), AS AMENDED AND SUPPLEMENTED BY THE FIRST SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON MARCH 30, 2000 (00-O-0214), THE SECOND SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON OCTOBER 7, 2002 (02-O-1463), THE AMENDED AND RESTATED THIRD SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON MAY 19, 2003 (03-O-0772), THE FOURTH SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON JUNE 2, 2003 (03-O-0835), THE FIFTH SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON SEPTEMBER 15, 2003 (03-O-1448) AND THE SIXTH SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON NOVEMBER 17, 2003 (03-O-1871), TO PROVIDE FOR THE ISSUANCE OF REVENUE BONDS SECURED BY A SENIOR LIEN ON GENERAL REVENUES AND THE ISSUANCE OF HYBRID BONDS SECURED BY A SENIOR LIEN ON PFC REVENUES AND A SUBORDINATE LIEN ON GENERAL REVENUES TO PROVIDE FUNDS TO FINANCE OR REFINANCE, IN WHOLE OR IN PART, THE COST OF THE PLANNING, ENGINEERING, DESIGN, ACQUISITION, AND CONSTRUCTION OF CERTAIN IMPROVEMENTS TO HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT, TO PROVIDE FOR A REASONABLY REQUIRED DEBT SERVICE RESERVE AND TO PAY EXPENSES RELATING THERETO; TO PROVIDE FUNDS TO REFUND THE CITY'S OUTSTANDING AIRPORT LIMITED OBLIGATION BOND ANTICIPATION NOTES, SERIES 2003; TO RATIFY, AUTHORIZE AND APPROVE THE PREPARATION, USE AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND A FINAL OFFICIAL STATEMENT IN CONNECTION WITH THE OFFER AND SALE OF THE BONDS; TO PROVIDE FOR THE ANNUAL SUBMISSION OF CERTAIN FINANCIAL INFORMATION AND OPERATING DATA PURSUANT TO RULE 15c2-12 OF THE SECURITIES AND EXCHANGE COMMISSION; TO PROVIDE FOR THE FORM OF THE BONDS AND FOR THE EXECUTION OF THE BONDS; TO PROVIDE FOR THE PLACE OF PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; AND FOR OTHER PURPOSES:

WHEREAS, the City of Atlanta (the "**City**") is a municipal corporation duly created and existing under the laws of the State of Georgia; and

WHEREAS, pursuant to the Constitution and laws of the State of Georgia, including specifically, but without limitation, the Revenue Bond Law (Title 36, Chapter 82, Article 3 of the Official Code of Georgia Annotated, as amended) and the charter of the City, as amended (the "**Charter**"), the City is authorized to undertake the acquisition, construction, reconstruction and improvement of airports for its own use and for the use of the public and to issue revenue bonds to finance and refinance the cost of such undertaking; and

WHEREAS, the City owns and operates Hartsfield-Jackson Atlanta International Airport (the "**Airport**"); and

WHEREAS, pursuant to that certain Bond Ordinance adopted May 17, 1977, as amended (the "**1977 Bond Ordinance**"), the City has heretofore issued multiple series of airport revenue bonds; and

WHEREAS, the City previously determined that it desired to amend the 1977 Bond Ordinance to provide flexibility for Airport operations and permit the use of new financing devices and structures in the future, which flexibility was not available under the terms of the 1977 Bond Ordinance; and

WHEREAS, the City, pursuant to that certain Amended and Restated Master Bond Ordinance adopted March 20, 2000 (Ordinance No. 99-O-1896) (the "**Master Bond Ordinance**") as amended and supplemented by the First Supplemental Bond Ordinance adopted March 30, 2000 (Ordinance No. 00-O-0214) (the "**First Supplemental Bond Ordinance**"), provided for (a) the amendment and restatement of the 1977 Bond Ordinance, (b) the issuance and delivery of $711,880,000 original aggregate principal amount of Airport General Revenue and Refunding Bonds, Series 2000A (the "**Series 2000A Bonds**"), $201,995,000 original aggregate principal amount of Airport General Revenue Bonds, Series 2000B (the "**Series 2000B Bonds**") and $96,400,000 original aggregate principal amount of Airport General Revenue Refunding Bonds, Series 2000C (the "**Series 2000C Bonds**" and, together with the Series 2000A Bonds and the Series 2000B Bonds, the "**Series 2000 Bonds**"), which are currently outstanding in the aggregate principal amount of $550,870,000 (after giving effect to the refunding of certain Series 2000 Bonds with proceeds of the Series 2003 Bonds (hereinafter defined)) and (c) the defeasance of a portion of the airport revenue bonds then outstanding under the 1977 Bond Ordinance with a portion of the proceeds of the Series 2000 Bonds; and

WHEREAS, upon the adoption of the Master Bond Ordinance, the bonds issued by the City under the 1977 Bond Ordinance and not defeased with proceeds of the Series 2000 Bonds (the "**1977 Ordinance Bonds**"), became subject to the security and the terms and provisions of the Master Bond Ordinance; and

WHEREAS, pursuant to the terms of the Master Bond Ordinance, upon the earlier to occur of (i) the date of issuance of any Additional Bonds (as defined in the Master Bond Ordinance) after the issuance of any of the Series 2000 Bonds or (ii) the effective date of a release of Revenues (hereafter defined) pursuant to Section 505 of the Master Bond Ordinance (the "**Lien Clarification Date**"), the 1977 Ordinance Bonds shall, until their defeasance or payment, have a claim to payment from all lawfully and unconditionally received 1977 Pledged Revenues (as defined in the Master Bond Ordinance), prior to other Bonds, including the Series 2000 Bonds and any Additional Bonds; and

WHEREAS, pursuant to the Master Bond Ordinance and the Second Supplemental Bond Ordinance of the City of Atlanta adopted on October 7, 2002 (Ordinance No. 02-O-1463) (the "**Second Supplemental Bond Ordinance**"), the City issued its Airport Limited Obligation Bond Anticipation Notes, Series 2002 (the "**Series 2002 Notes**") in the aggregate principal amount of $300,000,000, which Series 2002 Notes were defeased with the proceeds of the hereinafter-described Series 2003 Notes; and

WHEREAS, pursuant to the terms of the Master Bond Ordinance, as supplemented by the Amended and Restated Third Supplemental Bond Ordinance of the City of Atlanta adopted on May 19, 2003 (Ordinance No. 03-O-0772) (the "**Third Supplemental Bond Ordinance**"), the City issued and delivered $86,055,000 original aggregate principal amount of its Airport General Revenue Refunding Bonds, Series 2003 RF-A and $490,170,000 original aggregate principal amount of its Variable Rate Airport General Revenue Refunding Bonds, Series 2003 RF-B-1, 2003 RF-B-2, 2003 RF-B-3, 2003 RF-C-1, 2003 RF-C-2, and 2003 RF-C-3 (collectively, the "**Series 2003RF-A/B/C Bonds**"), which are currently outstanding in the aggregate principal amount of $576,225,000, and the issuance of the Series 2003RF-A/B/C Bonds triggered the Lien Clarification Date; and

WHEREAS, the Master Bond Ordinance was further supplemented by the Fourth Supplemental Bond Ordinance of the City of Atlanta adopted on June 2, 2003 (Ordinance No. 03-O-0835) (the "**Fourth**

Supplemental Bond Ordinance"), pursuant to which certain definitions in the Master Bond Ordinance were modified; and

WHEREAS, the Master Bond Ordinance was further supplemented by the Fifth Supplemental Bond Ordinance of the City of Atlanta adopted on September 15, 2003 (Ordinance No. 03-O-1448) (the "**Fifth Supplemental Bond Ordinance**"), pursuant to which the City (i) issued and delivered $395,000,000 original aggregate principal amount of its Airport Limited Obligation Bond Anticipation Notes, Series 2003 (the "**Series 2003 Notes**"), which are currently outstanding in the aggregate principal amount of $395,000,000 and (ii) authorized the issuance and delivery of up to $550,000,000 aggregate principal amount of Hybrid Bonds (the "**Previously Authorized Series 2004 Bonds**"); and

WHEREAS, the Master Bond Ordinance was further supplemented by the Sixth Supplemental Bond Ordinance of the City of Atlanta adopted on November 17, 2003 (Ordinance No. 03-O-1871) (the "**Sixth Supplemental Bond Ordinance**"), pursuant to which the City issued and delivered $118,270,000 original aggregate amount of its Airport General Revenue Refunding Bonds, Series 2003 RF-D (the "**Series 2003RF-D Bonds,**" and, together with the Series 2003RF-A/B/C Bonds, the "**Series 2003 Bonds**"), which are currently outstanding in the aggregate principal amount of $118,270,000, to refund a portion of the 1977 Ordinance Bonds; and

WHEREAS, capitalized terms used herein and not otherwise defined herein are used with the meanings assigned thereto by the Master Bond Ordinance, as amended by the Fourth Supplemental Bond Ordinance; and

WHEREAS, the 1977 Ordinance Bonds are comprised of the City's Airport Facilities Revenue Bonds, Series 1990 (Capital Appreciation Bonds), Airport Facilities Revenue Bonds, Series 1994B and Airport Facilities Revenue Refunding Bonds, Series 1996, which are currently outstanding in the aggregate principal amount of $127,315,500; and

WHEREAS, the terms "1977 Pledged Revenues," "Revenues," "Net Revenues," "Operating Expenses," "General Revenues," "PFC Revenues," "Special Purpose Revenues" and "Released Revenues" are defined in the Master Bond Ordinance as:

> **"Revenues"** means (i) all revenues, income, receipts and money derived from the ownership and operation of the Airport, including without limitation all rentals, charges, landing fees, use charges and concession revenue received by or on behalf of the City, Investment Earnings and all other income received from, and gain from, securities and other investments and amounts earned on amounts deposited in funds and accounts under the Bond Ordinance or otherwise maintained with respect to the Airport, and (ii) all gifts, grants, reimbursements or payments received from governmental units or public agencies for the benefit of the Airport which are (y) not restricted by law or the payor to application for a particular purpose other than payment of certain Bonds or Contracts and (z) otherwise lawfully available for payment of Bonds or Contracts; provided **"Revenues"** includes PFC Revenues. The term **"Revenues"** does not include proceeds of insurance so long as such proceeds are to be paid to a party separate from the City in respect of a liability or are to be used to repair or replace portions of the Airport. **"Revenues"** are to be calculated on a cash basis rather than on an accrual basis.
>
> **"Net Revenues"** means, for each category of Revenues, Revenues net of Related Operating Expenses; provided for General Revenues, amounts in the General Revenue Enhancement Subaccount shall be taken into account as General Revenues, and for PFC Revenues, amounts in the PFC Revenue Enhancement Subaccount shall be taken into account as PFC Revenues.

"Operating Expenses" means all expenses reasonably incurred in connection with the operation, maintenance, repair, ordinary replacement and ordinary reconstruction of the Airport, including without limitation salaries, wages, the cost of materials, services and supplies, rentals of leased property, if any, management fees, utility costs, the cost of audits, Paying Agent's and Bond Registrar's fees, payment of premiums for insurance required by the Bond Ordinance and other insurance which the City deems prudent to carry on the Airport and its operations and personnel, and, generally, all expenses, exclusive of deprecation or amortization, which are properly allocable to operation and maintenance; however, only such expenses as are reasonably necessary or desirable for the proper operation and maintenance of the Airport shall be included. "Operating Expenses" also includes the City's obligations under any contract with any other political subdivision or public agency or authority of one or more political subdivisions pursuant to which the City undertakes to make payments measured by the expenses of operating and maintaining any facility which constitutes part of the Airport and which is owned and operated in part by the City and in part by others. "Operating Expenses" does not include any payments on Bonds, Contracts (including continuing commissions or commitment fees, remarketing agent fees, Additional Interest or amounts equivalent to principal on related Bonds) or Other Airport Obligations. "Operating Expenses" are to be calculated on a cash basis rather than on an accrual basis. To the extent Operating Expenses are allocable to particular related facilities, a lien on the portion of Revenues related thereto shall not provide a claim on such Revenues ahead of the use thereof for payment of such allocable Operating Expenses.

"General Revenues" means all Revenues other than PFC Revenues, Special Purpose Revenues and Released Revenues.

"PFC Revenues" means all income and revenue received by or required to be remitted to the City from the passenger facility charges imposed by the City pursuant to the Aviation Safety and Capacity Expansion Act of 1990, Pub. L. 101-508, Title IX, Subtitle B, §§9110 and 9111, as amended from time to time ("**PFC Act**"), Part 158 of the Federal Aviation Regulations (14 CFR Part 158), as amended from time to time, and any other regulation issued with respect to the PFC Act ("**PFC Regulations**") and the City Ordinance adopted on February 26, 1997, including any interest earned after such charges have been remitted to the City as provided in the PFC Regulations, all of which may be pledged pursuant to the PFC Act and PFC Regulations §158.13; provided, the term "PFC Revenues" also includes any interest or other gain in any of the accounts or subaccounts created in the Master Bond Ordinance or in any Supplemental Ordinance resulting from any investments and reinvestments of PFC Revenues.

"Special Purpose Revenues" means Revenues arising from or generated by one or more Special Purpose Facilities (as defined in the Master Bond Ordinance); provided if the consolidated rental car facility described in the First Supplemental Bond Ordinance is designated as a Special Purpose Facility, the related Special Purpose Revenues shall not include any privilege fee or similar charge assessed by the City or the Airport for rental car concessions.

"Released Revenues" means particular categories of Revenues which would otherwise be General Revenues or PFC Revenues but have been identified in accordance with Section 505 of the Master Bond Ordinance and therefore do not constitute a part of General Revenues or PFC Revenues, until the City has acted to include such categories of Revenues within General Revenues or PFC Revenues again.

"**1977 Pledged Revenues**" means all revenues generated by the Airport less the reasonable and necessary costs of operating, maintaining and repairing the Airport, including salaries, wages, the cost of materials and supplies, rental of leased property, if any, insurance and

other charges as may be properly made for the purpose of operating, maintaining and repairing the Airport in accordance with sound business practice, but excluding depreciation; provided for purposes of this definition, the term "Airport" shall include facilities designed as "Special Purpose Facilities" under the 1977 Bond Ordinance which are not connected with the general operation of Airport by the City and not designated or intended for use directly in connection with the transportation of passengers, baggage or freight or the furnishing of service in connection with such transportation.

WHEREAS, the issuance of the Series 2003RF-A/B/C Bonds triggered the Lien Clarification Date, and the 1977 Ordinance Bonds are secured by a lien on the 1977 Pledged Revenues prior to the Series 2000 Bonds and the Series 2003 Bonds; and

WHEREAS, the 1977 Ordinance Bonds, the Series 2000 Bonds, and the Series 2003 Bonds are the only bonded indebtedness outstanding secured by a lien on the General Revenues of the Airport; and

WHEREAS, pursuant to an ordinance adopted by the City Council on January 11, 2000, the City approved a capital improvement program of construction, renovation and expansion of the Airport (the "**Capital Improvement Plan**"); and

WHEREAS, due to federal requirements, the City is required to provide for the planning, engineering, design, acquisition, equipping and construction of in-line hold baggage screening facilities, a portion of the costs of which (the "**2003 Security Project**") were financed on an interim basis with proceeds of the Series 2003 Notes; and

WHEREAS, the City desires to provide for renovations and improvements to concourse C of the passenger terminal to facilitate enplaning and deplaning of regional aircraft (the "**Regional Aircraft Concourse Project**"); and

WHEREAS, a portion of the Capital Improvement Plan includes the planning, engineering, design, acquisition, equipping and construction of (i) the Airport's fifth runway, including certain structures to span Interstate 285 for the support of the Airport's fifth runway and associated taxiways, (ii) airfield lighting, (iii) Airport taxiways, (iv) other airfield projects, (v) certain portions of the Maynard H. Jackson, Jr. International Terminal, and (vi) additions and improvements to the existing central passenger terminal complex (the "**2004 Airport Project**" and, together with the 2003 Security Project and the Regional Aircraft Concourse Project, the "**2004 Project**"); and

WHEREAS, it has been determined that the most feasible method of raising funds to finance or refinance the 2004 Project, including those portions of the 2004 Project financed on an interim basis by the Series 2003 Notes, to provide for a reasonably required debt service reserve, and to pay expenses relating thereto is for the City to issue its (i) General Airport Revenue Bonds, Series 2004A (the "**Series 2004A Bonds**") and Series 2004B (the "**Series 2004B Bonds**" and, together with the Series 2004A Bonds, the "**Series 2004A/B Bonds**") in an aggregate principal amount not to exceed $275,000,000, (ii) Airport Passenger Facility Charge and Subordinate Lien General Revenue Bonds, Series 2004C (the "**Series 2004C Bonds**"), Series 2004D (Auction Rate Securities) (the "**Series 2004D Bonds**") and Series 2004E (Auction Rate Securities) (the "**Series 2004E Bonds**" and, together with the Series 2004D Bonds, the "**Series 2004D/E Bonds**"), in an aggregate principal amount not to exceed $675,000,000 (the Series 2004C Bonds, the Series 2004D Bonds and the Series 2004E Bonds are sometimes collectively referred to as the "**Series 2004C/D/E Bonds**," and, together with the Series 2004A/B Bonds, the "**Series 2004 Bonds**"); and

WHEREAS, the Series 2004C/D/E Bonds will be issued in lieu of the Previously Authorized Series 2004 Bonds, and the Previously Authorized Series 2004 Bonds will not be issued; and

WHEREAS, the City desires to secure the repayment of the Series 2004A/B Bonds with a senior lien on General Revenues of the Airport, which General Revenues also secure repayment of the 1977 Ordinance Bonds, the Series 2000 Bonds, and the Series 2003 Bonds; and

WHEREAS, pursuant to Section 502(b) of the Master Bond Ordinance, Additional Senior Lien Bonds may be issued on a parity with the Series 2000 Bonds and the Series 2003 Bonds as to Lien on the General Revenues pursuant to a Supplemental Bond Ordinance, if the conditions set forth therein are satisfied; and

WHEREAS, after extensive study and investigation, the City has determined that the anticipated General Revenues to be received by the City from time to time over the term of the Series 2004A/B Bonds will be sufficient to provide for the payment of the principal of, premium (if any) and interest on the 1977 Ordinance Bonds, the Series 2000 Bonds, the Series 2003 Bonds, and the Series 2004A/B Bonds and any other amounts, charges, fees and expenses payable with respect to the 1977 Ordinance Bonds, the Series 2000 Bonds, the Series 2003 Bonds, and the Series 2004A/B Bonds, as and when the same become due; and

WHEREAS, the City has received a report of its airport consultant, Leigh Fisher Associates (the **"Airport Consultant"**), which is attached hereto as Exhibit B and hereby made a part hereof (the "**Report of the Airport Consultant**"), that shows that in each fiscal year of the Forecast Period the forecasted Net General Revenues (without consideration of (i) any amounts in the General Revenue Enhancement Subaccount, or (ii) gifts or grants or expenditures of such gifts or grants) are expected to equal at least 130 percent of the Maximum Annual Debt Service Requirement of the Outstanding 1977 Ordinance Bonds, the Series 2000 Bonds, the Series 2003 Bonds and the Series 2004A Bonds hereinafter authorized to be issued; and

WHEREAS, prior to the issuance of the Series 2004A/B Bonds, the City will receive a report from an Independent Certified Public Accountant to the effect that the payments required to be made into each account or subaccount of the Sinking Fund have been made and the balance in each account or subaccount of the Sinking Fund is not less than the balance required by the Bond Ordinance as of the date of issuance of the Series 2004A/B Bonds hereinafter authorized to be issued; and

WHEREAS, the Series 2004A/B Bonds when issued will be secured on a parity with the Series 2000 Bonds and the Series 2003 Bonds as General Revenue Bonds with a Senior Lien on General Revenues, subject only to the lien on General Revenues securing the 1977 Ordinance Bonds; and

WHEREAS, the City expects that the principal of and interest on the Series 2004C/D/E Bonds will be repaid in whole or in part from PFC Revenues to be received by the Airport from time to time, and the City desires to secure the repayment of the Series 2004C/D/E Bonds with a Senior Lien on such PFC Revenues, subject to any prior right to PFC Revenues to which the owners of the 1977 Ordinance Bonds may be entitled; and

WHEREAS, to provide additional security for the Series 2004C/D/E Bonds and in that way to enhance the marketability of the Series 2004C/D/E Bonds, the City desires to secure the repayment of the Series 2004C/D/E Bonds with a Subordinate Lien on General Revenues, and the Lien on General Revenues securing the Series 2004C/D/E Bonds will be subordinate to the Lien on General Revenues securing the 1977 Ordinance Bonds, the Series 2000 Bonds, the Series 2003 Bonds and the Series 2004A/B Bonds; and

WHEREAS, pursuant to Sections 502(b) and 504(c) of the Master Bond Ordinance, Additional Bonds may be issued as Hybrid Bonds with a Senior Lien on PFC Revenues if the conditions set forth therein are satisfied; and

WHEREAS, pursuant to Section 504(c) of the Master Bond Ordinance, Additional Bonds may be issued as Hybrid Bonds with a Subordinate Lien on General Revenues if the conditions set forth therein are satisfied; and

WHEREAS, after extensive study and investigation, the City has determined that the anticipated PFC Revenues to be received by the City from time to time will be sufficient to provide for the payment of the principal of, premium (if any) and interest on the Series 2004C/D/E Bonds and any other amounts, charges, fees and expenses payable with respect to the Series 2004C/D/E Bonds, as and when the same become due; and

WHEREAS, a category or portion of revenues, income, receipts and money relating to a definable service, facility or program of the Airport may be withdrawn from General Revenues or PFC Revenues, including for PFC Revenues amounts authorized to be charged and actually charged in excess of a particular dollar amount, and thereafter treated as Released Revenues for all purposes, including the security for Released Revenue Bonds, if certain conditions are met; and

WHEREAS, it is proposed that the City should amend the Master Bond Ordinance to establish debt service coverage tests for purposes of Section 502(b) of the Master Bond Ordinance, and Section 1001(k) of the Master Bond Ordinance permits the modification of the Master Bond Ordinance in connection with the issuance of Additional Bonds or Subordinate Lien Bonds, and such modification may deal with any subjects and make any provisions relating to the Additional Bonds or Subordinate Lien Bonds which the City deems necessary or desirable for that purpose; and

WHEREAS, it is further proposed that the City should amend the Master Bond Ordinance to establish a percentage of Maximum Annual Debt Service Requirements for purposes of Section 505(a)(1) of the Master Bond Ordinance (relating to Released PFC Revenues) simultaneously with the issuance of the Series 2004C/D/E Bonds, and Section 1001(m) of the Master Bond Ordinance permits the modification of the Master Bond Ordinance as may be deemed necessary for the City to accommodate the issuance of PFC Revenue Bonds; and

WHEREAS, to ensure compliance with Securities and Exchange Commission Rule 15c2-12, it is necessary and desirable to authorize the execution and delivery by the City of a continuing disclosure certificate with respect to the Series 2004 Bonds, pursuant to which the City will agree to provide notices of certain events and to submit annually certain financial information and operating data to specified information repositories; and

WHEREAS, prior to the actual issuance and delivery of the Series 2004 Bonds, the City will adopt a Supplemental Resolution that will set forth, among other things, the aggregate principal amount of the Series 2004 Bonds to be issued, the interest rate or rates that the Series 2004 Bonds of each Series will bear, the principal amount to mature in each year and the maturities of the Series 2004 Bonds of each series which will be designated as term bonds and subject to mandatory redemption and the terms of any bond insurance policy to be issued with respect to the Series 2004 Bonds of each series; and

WHEREAS, the City must now authorize the preparation, use and distribution of the preliminary official statements pertaining to the Series 2004 Bonds and the validation, execution, authentication, issuance, sale and delivery of the Series 2004 Bonds.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Atlanta, as follows:

ARTICLE I.
GENERAL; DEFINITIONS

Section 1.1. Seventh Supplemental Bond Ordinance.

This Seventh Supplemental Bond Ordinance is adopted pursuant to and in accordance with Section 201 of the Master Bond Ordinance, as supplemented and amended by the First Supplemental Bond Ordinance, the Second Supplemental Bond Ordinance, the Third Supplemental Bond Ordinance, the Fourth Supplemental Bond Ordinance, the Fifth Supplemental Bond Ordinance and the Sixth Supplemental Bond Ordinance and all terms, covenants, restrictions and provisions of the Master Bond Ordinance, as supplemented and amended by the First Supplemental Bond Ordinance, the Second Supplemental Bond Ordinance, the Third Supplemental Bond Ordinance, the Fourth Supplemental Bond Ordinance, the Fifth Supplemental Bond Ordinance and the Sixth Supplemental Bond Ordinance shall be applicable to the Series 2004 Bonds authorized by this Seventh Supplemental Bond Ordinance and the proceeds thereof, except as otherwise expressly provided herein. All of the terms and provisions of this Seventh Supplemental Bond Ordinance shall be deemed to be a part of the terms and provisions of the Master Bond Ordinance, as supplemented and amended by the First Supplemental Bond Ordinance, the Second Supplemental Bond Ordinance, the Third Supplemental Bond Ordinance, the Fourth Supplemental Bond Ordinance, the Fifth Supplemental Bond Ordinance and the Sixth Supplemental Bond Ordinance for all purposes, and the Master Bond Ordinance, the First Supplemental Bond Ordinance, the Second Supplemental Bond Ordinance, the Third Supplemental Bond Ordinance, the Fourth Supplemental Bond Ordinance, the Fifth Supplemental Bond Ordinance, the Sixth Supplemental Bond Ordinance and this Seventh Supplemental Bond Ordinance (hereinafter sometimes collectively referred to as the "**Bond Ordinance**") shall be read, taken and construed as one and the same instrument.

Section 1.2. Definitions.

All terms as defined in the Master Bond Ordinance shall have the same meaning herein, unless the context otherwise indicates.

In addition to the foregoing, the following terms shall have the meanings hereafter set forth:

"Interest Payment Date" means, for the Series 2004A/B Bonds and the Series 2004C Bonds, each January 1 and July 1, commencing January 1, 2005, through the final maturity of the Series 2004A/B Bonds or Series 2004C Bonds, as applicable, and for the Series 2004D/E Bonds, has the meaning assigned to such term in Exhibit C to the Seventh Supplemental Bond Ordinance.

"Net General Revenues" means General Revenues, including amounts in the General Revenue Enhancement Subaccount, net of Operating Expenses.

ARTICLE II.
ISSUANCE OF THE SERIES 2004A AND SERIES 2004B BONDS

Section 2.1. Authorization of the Series 2004A and Series 2004B Bonds.

For the purpose of providing funds to finance or refinance a portion of the costs of the planning, engineering, design, acquisition and construction of the 2004 Project, including capitalized interest during the period of construction of the 2004 Project, to provide for a reasonably required debt service reserve

and to pay expenses necessary to accomplish the foregoing, the issuance of the Series 2004A Bonds and the Series 2004B Bonds is hereby authorized. The Series 2004A Bonds shall be designated as "City of Atlanta Airport General Revenue Bonds, Series 2004A" and the Series 2004B Bonds shall be designated as "City of Atlanta Airport General Revenue Bonds, Series 2004B" (collectively, the "**Series 2004A/B Bonds**"). The Series 2004A/B Bonds shall be issued in an aggregate principal amount not to exceed $275,000,000. The Series 2004A/B Bonds shall be dated not later than the date on which issued and delivered, shall be in the form of fully registered bonds without coupons, shall be in the denomination of $5,000 or any integral multiple thereof, shall be numbered from RA-1 or RB-1 upwards, as applicable, shall bear interest from date at such rate or rates not exceeding six percent per annum, all interest payable semiannually on January 1 and July 1 in each year and shall be subject to optional redemption as provided by the City as hereinafter provided. The principal of the Series 2004A/B Bonds shall mature (or be acquired by mandatory redemption proceedings) on January 1 in such year or years not later than 2033, such that highest amount of Debt Service Requirement of the Series 2004A/B Bonds in any Sinking Fund Year shall not exceed $20,000,000. The Series 2004A/B Bonds shall be book-entry bonds as described in Section 210 of the Master Bond Ordinance and as such shall be subject to Section 6.1 of this Seventh Supplemental Ordinance. The Series 2004A/B Bonds may be further designated into any number of subseries as set forth in a Supplemental Ordinance for purposes of establishing and maintaining different tax treatment for each subseries of Series 2004A/B Bonds.

The provisions for dates, authentication, payment, registration and optional, mandatory and extraordinary redemption shall be in accordance with Article II and Article III of the Master Bond Ordinance and as set forth in a Supplemental Bond Ordinance.

Section 2.2. Series 2004A/B Bonds are General Revenue Bonds.

The Series 2004A/B Bonds shall be payable from and secured by General Revenues and shall rank on a parity with the Series 2000 Bonds and the Series 2003 Bonds as to lien on General Revenues, subject only to the payment of the 1977 Ordinance Bonds, pursuant to authorization granted by Article V of the Master Bond Ordinance. The City hereby finds, determines, declares, and certifies that it shall fulfill all of the applicable requirements of Article V of the Master Bond Ordinance (including the Additional Senior Lien Bond Test) that are conditions precedent to the issuance of the Series 2004A/B Bonds on a parity basis with the Series 2000 Bonds and the Series 2003 Bonds, subject only to the payment of the 1977 Ordinance Bonds, prior to the issuance of the Series 2004A/B Bonds, or the Series 2004A/B Bonds shall not be issued.

Section 2.3. Execution; Form of Series 2004A/B Bonds.

(a) The Series 2004A/B Bonds shall be executed on behalf of the City by use of the manual or facsimile signature of the Mayor of the City and attested by the manual or facsimile signature of the Municipal Clerk of the City and the official seal of the City shall be impressed thereon or a facsimile thereof imprinted thereon, and the Series 2004A/B Bonds shall be authenticated by the manual signature of a duly authorized signatory of the bond registrar with respect to the Series 2004A/B Bonds. The validation certificate to be printed on the Series 2004A/B Bonds shall be executed by use of the manual or facsimile signature of the Clerk of the Superior Court of Fulton County and the official seal of said Court shall be impressed thereon or a facsimile thereof shall be imprinted thereon. If there is a municipal bond insurance policy insuring payment of the Series 2004A/B Bonds when due, there shall be printed on the Series 2004A/B Bonds a Statement of Insurance prepared by the Credit Issuer. In case any officer whose signature shall appear on the Series 2004A/B Bonds shall cease to be such officer before delivery of such Series 2004A/B Bonds, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

(b) The Series 2004A/B Bonds, the validation certificate and the bond registrar's certificate of authentication shall be in substantially the forms set out below, with such variations, omissions, substitutions and insertions as are required or permitted by the Bond Ordinance.

A true copy,
Rhonda Daughin Johnson
Municipal Clerk

ADOPTED by the Council April 19, 2004
APPROVED by the Mayor April 27, 2004

[FORM OF SERIES 2004A/B BONDS]

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

No. R[A or B]-____ **$_____**

UNITED STATES OF AMERICA
STATE OF GEORGIA

CITY OF ATLANTA
AIRPORT GENERAL REVENUE BOND
SERIES 2004[A or B]

DATE:	INTEREST RATE: %	MATURITY DATE:	CUSIP:

FOR VALUE RECEIVED, the **CITY OF ATLANTA** (the "City"), a municipal corporation duly created and existing under the laws of the State of Georgia, hereby promises to pay solely from the sources hereinafter described to **CEDE & CO.**, or registered assigns, the principal sum of _____ **DOLLARS** in lawful money of the United States of America, on the date specified above, unless redeemed prior thereto as hereinafter provided, upon presentation and surrender of this Series 2004[A or B] Bond to Wachovia Bank, National Association, as registrar and paying agent (the "Bond Registrar" or the "Paying Agent"), and to pay interest on said principal sum (computed on the basis of a 360-day year of twelve 30-day months) at the interest rate per annum specified above, payable semiannually on January 1 and July 1 of each year (each such date an "Interest Payment Date"), commencing January 1, 2005, from the Interest Payment Date next preceding the date of authentication of this Series 2004[A or B] Bond to which interest has been paid or provided for, unless the date of authentication of this Series 2004[A or B] Bond is an Interest Payment Date to which interest has been paid or provided for, in which case from the date of authentication hereof, or unless no interest has been paid hereon, in which case from the date hereof, or unless such authentication date shall be after any record date (hereinafter defined) and before the next succeeding Interest Payment Date, in which case interest shall be paid from the next succeeding Interest Payment Date.

The interest payable on any Interest Payment Date will be paid by first class mail, postage prepaid, mailed on the date on which due to the person in whose name this Series 2004[A or B] Bond is registered at the close of business on the 15th day of the calendar month next preceding such Interest Payment Date (each such date, a "Record Date") at the address shown on the bond register maintained by the Bond Registrar on such Record Date, except that any interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner of this Series 2004[A or B] Bond as of the Record Date and shall be payable to the person who is the registered owner of this Series 2004[A or B] Bond at the close of business on a special record date for the payment of such defaulted interest. Such special record date shall be fixed by the Bond Registrar whenever moneys become available for the payment of such defaulted interest, and notice of the special record date shall be given by first class mail

by the Bond Registrar or by or on behalf of the City to the owner hereof not less than 50 days prior thereto.

Notwithstanding the foregoing, however, interest on this Series 2004[A or B] Bond shall be payable to any registered owner of more than $1,000,000 in aggregate principal amount of the Series 2004[A or B] Bonds by deposit of immediately available funds to the account of such registered owner maintained with the Paying Agent or transmitted by wire transfer to such registered owner at an account maintained at a commercial bank located within the United States of America, if the Paying Agent receives from such registered owner written deposit or wire transfer instructions prior to the Record Date preceding the Interest Payment Date for which the deposit or wire transfer is requested.

The principal of this Series 2004[A or B] Bond is payable only upon presentation and surrender of this bond at the principal corporate trust office of the Bond Registrar and Paying Agent, or its successor or successors, in any coin or currency of the United States of America which at the time of such payment is legal tender for public and private debts.

Notwithstanding the foregoing, so long as this Series 2004[A or B] Bond is registered in the name of Cede & Co., payment of principal of and interest on this Series 2004[A or B] Bond shall be made by wire transfer to Cede & Co.

This Series 2004[A or B] Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Ordinance (hereinafter described) until this Series 2004[A or B] Bond shall have been authenticated and registered upon the registration books kept by the Bond Registrar for that purpose, which authentication shall be evidenced by the manual execution of the certificate hereon by the Bond Registrar.

This Series 2004[A or B] Bond is one of a series of airport general revenue bonds in the aggregate principal amount of $_____ duly authorized and designated "City of Atlanta Airport General Revenue Bonds, Series 2004[A or B]" (the "Series 2004[A or B] Bonds") all of like tenor, except as to authentication dates, numbers, denominations, interest rates and maturities. The Series 2004[A or B] Bonds are issued by the City pursuant to the Constitution and laws of the State of Georgia, including specifically, but without limitation, Article 3 of Chapter 82 of Title 36 of the Official Code of Georgia Annotated, as amended, known as the "Revenue Bond Law," the Charter of the City of Atlanta, as amended, and the Restated and Amended Master Bond Ordinance adopted March 20, 2000 by the City, as amended and supplemented by a First Supplemental Bond Ordinance adopted by the City on March 30, 2000, a Second Supplemental Bond Ordinance duly adopted by the City on October 7, 2002, the Amended and Restated Third Supplemental Bond Ordinance of the City adopted on May 19, 2003, the Fourth Supplemental Bond Ordinance of the City adopted on June 2, 2003, the Fifth Supplemental Bond Ordinance of the City adopted on September 15, 2003, the Sixth Supplemental Bond Ordinance adopted by the City on November 17, 2003 and a Seventh Supplemental Bond Ordinance adopted by the City on April ___, 2004 (collectively, the "Bond Ordinance"), for the purpose of providing funds to finance or refinance all or a portion of the costs of acquiring, construction, installing and equipping certain improvements and additions to the City's Hartsfield-Jackson Atlanta International Airport (the "Airport"), including capitalized interest during the period of construction of such additions and improvements, to provide for a reasonably required debt service reserve and to pay expenses necessary to accomplish the foregoing.

Pursuant to the Bond Ordinance, the City has heretofore issued and delivered $711,880,000 original aggregate principal amount of its Airport General Revenue and Refunding Bonds, Series 2000A (the "Series 2000A Bonds"), $201,995,000 original aggregate principal amount of its Airport General Revenue Bonds, Series 2000B (the "Series 2000B Bonds") and $96,400,000 original aggregate principal

amount of its Airport General Revenue Refunding Bonds, Series 2000C (the "Series 2000C Bonds" and, together with the Series 2000A Bonds and the Series 2000B Bonds, the "Series 2000 Bonds"), $86,055,000 original aggregate principal amount of its Airport General Revenue Refunding Bonds, Series 2003 RF-A, $490,170,000 original aggregate principal amount of its Variable Rate Airport General Revenue Refunding Bonds, Series 2003 RF-B-1, 2003 RF-B-2, 2003 RF-B-3, 2003 RF-C-1, 2003 RF-C-2, and 2003 RF-C-3, (collectively, the "Series 2003RF-A/B/C Bonds"), and $118,270,000 original aggregate principal amount of its Airport General Revenue Refunding Bonds, Series 2003 RF-D Bonds (the "Series 2003RF-D Bonds," and together with the Series 2003RF-A/B/C Bonds, the "Series 2003 Bonds"). The Series 2000 Bonds and the Series 2003 Bonds are General Revenue Bonds (as defined in the Bond Ordinance) secured by a Senior Lien on the General Revenues (as defined in the Bond Ordinance) of the Airport, subject in right of payment to certain prior airport revenue bonds of the City (the "1977 Ordinance Bonds"). The General Revenues include generally all revenues arising from the ownership or operation of the Airport, but specifically excluding "PFC Revenues" (revenues received by or required to be remitted to the City from the passenger facility charges imposed by the City pursuant to the Aviation Safety and Capacity Expansion Act of 1990), "Special Purpose Revenues" (revenues arising from or generated by one or more Special Purpose Facilities (as defined in the Bond Ordinance)), and "Released Revenues" (particular revenues identified by the City in accordance with the provisions of the Bond Ordinance).

Concurrently with the issuance of the Series 2004[A or B] Bonds, pursuant to the Seventh Supplemental Bond Ordinance the City is issuing and delivering $_____ aggregate principal amount of its General Revenue Bonds, Series 2004[A or B] (the "Series 2004[A or B] Bonds" and, together with the Series 2004[A or B] Bonds, the "Series 2004A/B Bonds"). The Series 2004A/B Bonds are secured on a parity with the Series 2000 Bonds and the Series 2003 Bonds by a senior lien on the General Revenues of the Airport, subject only to the payment of the 1977 Ordinance Bonds. Pursuant to the Bond Ordinance, upon compliance with certain conditions, the City may (i) issue additional revenue bonds secured on a parity with the Series 2000 Bonds, the Series 2003 Bonds and the Series 2004A/B Bonds, (ii) issue additional revenue bonds secured on a subordinate basis to payment from the same revenues securing the Series 2000 Bonds, the Series 2003 Bonds and the Series 2004A/B Bonds, (iii) issue additional revenue bonds secured by revenues different from the revenues securing the Series 2000 Bonds, the Series 2003 Bonds and the Series 2004A/B Bonds, (iv) issue additional revenue bonds secured by a combination of (i) and (iii) or (ii) and (iii), (v) release from the revenues securing the Series 2000 Bonds, the Series 2003 Bonds and the Series 2004A/B Bonds a defined category of revenues which will no longer secure the Series 2000 Bonds, the Series 2003 Bonds and the Series 2004A/B Bonds either (1) to secure additional revenue bonds or (2) to be sold, leased, loaned or otherwise transferred to another party or (vi) grant a lien securing other obligations on a parity with or on a subordinate basis to the Series 2000 Bonds, the Series 2003 Bonds and the Series 2004A/B Bonds. All such additional bonds, the 1977 Ordinance Bonds, the Series 2000 Bonds, the Series 2003 Bonds and the Series 2004A/B Bonds are hereinafter referred to as the "General Revenue Bonds."

The City has covenanted and hereby covenants and agrees at all times while any General Revenue Bonds are outstanding and unpaid to prescribe, fix, maintain, and collect rates, fees, and other charges for the services and facilities of the Airport to: (i) provide for 100 percent of the Operating Expenses of the Airport (except for certain specific facilities) and for the accumulation in the Revenue Fund, as defined in the Bond Ordinance, of a reasonable reserve therefor, and (ii) produce Net General Revenues, as defined in the Bond Ordinance, in each Fiscal Year, as defined in the Bond Ordinance, which will: (a) equal at least 120 percent (110 percent without regard to amounts in the General Revenue Enhancement Subaccount) of the debt service requirement of all 1977 Ordinance Bonds and General Revenue Bonds, including the Series 2004A/B Bonds, (b) enable the City to make all payments required to come from General Revenues into any Debt Service Reserve Account and the Rebate Account and on Contracts or Other Airport Obligations, as each is defined in the Bond Ordinance, (c) enable the City to

accumulate an amount to be held in the Renewal and Extension Fund, as defined in the Bond Ordinance, which in the judgment of the City is adequate to meet the costs of major renewals, replacements, repairs, additions, betterments, and improvements to the Airport, necessary to keep the same in good operating condition or as is required by any governmental agency having jurisdiction over the Airport, and (d) with other revenues, remedy all deficiencies in required payments into any of the funds and accounts mentioned in the Bond Ordinance from prior Fiscal Years.

THE SERIES 2004[A OR B] BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OF THE CITY NOR A PLEDGE OF THE FAITH AND CREDIT OF THE CITY. THE SERIES 2004[A OR B] BONDS SHALL NOT BE PAYABLE FROM OR BE A CHARGE UPON ANY FUNDS OTHER THAN THE REVENUES AND AMOUNTS PLEDGED TO THE PAYMENT THEREOF, NOR SHALL THE CITY BE SUBJECT TO ANY PECUNIARY LIABILITY THEREON. NO OWNER OR OWNERS OF THIS SERIES 2004[A OR B] BOND SHALL EVER HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY TO PAY THIS SERIES 2004[A OR B] BOND OR THE INTEREST HEREON, NOR TO ENFORCE PAYMENT OF THIS SERIES 2004[A OR B] BOND AGAINST ANY PROPERTY OF THE CITY; NOR SHALL THIS SERIES 2004[A OR B] BOND CONSTITUTE A CHARGE, LIEN, OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY PROPERTY OF THE CITY, EXCEPT FOR THE PLEDGED REVENUES AND ANY OTHER FUNDS PLEDGED TO SECURE THE PAYMENT OF THE SERIES 2004[A OR B] BONDS.

No covenants, stipulations, obligations or agreements of any officer, agent, attorney or employee of the City shall be deemed to be covenants, stipulations, obligations or agreements of any such officer, agent, attorney or employee, past or present, in his individual capacity. No recourse shall be had for the payment of the Series 2004[A or B] Bonds or any claim thereon against any member, director, officer, agent, attorney or employee of the City, past, present or future.

The person in whose name this Series 2004[A or B] Bond is registered on the registration books kept by the Bond Registrar shall be deemed to be the owner of this Series 2004[A or B] Bond for all purposes. The Series 2004[A or B] Bonds are being issued by means of a book-entry system, with actual Series 2004[A or B] Bonds immobilized at The Depository Trust Company, New York, New York (the "Securities Depository"), or its successor as Securities Depository, evidencing ownership of the Series 2004[A or B] Bonds in Authorized Denominations (hereinafter defined), and with transfers of beneficial ownership effected on the records of the Securities Depository and its participants pursuant to the rules and procedures established by the Securities Depository. Actual Series 2004[A or B] Bonds are not available for distribution to the owners of beneficial interests in the Series 2004[A or B] Bonds registered in book-entry form (the "Beneficial Owners"), except under the limited circumstances set forth in the Bond Ordinance. The principal, redemption premium (if any) and interest on the Series 2004[A or B] Bonds are payable by the Paying Agent to Cede & Co., as nominee of the Securities Depository. Transfers of principal, redemption premium (if any) and interest payments to participants of the Securities Depository is the responsibility of the Securities Depository and transfers of principal, redemption premium (if any) and interest to Beneficial Owners of the Series 2004[A or B] Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of Beneficial Owners. Neither the City nor the Bond Registrar and Paying Agent is responsible or liable for maintaining, supervising or reviewing the records maintained by the Securities Depository, its participants or persons acting through such participants. If the Series 2004[A or B] Bonds are no longer registered to a Securities Depository or its nominee, this Series 2004[A or B] Bond may be registered as transferred only upon the registration books kept for that purpose at the principal corporate trust office of the Bond Registrar by the registered owner hereof in person, or by his or her attorney duly authorized in writing, upon presentation and surrender to the Bond Registrar of this Series 2004[A or B] Bond duly endorsed for registration of transfer or accompanied by an assignment duly executed by the registered owner or his or

her attorney duly authorized in writing, and thereupon a new registered bond, in the same aggregate principal amount and of the same maturity, shall be issued to the transferee in exchange therefor. In addition, if the Series 2004[A or B] Bonds are no longer registered to a Securities Depository, this Series 2004[A or B] Bond may be exchanged by the registered owner hereof or his or her duly authorized attorney upon presentation at the principal corporate trust office of the Bond Registrar for an equal aggregate principal amount of Series 2004[A or B] Bonds of the same maturity and in any Authorized Denominations in the manner, subject to the conditions and upon payment of charges, if any, provided in the Bond Ordinance.

The Series 2004[A or B] Bonds are issuable in the form of fully registered bonds in Authorized Denominations and may be exchanged by the registered owner hereof or his duly authorized attorney upon presentation at the principal corporate trust office of the Bond Registrar for an equal aggregate principal amount of Series 2004[A or B] Bonds of the same maturity and series and in any authorized denominations in the manner, subject to the conditions and upon payment of charges, if any, provided in the Bond Ordinance. As used herein, the term "Authorized Denominations" means $5,000 and any integral multiple thereof.

The Series 2004[A or B] Bonds may not be called for optional redemption prior to January 1, 200___. The Series 2004[A or B] Bonds maturing on or after January 1, 20__ may be redeemed prior to their respective maturities at the option of the City, either in whole or in part at any time not earlier than January 1, 20__, in the manner and subject to the provisions of the Bond Ordinance, at the respective redemption prices (expressed as percentages of the principal amount) set forth below, together with accrued interest to the redemption date:

Redemption Dates (both dates inclusive)	Redemption Price

If less than all of the Series 2004[A or B] Bonds of a maturity shall be called for redemption, the particular bonds or portions thereof to be redeemed shall be selected by lot in such manner as may be designated by the Bond Registrar.

Notice of redemption, unless waived, is to be given by first class mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the registered owner of each Series 2004[A or B] Bond to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar. All such Series 2004[A or B] Bonds called for redemption and for the retirement of which funds are duly provided shall, on the redemption date designated in such notice, become and be due and payable at the redemption price provided for redemption of such Series 2004[A or B] Bonds on such date, and interest on the Series 2004[A or B] Bonds or portions of Series 2004[A or B] Bonds so called for redemption shall cease to accrue, such Series 2004[A or B] Bonds or portions of Series 2004[A or B] Bonds shall cease to be entitled to any lien, benefit, or security under the Bond Ordinance, and the owners of such Series 2004[A or B] Bonds or portions of Series 2004[A or B] Bonds shall have no rights in respect thereof except to receive payment of the redemption price. The Bond Ordinance permits optional redemptions as described above to be conditioned on the occurrence of particular events and, if a redemption is so conditioned, the notice thereof will specify the terms of such conditional redemption. Any defect in any notice of redemption shall not affect the validity of proceedings for the redemption of any Series 2004[A or B] Bonds.

The Bond Ordinance contains a more particular statement of the covenants and provisions securing the Series 2004[A or B] Bonds, the conditions under which the owner of this Series 2004[A or B] Bond may enforce covenants (other than the covenant to pay principal of and interest on this Series 2004[A or B] Bond when due from the sources provided, the right to enforce which is unconditional), the conditions upon which additional revenue bonds may be issued on a parity or achieve parity status with this Series 2004[A or B] Bond under the Bond Ordinance, and the conditions upon which the Bond Ordinance may be amended or supplemented. Upon the occurrence of an Event of Default under the Bond Ordinance, the owner of this Series 2004[A or B] Bond shall be entitled to the remedies provided by the Bond Ordinance and the Revenue Bond Law.

It is hereby certified, recited, and declared that all acts, conditions, and things required by the Constitution and the laws of the State of Georgia to exist, happen, and be performed precedent to and in the issuance of this Series 2004[A or B] Bond and the adoption of the Bond Ordinance do exist, have happened, and have been performed in due time, form, and manner as required by law.

IN WITNESS WHEREOF, the City has caused this Series 2004[A or B] Bond to be executed by the manual [facsimile] signature of its Mayor and has caused the official seal of the City to be impressed on this Series 2004[A or B] Bond and attested by the manual [facsimile] signature of its Municipal Clerk, as of _____, 2004.

(SEAL)

CITY OF ATLANTA

By:_____
Mayor

Attest:

_____
Municipal Clerk

* * * * *

CERTIFICATE OF AUTHENTICATION

Date of Authentication:_____

This bond is one of the Series 2004[A or B] Bonds described herein.

_____,
as Bond Registrar

By:_____
Authorized Signatory

* * * * *

VALIDATION CERTIFICATE

STATE OF GEORGIA)
)
COUNTY OF FULTON)

The undersigned Clerk of the Superior Court of Fulton County, State of Georgia, **DOES HEREBY CERTIFY** that this Bond and the security therefor was validated and confirmed by judgment of the Superior Court of Fulton County, on _____, 2004, that no intervention or objection was filed opposing the validation of this Bond and the security therefor, and that no appeal of such judgment of validation has been taken.

Witness my (facsimile) signature and seal of the Superior Court of Fulton County, Georgia.

_____
Clerk, Superior Court
of Fulton County, Georgia

(SEAL)

* * * * *

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

_____

_____
[Please print or typewrite name and address including postal zip code.]

_____
[Please insert Social Security or Tax Identification Number of Assignee.]

the within bond and all rights thereunder, hereby constituting and appointing

_____

attorney to transfer this Bond on the bond registration book kept for such purpose by the Bond Registrar, with full power of substitution in the premises.

Signature Guaranteed

_____

Notice: Signature(s) must be guaranteed by an eligible guarantor Authority (such as banks, stockbrokers, savings and loan associations and credit unions) with membership in an approved Signature Guarantee Medallion Program pursuant to S.E.C. Rule 17Ad-15.

_____
Registered Owner

Notice: The signature(s) on this assignment must correspond with the name as it appears on the face of the within bond in every particular without alterations, enlargement or any change whatsoever.

* * * * *

[STATEMENT OF INSURANCE]

* * * * *

Section 2.4. Application of Proceeds of Series 2004A/B Bonds.

Upon the written request of the City, the Bond Registrar shall authenticate and deliver the Series 2004A/B Bonds to the purchaser or purchasers and shall receive a receipt for the Series 2004A/B Bonds. The City shall apply the proceeds from the sale of the Series 2004A/B Bonds as provided in the Supplemental Resolution. The application of proceeds of the Series 2004A/B Bonds shall at a minimum provide for the following deposits:

(1) The deposit into the Series 2004A Subaccount in the Capitalized Interest Account of the 2004 Project Fund (hereinafter defined) of the proceeds of the Series 2004A Bonds designated for capitalized interest, to be used to pay interest on the Series 2004A Bonds during the period of construction of the 2004 Project.

(2) The deposit into the Series 2004B Subaccount in the Capitalized Interest Account of the 2004 Project Fund (hereinafter defined) of the proceeds of the Series 2004B Bonds designated for capitalized interest, to be used to pay interest on the Series 2004B Bonds during the period of construction of the 2004 Project.

(3) The deposit into the Series 2004A Subaccount of the Debt Service Reserve Account of an amount sufficient to fund the Series 2004A Subaccount of the Debt Service Reserve Account. In the event a Reserve Account Credit Facility is obtained, the premium for such Reserve Account Credit Facility shall be paid to the provider thereof and no deposit of funds to the Series 2004A Subaccount of the Debt Service Reserve Account shall be required to be made.

(4) The deposit into the Series 2004B Subaccount of the Debt Service Reserve Account of an amount sufficient to fund the Series 2004B Subaccount of the Debt Service Reserve Account. In the event a Reserve Account Credit Facility is obtained, the premium for such Reserve Account Credit Facility shall be paid to the provider thereof and no deposit of funds to the Series 2004B Subaccount of the Debt Service Reserve Account shall be required to be made.

(5) The deposit into the 2004 Project Fund of the proceeds of the Series 2004A Bonds and the Series 2004B Bonds designated for costs of issuance or Costs of the 2004 Project, to be paid out in accordance with Article XII of the Master Bond Ordinance, invested in accordance with the provisions of the Bond Ordinance and applied only to payment of Costs of the 2004 Project, including costs of issuance, in accordance with Article VIII of this Seventh Supplemental Bond Ordinance.

Section 2.5. Optional and Mandatory Redemption of Series 2004A/B Bonds.

The Series 2004A/B Bonds shall be subject to optional and mandatory redemption as determined by the Finance Officer during the pricing of such Bonds, as approved in the Supplemental Ordinance.

ARTICLE III.
ISSUANCE OF THE SERIES 2004C, 2004D AND 2004E BONDS

Section 3.1. Authorization of the Series 2004C, 2004D and 2004E Bonds.

For the purpose of providing funds to finance or refinance the costs of the planning, engineering, design, acquisition and construction of a portion of the 2004 Project, including those portions of the 2004 Project financed on an interim basis by the Series 2003 Notes, to provide for a reasonably required debt

service reserve and to pay expenses necessary to accomplish the foregoing, the issuance of the Series 2004C Bonds, the Series 2004D Bonds and the Series 2004 E Bonds (collectively, the "**Series 2004C/D/E Bonds**") in the aggregate principal amount not to exceed $675,000,000 is hereby authorized. The principal of the Series 2004C/D/E Bonds shall mature (or be acquired by mandatory redemption proceedings) on January 1 in such year or years not later than January 1, 2033, such that the highest amount of Debt Service Requirement of the Series 2004C/D/E Bonds in any Sinking Fund Year shall not exceed $50,000,000. The Series 2004C/D/E Bonds shall be book-entry bonds as described in Section 210 of the Master Bond Ordinance and as such shall be subject to Section 6.1 of this Seventh Supplemental Bond Ordinance.

The provisions for dates, authentication, payment, registration and optional, mandatory and extraordinary redemption shall be in accordance with Article II and Article III of the Master Bond Ordinance and as set forth in a Supplemental Resolution.

Section 3.2. Designation, Denominations and Maximum Rate of Series 2004C Bonds.

The Series 2004C Bonds shall be designated as "City of Atlanta Airport Passenger Facility Charge and Subordinate Lien General Revenue Bonds, Series 2004C". The Series 2004C Bonds shall be dated not later than the date on which issued and delivered, shall be in the form of fully registered bonds without coupons, shall be in the denomination of $5,000 or any integral multiple thereof, shall be numbered upwards from RC-1, shall bear interest from date at such rate or rates not exceeding six percent per annum, all interest payable semiannually on January 1 and July 1 in each year and shall be subject to optional redemption as provided by the City as provided in Section 3.1 above. The Series 2004C Bonds may be further designated into any number of subseries for purposes of establishing and maintaining different tax treatment for each subseries of Series 2004C Bonds.

Section 3.3. Designation, Denominations and Maximum Rate of Series 2004D/E Bonds.

The Series 2004D Bonds shall be designated as "City of Atlanta Airport Passenger Facility Charge and Subordinate Lien General Revenue Bonds, Series 2004D (Auction Rate Securities)." The Series 2004E Bonds shall be designated as "City of Atlanta Airport Passenger Facility Charge and Subordinate Lien General Revenue Bonds, Series 2004E (Auction Rate Securities)" (collectively, the "**Series 2004D/E Bonds**"). The Series 2004D/E Bonds shall be dated not later than the date on which issued and delivered, shall be in the form of fully registered bonds without coupons, shall be in Authorized Denominations (as defined in Exhibit C), shall be numbered upwards from RD-1 and RE-1, as applicable, shall bear interest from date initially at the Auction Period Rate determined in accordance with Exhibit C, and shall be subject to optional redemption as provided by the City as provided in Section 3.1 above. Each series of the Series 2004D/E Bonds shall have initial "Auction Dates," initial "Auction Periods," and initial "Interest Payment Dates," and be divisible into such series as set out in the Supplemental Resolution. Definitive Series 2004D/E Bonds delivered on transfer of or in exchange for the initial or other Series 2004D/E Bonds of the same series shall be in the denomination of $25,000 or integral multiples thereof and shall mature on the same date as the Series 2004D/E Bonds in lieu of which they are delivered.

The Series 2004D/E Bonds shall be Variable Rate Bonds. The maximum annual rate of interest that the Series 2004D/E Bonds may bear is set forth in Exhibit C.

Section 3.4. Series 2004C/D/E Bonds are Hybrid Bonds.

(a) The Series 2004C/D/E Bonds, when issued, shall have a Senior Lien on PFC Revenues of the Airport on a parity with each other, subject to any prior rights to PFC Revenues to which the owners

of the 1977 Ordinance Bonds may be entitled, and a Subordinate Lien on General Revenues of the Airport on a parity with each other, subordinate to the Lien on General Revenues securing the 1977 Ordinance Bonds, the Series 2000 Bonds, the Series 2003 Bonds and the Series 2004A/B Bonds.

(b) The Series 2004C/D/E Bonds shall be junior and subordinate in lien and right of payment from the Net General Revenues (A) directly, to the Outstanding 1977 Ordinance Bonds, the Series 2000 Bonds, the Series 2003 Bonds, the Series 2004A/B Bonds and any Senior Lien Bonds issued in the future which have a Senior Lien on General Revenues, and (B) indirectly (as a result of the requirements in Sections 302, 404(f) and 503 of the Master Bond Ordinance, to withdraw certain amounts at certain times from subaccounts related to Subordinate Lien Bonds), to any other Outstanding Senior Lien Bonds or Senior Lien Bonds issued in the future having a lien on the Net General Revenues.

Section 3.5. Execution; Form of Series 2004C Bonds and Series 2004D/E Bonds.

(a) The Series 2004C/D/E Bonds shall be executed on behalf of the City by use of the manual or facsimile signature of the Mayor of the City and attested by the manual or facsimile signature of the Municipal Clerk of the City and the official seal of the City shall be impressed thereon or a facsimile thereof imprinted thereon, and the Series 2004C/D/E Bonds shall be authenticated by the manual signature of a duly authorized signatory of the bond registrar with respect to the Series 2004C/D/E. The validation certificate to be printed on the Series 2004C/D/E Bonds shall be executed by use of the manual or facsimile signature of the Clerk of the Superior Court of Fulton County and the official seal of said Court shall be impressed thereon or a facsimile thereof shall be imprinted thereon. If there is a municipal bond insurance policy insuring payment of the Series 2004C/D/E Bonds when due, there shall be printed on the Series 2004C/D/E Bonds a Statement of Insurance prepared by the Credit Issuer. In case any officer whose signature shall appear on the Series 2004C/D/E Bonds shall cease to be such officer before delivery of such Series 2004C/D/E Bonds, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

(b) The Series 2004C Bonds, the Series 2004D/E Bonds, the validation certificate therefor and the bond registrar's certificate of authentication thereon shall be in substantially the forms set out below, with such variations, omissions, substitutions and insertions as are required or permitted by the Bond Ordinance.

[FORM OF SERIES 2004C BONDS]

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

No. RC-__ **$_____**

UNITED STATES OF AMERICA
STATE OF GEORGIA

CITY OF ATLANTA
AIRPORT PASSENGER FACILITY CHARGE AND
SUBORDINATE LIEN GENERAL REVENUE BOND
SERIES 2004C

DATE:	INTEREST RATE: Percent	MATURITY DATE:	CUSIP:

FOR VALUE RECEIVED, the **CITY OF ATLANTA** (the "City"), a municipal corporation duly created and existing under the laws of the State of Georgia, hereby promises to pay solely from the sources hereinafter described to **CEDE & CO.**, or registered assigns, the principal sum of _____ **DOLLARS** in lawful money of the United States of America, on the date specified above, unless redeemed prior thereto as hereinafter provided, upon presentation and surrender of this Series 2004C Bond to Wachovia Bank, National Association, as registrar and paying agent (the "Bond Registrar" or the "Paying Agent"), and to pay interest on said principal sum (computed on the basis of a 360-day year of twelve 30-day months) at the interest rate per annum specified above, payable semiannually on January 1 and July 1 of each year (each such date an "Interest Payment Date"), commencing January 1, 2005, from the Interest Payment Date next preceding the date of authentication of this Series 2004C Bond to which interest has been paid or provided for, unless the date of authentication of this Series 2004C Bond is an Interest Payment Date to which interest has been paid or provided for, in which case from the date of authentication hereof, or unless no interest has been paid hereon, in which case from the date hereof, or unless such authentication date shall be after any record date (hereinafter defined) and before the next succeeding Interest Payment Date, in which case interest shall be paid from the next succeeding Interest Payment Date.

The interest payable on any Interest Payment Date will be paid by first class mail, postage prepaid, mailed on the date on which due to the person in whose name this Series 2004C Bond is registered at the close of business on the 15th day of the calendar month next preceding such Interest Payment Date (each such date, a "Record Date") at the address shown on the bond register maintained by the Bond Registrar on such Record Date, except that any interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner of this Series 2004C Bond as of the Record Date and shall be payable to the person who is the registered owner of this Series 2004C Bond at the close of business on a special record date for the payment of such defaulted interest. Such special record date shall be fixed by the Bond Registrar whenever moneys become available for the payment of

such defaulted interest, and notice of the special record date shall be given by first class mail by the Bond Registrar or by or on behalf of the City to the owner hereof not less than 50 days prior thereto.

Notwithstanding the foregoing, however, interest on this Series 2004C Bond shall be payable to any registered owner of more than $1,000,000 in aggregate principal amount of the Series 2004C Bonds of the same series as this Series 2004C Bond by deposit of immediately available funds to the account of such registered owner maintained with the Paying Agent or transmitted by wire transfer to such registered owner at an account maintained at a commercial bank located within the United States of America, if the Paying Agent receives from such registered owner written deposit or wire transfer instructions prior to the Record Date preceding the Interest Payment Date for which the deposit or wire transfer is requested.

The principal of this Series 2004C Bond is payable only upon presentation and surrender of this bond at the principal corporate trust office of the Bond Registrar and Paying Agent, or its successor or successors, in any coin or currency of the United States of America which at the time of such payment is legal tender for public and private debts.

Notwithstanding the foregoing, so long as this Series 2004C Bond is registered in the name of Cede & Co., payment of principal of and interest on this Series 2004C Bond shall be made by wire transfer to Cede & Co.

This Series 2004C Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Ordinance (hereinafter described) until this Series 2004C Bond shall have been authenticated and registered upon the registration books kept by the Bond Registrar for that purpose, which authentication shall be evidenced by the manual execution of the certificate hereon by the Bond Registrar.

This Series 2004C Bond is one of a series of airport revenue bonds in the aggregate principal amount of $_____ duly authorized and designated "City of Atlanta Airport Passenger Facility Charge and Subordinate Lien General Revenue Bonds, Series 2004C" all of like tenor, except as to series designation, authentication dates, numbers, denominations, interest rates and maturities. The Series 2004C Bonds are issued by the City pursuant to the Constitution and laws of the State of Georgia, including specifically, but without limitation, Article 3 of Chapter 82 of Title 36 of the Official Code of Georgia Annotated, as amended, known as the "Revenue Bond Law," the Charter of the City of Atlanta, as amended, and the Restated and Amended Master Bond Ordinance adopted March 20, 2000 by the City, as amended and supplemented by a First Supplemental Bond Ordinance adopted by the City on March 30, 2000, a Second Supplemental Bond Ordinance of the City adopted on October 7, 2002, a Amended and Restated Third Supplemental Bond Ordinance of the City adopted on May 19, 2003, a Fourth Supplemental Bond Ordinance of the City adopted on June 2, 2003, a Fifth Supplemental Bond Ordinance duly adopted by the City on September 15, 2003, a Sixth Supplemental Bond Ordinance adopted by the City on November 17, 2003, and a Seventh Supplemental Bond Ordinance adopted by the City on April __, 2004 (collectively, the "Bond Ordinance"), for the purpose of providing funds to finance or refinance all or a portion of the costs of acquiring, construction, installing and equipping certain improvements and additions to the City's Hartsfield-Jackson Atlanta International Airport (the "Airport"), including certain improvements and additions financed on an interim basis by the City's Airport Limited Obligation Bond Anticipation Notes, Series 2003, outstanding in the aggregate principal amount of $395,000,000, to provide for a reasonably required debt service reserve and to pay expenses necessary to accomplish the foregoing.

Pursuant to the Bond Ordinance, the City has heretofore issued and delivered $711,880,000 original aggregate principal amount of its Airport General Revenue and Refunding Bonds, Series 2000A (the "Series 2000A Bonds"), $201,995,000 original aggregate principal amount of its Airport General

Revenue Bonds, Series 2000B (the "Series 2000B Bonds"), $96,400,000 original aggregate principal amount of its Airport General Revenue Refunding Bonds, Series 2000C (the "Series 2000C Bonds" and, together with the Series 2000A Bonds and the Series 2000B Bonds, the "Series 2000 Bonds"), $86,055,000 original aggregate principal amount of its Airport General Revenue Refunding Bonds, Series 2003 RF-A, $490,700,000 original aggregate principal amount of its Variable Rate Airport General Revenue Refunding Bonds, Series 2003 RF-B-1, 2003 RF-B-2, 2003 RF-B-3, 2003 RF-C-1, 2003 RF-C-2 and 2003 RF-C-3 (collectively, the "Series 2003RF-A/B/C Bonds"), and $118,270,000 original aggregate principal amount Airport General Revenue Refunding Bonds, Series 2003 RF-D Bonds (the "Series 2003 RF-D Bonds," and together with the Series 2003RF-A/B/C Bonds, the "Series 2003 Bonds"). The Series 2000 Bonds and the Series 2003 Bonds are General Revenue Bonds (as defined in the Bond Ordinance) secured by a senior lien on the General Revenues (as defined in the Bond Ordinance) of the Airport. Concurrently with the issuance and delivery of the Series 2004C Bonds, the City is issuing and delivering $_____ aggregate principal amount of its General Airport Revenue Bonds, Series 2004A and Series 2004B (the "Series 2004A/B Bonds") which will rank on a parity with the Series 2000 Bonds and the Series 2003 Bonds by a senior lien on the General Revenues of the Airport, subject in right of payment to certain prior airport revenue bonds of the City (the "1977 Ordinance Bonds").

The Series 2004C Bonds are Hybrid Bonds (as defined in the Bond Ordinance) and are secured by a senior lien on PFC Revenues (as defined in the Bond Ordinance) on a parity with the Series 2004C Bonds and by a lien on General Revenues subordinate to the lien securing the Series 2000 Bonds, the Series 2003 Bonds, the Series 2004A/B Bonds, and the 1977 Ordinance Bonds. Concurrently with the issuance of the Series 2004C Bonds, pursuant to the Seventh Supplemental Bond Ordinance the City is issuing and delivering $_____ aggregate principal amount of its Airport Passenger Facility Charge and Subordinate Lien General Revenue Bonds, Series 2004D (Auction Rate Securities) and Series 2004E (Auction Rate Securities) (the "Series 2004D/E Bonds"), and the lien of the Series 2004C Bonds on PFC Revenues and Airport General Revenues is on a parity with the lien on such revenues securing the Series 2004D/E Bonds. Pursuant to the Bond Ordinance, upon compliance with certain conditions, the City may (i) issue additional revenue bonds secured on a parity with the Series 2004C Bonds and the 2004D/E Bonds, (ii) issue additional revenue bonds secured on a subordinate basis to payment from the same revenues securing the Series 2004C Bonds and the Series 2004D/E Bonds, (iii) issue additional revenue bonds secured by revenues different from the revenues securing the Series 2004C Bonds and the Series 2004D/E Bonds, (iv) issue additional revenue bonds secured by a combination of (i) and (iii) or (ii) and (iii), (v) release from the revenues securing the Series 2004C Bonds and the Series 2004D/E Bonds a defined category of revenues which will no longer secure the Series 2004C Bonds and the Series 2004D/E Bonds either (1) to secure additional revenue bonds or (2) to be sold, leased, loaned or otherwise transferred to another party or (vi) grant a lien securing other obligations on a parity with or on a subordinate basis to the Series 2004C Bonds and the Series 2004D/E Bonds. In addition, pursuant to the Bond Ordinance the City may, without the consent of or notice to the owners of the Series 2004C Bonds, issue additional revenue bonds or other obligations secured on a parity basis as to lien on the General Revenues of the Airport with the Series 2000 Bonds, the Series 2003 Bonds, the Series 2004A/B Bonds and the 1977 Ordinance Bonds, which additional bonds or obligations, if issued, will rank in right of payment and as to lien on the General Revenues of the Airport senior to the lien on such revenues securing the Series 2004C Bonds and the Series 2004D/E Bonds.

The City has covenanted and hereby covenants and agrees at all times while any Bonds are outstanding and unpaid to prescribe, fix, maintain, and collect rates, fees, and other charges for the services and facilities of the Airport to: (i) provide for 100 percent of the Operating Expenses of the Airport (except for certain specific facilities) and for the accumulation in the Revenue Fund, as defined in the Bond Ordinance, of a reasonable reserve therefor, and (ii) produce Net General Revenues, as defined in the Bond Ordinance, in each Fiscal Year, as defined in the Bond Ordinance, which will: (a) equal at least 120 percent (110 percent without regard to amounts in the General Revenue Enhancement

Subaccount) of the debt service requirement of all 1977 Ordinance Bonds and General Revenue Bonds, as defined in the Bond Ordinance, and all Subordinate Lien Bonds having a lien on General Revenues, (b) enable the City to make all payments required to come from Net General Revenues into any Debt Service Reserve Account and the Rebate Account and on Contracts or Other Airport Obligations, as each is defined in the Bond Ordinance, (c) enable the City to accumulate an amount to be held in the Renewal and Extension Fund, as defined in the Bond Ordinance, which in the judgment of the City is adequate to meet the costs of major renewals, replacements, repairs, additions, betterments, and improvements to the Airport, necessary to keep the same in good operating condition or as is required by any governmental agency having jurisdiction over the Airport, and (d) with other revenues, remedy all deficiencies in required payments into any of the funds and accounts mentioned in the Bond Ordinance from prior Fiscal Years. The City has covenanted and hereby covenants and agrees at all times while any Bonds are outstanding and unpaid to prescribe, fix, maintain, and collect PFC Revenues which will equal at least 100 percent, without regard to amounts in the PFC Revenue Enhancement Subaccount, of the debt service requirement of PFC Revenue Bonds, as defined in the Bond Ordinance, including the Series 2004C Bonds and the Series 2004D/E Bonds. In determining the debt service requirement of Hybrid Bonds, such as the Series 2004C Bonds, for purposes of this paragraph: (i) if the debt service on such Hybrid Bonds for the relevant period was paid from, or for future periods is expected to be paid from, General Revenues, such debt service will be taken into account in determining the debt service requirement of General Revenue Bonds only and will not be taken into account in determining the debt service requirement of PFC Revenue Bonds, notwithstanding the lien of such Hybrid Bonds on PFC Revenues; and (ii) if the debt service on such Hybrid Bonds for the relevant period was paid from, or for future periods is expected to be paid from, PFC Revenues, such debt service will be taken into account in determining the debt service requirement of PFC Revenue Bonds only and will not be taken into account in determining the debt service requirement of General Revenue Bonds, notwithstanding the lien of such Hybrid Bonds on General Revenues.

THE SERIES 2004C BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OF THE CITY NOR A PLEDGE OF THE FAITH AND CREDIT OF THE CITY. THE SERIES 2004C BONDS SHALL NOT BE PAYABLE FROM OR BE A CHARGE UPON ANY FUNDS OTHER THAN THE REVENUES AND AMOUNTS PLEDGED TO THE PAYMENT THEREOF, NOR SHALL THE CITY BE SUBJECT TO ANY PECUNIARY LIABILITY THEREON. NO OWNER OR OWNERS OF THIS SERIES 2004C BOND SHALL EVER HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY TO PAY THIS SERIES 2004C BOND OR THE INTEREST HEREON, NOR TO ENFORCE PAYMENT OF THIS SERIES 2004C BOND AGAINST ANY PROPERTY OF THE CITY; NOR SHALL THIS SERIES 2004C BOND CONSTITUTE A CHARGE, LIEN, OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY PROPERTY OF THE CITY, EXCEPT FOR THE PLEDGED REVENUES AND ANY OTHER FUNDS PLEDGED TO SECURE THE PAYMENT OF THE SERIES 2004C BONDS.

No covenants, stipulations, obligations or agreements of any officer, agent, attorney or employee of the City shall be deemed to be covenants, stipulations, obligations or agreements of any such officer, agent, attorney or employee, past or present, in his individual capacity. No recourse shall be had for the payment of the Series 2004C Bonds or any claim thereon against any member, director, officer, agent, attorney or employee of the City, past, present or future.

The person in whose name this Series 2004C Bond is registered on the registration books kept by the Bond Registrar shall be deemed to be the owner of this Series 2004C Bond for all purposes. The Series 2004C Bonds are being issued by means of a book-entry system, with actual Series 2004C Bonds immobilized at The Depository Trust Company, New York, New York (the "Securities Depository"), or its successor as Securities Depository, evidencing ownership of the Series 2004C Bonds in Authorized

Denominations (hereinafter defined), and with transfers of beneficial ownership effected on the records of the Securities Depository and its participants pursuant to the rules and procedures established by the Securities Depository. Actual Series 2004C Bonds are not available for distribution to the owners of beneficial interests in the Series 2004C Bonds registered in book-entry form (the "Beneficial Owners"), except under the limited circumstances set forth in the Bond Ordinance. The principal, redemption premium (if any) and interest on the Series 2004C Bonds are payable by the Paying Agent to Cede & Co., as nominee of the Securities Depository. Transfers of principal, redemption premium (if any) and interest payments to participants of the Securities Depository is the responsibility of the Securities Depository and transfers of principal, redemption premium (if any) and interest to Beneficial Owners of the Series 2004C Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of Beneficial Owners. Neither the City nor the Bond Registrar and Paying Agent is responsible or liable for maintaining, supervising or reviewing the records maintained by the Securities Depository, its participants or persons acting through such participants. If the Series 2004C Bonds are no longer registered to a Securities Depository or its nominee, this Series 2004C Bond may be registered as transferred only upon the registration books kept for that purpose at the principal corporate trust office of the Bond Registrar by the registered owner hereof in person, or by his or her attorney duly authorized in writing, upon presentation and surrender to the Bond Registrar of this Series 2004C Bond duly endorsed for registration of transfer or accompanied by an assignment duly executed by the registered owner or his or her attorney duly authorized in writing, and thereupon a new registered bond, in the same aggregate principal amount and of the same maturity, shall be issued to the transferee in exchange therefor. In addition, if the Series 2004C Bonds are no longer registered to a Securities Depository, this Series 2004C Bond may be exchanged by the registered owner hereof or his or her duly authorized attorney upon presentation at the principal corporate trust office of the Bond Registrar for an equal aggregate principal amount of Series 2004C Bonds of the same maturity and in any Authorized Denominations in the manner, subject to the conditions and upon payment of charges, if any, provided in the Bond Ordinance.

The Series 2004C Bonds are issuable in the form of fully registered bonds in Authorized Denominations and may be exchanged by the registered owner hereof or his duly authorized attorney upon presentation at the principal corporate trust office of the Bond Registrar for an equal aggregate principal amount of Series 2004C Bonds of the same maturity and series and in any authorized denominations in the manner, subject to the conditions and upon payment of charges, if any, provided in the Bond Ordinance. As used herein, the term "Authorized Denominations" means $5,000 and any integral multiple thereof.

The Series 2004C Bonds may not be called for optional redemption prior to January 1, 200_. The Series 2004C Bonds maturing on or after January 1, 20__ may be redeemed prior to their respective maturities at the option of the City, either in whole or in part at any time not earlier than January 1, 20__, in the manner and subject to the provisions of the Bond Ordinance, at the respective redemption prices (expressed as percentages of the principal amount) set forth below, together with accrued interest to the redemption date:

Redemption Dates (both dates inclusive)	Redemption Price

If less than all of the Series 2004C Bonds of a maturity shall be called for redemption, the particular bonds or portions thereof to be redeemed shall be selected by lot in such manner as may be designated by the Bond Registrar.

Notice of redemption, unless waived, is to be given by first class mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the registered owner of each Series 2004C Bond to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar. All such Series 2004C Bonds called for redemption and for the retirement of which funds are duly provided shall, on the redemption date designated in such notice, become and be due and payable at the redemption price provided for redemption of such Series 2004C Bonds on such date, and interest on the Series 2004C Bonds or portions of Series 2004C Bonds so called for redemption shall cease to accrue, such Series 2004C Bonds or portions of Series 2004C Bonds shall cease to be entitled to any lien, benefit, or security under the Bond Ordinance, and the owners of such Series 2004C Bonds or portions of Series 2004C Bonds shall have no rights in respect thereof except to receive payment of the redemption price. The Bond Ordinance permits optional redemptions as described above to be conditioned on the occurrence of particular events and, if a redemption is so conditioned, the notice thereof will specify the terms of such conditional redemption. Any defect in any notice of redemption shall not affect the validity of proceedings for the redemption of any Series 2004C Bonds.

The Bond Ordinance contains a more particular statement of the covenants and provisions securing the Series 2004C Bonds, the conditions under which the owner of this Series 2004C Bond may enforce covenants (other than the covenant to pay principal of and interest on this Series 2004C Bond when due from the sources provided, the right to enforce which is unconditional), the conditions upon which additional revenue bonds may be issued on a parity or achieve parity status with this Series 2004C Bond under the Bond Ordinance, and the conditions upon which the Bond Ordinance may be amended or supplemented. Upon the occurrence of an Event of Default under the Bond Ordinance, the owner of this Series 2004C Bond shall be entitled to the remedies provided by the Bond Ordinance and the Revenue Bond Law.

It is hereby certified, recited, and declared that all acts, conditions, and things required by the Constitution and the laws of the State of Georgia to exist, happen, and be performed precedent to and in the issuance of this Series 2004C Bond and the adoption of the Bond Ordinance do exist, have happened, and have been performed in due time, form, and manner as required by law.

IN WITNESS WHEREOF, the City has caused this Series 2004C Bond to be executed by the manual [facsimile] signature of its Mayor and has caused the official seal of the City to be impressed on this Series 2004C Bond and attested by the manual [facsimile] signature of its Municipal Clerk, as of _____, 2004.

(SEAL)

CITY OF ATLANTA

By:_____
Mayor

Attest:

_____
Municipal Clerk

* * * * *

CERTIFICATE OF AUTHENTICATION

Date of Authentication:_____

This bond is one of the Series 2004C Bonds described herein.

_____,
as Bond Registrar

By:_____
Authorized Signatory

* * * * *

VALIDATION CERTIFICATE

STATE OF GEORGIA)
)
COUNTY OF FULTON)

The undersigned Clerk of the Superior Court of Fulton County, State of Georgia, **DOES HEREBY CERTIFY** that this Bond and the security therefor was validated and confirmed by judgment of the Superior Court of Fulton County, on _____, 2004, that no intervention or objection was filed opposing the validation of this Bond and the security therefor, and that no appeal of such judgment of validation has been taken.

Witness my (facsimile) signature and seal of the Superior Court of Fulton County, Georgia.

_____
Clerk, Superior Court
of Fulton County, Georgia

(SEAL)

* * * * *

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

_____

_____
[Please print or typewrite name and address including postal zip code.]

_____
[Please insert Social Security or Tax Identification Number of Assignee.]

the within bond and all rights thereunder, hereby constituting and appointing

_____

attorney to transfer this Bond on the bond registration book kept for such purpose by the Bond Registrar, with full power of substitution in the premises.

Signature Guaranteed

_____

Notice: Signature(s) must be guaranteed by an eligible guarantor Authority (such as banks, stockbrokers, savings and loan associations and credit unions) with membership in an approved Signature Guarantee Medallion Program pursuant to S.E.C. Rule 17Ad-15.

_____
Registered Owner

Notice: The signature(s) on this assignment must correspond with the name as it appears on the face of the within bond in every particular without alterations, enlargement or any change whatsoever.

* * * * *

[STATEMENT OF INSURANCE]

* * * * *

[FORM OF SERIES 2004D/E BONDS]

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

No. R[D or E]-__ **$_____**

UNITED STATES OF AMERICA
STATE OF GEORGIA

CITY OF ATLANTA
AIRPORT PASSENGER FACILITY CHARGE AND
SUBORDINATE LIEN GENERAL REVENUE BOND
SERIES 2004[D or E] (AUCTION RATE SECURITIES)

DATE:	INTEREST RATE: Auction Rate	MATURITY DATE:	CUSIP:

FOR VALUE RECEIVED, the **CITY OF ATLANTA** (the "City"), a municipal corporation duly created and existing under the laws of the State of Georgia, hereby promises to pay solely from the sources hereinafter described to **CEDE & CO.**, or registered assigns, the principal sum of _____ _____ **DOLLARS** in lawful money of the United States of America, on the date specified above, unless redeemed prior thereto as hereinafter provided, upon presentation and surrender of this Series 2004[D or E] Bond to Wachovia Bank, National Association, as registrar and paying agent (the "Bond Registrar" or the "Paying Agent"), together with interest thereon at the Auction Rate (as defined and provided in the Seventh Supplemental Bond Ordinance adopted by the City on April __, 2004 (the "Seventh Supplemental Bond Ordinance") from the later of the Issuance Date set forth above or the most recent interest payment date to which interest has been paid or duly provided for. Interest on this bond is payable on each Interest Payment Date (as hereinafter provided), until the maturity or redemption date of this bond or until the City's obligation with respect to this bond has been satisfied.

The interest payable on any Interest Payment Date will be paid by first class mail, postage prepaid, mailed on the date on which due to the person in whose name this Series 2004[D or E] Bond is registered at the close of business on the 15th day of the calendar month next preceding such Interest Payment Date (each such date, a "Record Date") at the address shown on the bond register maintained by the Bond Registrar on such Record Date, except that any interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner of this Series 2004[D or E] Bond as of the Record Date and shall be payable to the person who is the registered owner of this Series 2004[D or E] Bond at the close of business on a special record date for the payment of such defaulted interest. Such special record date shall be fixed by the Bond Registrar whenever moneys become available for the payment of such defaulted interest, and notice of the special record date shall be given by first class mail by the Bond Registrar or by or on behalf of the City to the owner hereof not less than 50 days prior thereto.

The principal of this Series 2004[D or E] Bond is payable only upon presentation and surrender of this bond at the principal corporate trust office of the Bond Registrar and Paying Agent, or its successor or successors, in any coin or currency of the United States of America which at the time of such payment is legal tender for public and private debts.

Notwithstanding the foregoing, so long as this Series 2004[D or E] Bond is registered in the name of Cede & Co., payment of principal of and interest on this Series 2004[D or E] Bond shall be made by wire transfer to Cede & Co.

This Series 2004[D or E] Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Ordinance (hereinafter described) until this Series 2004[D or E] Bond shall have been authenticated and registered upon the registration books kept by the Bond Registrar for that purpose, which authentication shall be evidenced by the manual execution of the certificate hereon by the Bond Registrar.

This Series 2004[D or E] Bond is one of a series of airport revenue bonds in the aggregate principal amount of $_____ duly authorized and designated "City of Atlanta Airport Passenger Facility Charge and Subordinate Lien General Revenue Bonds, Series 2004[D or E] (Auction Rate Securities)" all of like tenor, except as to series designation, authentication dates, numbers, denominations, interest rates and maturities. The Series 2004[D or E] Bonds are issued by the City pursuant to the Constitution and laws of the State of Georgia, including specifically, but without limitation, Article 3 of Chapter 82 of Title 36 of the Official Code of Georgia Annotated, as amended, known as the "Revenue Bond Law," the Charter of the City of Atlanta, as amended, and the Restated and Amended Master Bond Ordinance adopted March 20, 2000 by the City, as amended and supplemented by a First Supplemental Bond Ordinance adopted by the City on March 30, 2000, a Second Supplemental Bond Ordinance of the City adopted on October 7, 2002, a Amended and Restated Third Supplemental Bond Ordinance of the City adopted on May 19, 2003, a Fourth Supplemental Bond Ordinance of the City adopted on June 2, 2003, a Fifth Supplemental Bond Ordinance duly adopted by the City on September 15, 2003, a Sixth Supplemental Bond Ordinance duly adopted by the City on November 17, 2003, and the Seventh Supplemental Bond Ordinance (collectively, the "Bond Ordinance"), for the purpose of providing funds to finance or refinance all or a portion of the costs of acquiring, construction, installing and equipping certain improvements and additions to the City's Hartsfield-Jackson Atlanta International Airport (the "Airport"), including certain improvements and additions financed on an interim basis by the City's Airport Limited Obligation Bond Anticipation Notes, Series 2003, outstanding in the aggregate principal amount of $395,000,000, to provide for a reasonably required debt service reserve and to pay expenses necessary to accomplish the foregoing.

Pursuant to the Bond Ordinance, the City has heretofore issued and delivered $711,880,000 original aggregate principal amount of its Airport General Revenue and Refunding Bonds, Series 2000A (the "Series 2000A Bonds"), $201,995,000 original aggregate principal amount of its Airport General Revenue Bonds, Series 2000B (the "Series 2000B Bonds"), $96,400,000 original aggregate principal amount of its Airport General Revenue Refunding Bonds, Series 2000C (the "Series 2000C Bonds" and, together with the Series 2000A Bonds and the Series 2000B Bonds, the "Series 2000 Bonds"), $86,055,000 original aggregate principal amount of its Airport General Revenue Refunding Bonds, Series 2003 RF-A, $490,700,000 original aggregate principal amount of its Variable Rate Airport General Revenue Refunding Bonds, Series 2003 RF-B-1, 2003 RF-B-2, 2003 RF-B-3, 2003 RF-C-1, 2003 RF-C-2 and 2003 RF-C-3 (collectively, the "Series 2003RF-A/B/C Bonds") and $118,270,000 original aggregate principal amount Airport General Revenue Refunding Bonds, Series 2003 RF-D (the "Series 2003 RF-D Bonds," and together with the Series 2003RF-A Bonds and the Series 2003RF-A/B/C Bonds, the "Series 2003 Bonds"). The Series 2000 Bonds and the Series 2003 Bonds are General Revenue Bonds (as defined in the Bond Ordinance) secured by a senior lien on the General Revenues (as defined in the Bond

Ordinance) of the Airport. Concurrently with the issuance and delivery of the Series 2004[D or E] Bonds, the City is issuing and delivering $_____ aggregate principal amount of its General Airport Revenue Bonds, Series 2004A and Series 2004B (the "Series 2004A/B Bonds") which will rank on a parity with the Series 2000 Bonds and the Series 2003 Bonds by a senior lien on the General Revenues of the Airport, subject in right of payment to certain prior airport revenue bonds of the City (the "1977 Ordinance Bonds").

The Series 2004[D or E] Bonds are Hybrid Bonds (as defined in the Bond Ordinance) and are secured by a senior lien on PFC Revenues (as defined in the Bond Ordinance) and by a lien on Airport General Revenues subordinate to the lien securing the Series 2000 Bonds, the Series 2003 Bonds, the Series 2004A/B Bonds, and the 1977 Ordinance Bonds. Concurrently with the issuance of the Series 2004[D or E] Bonds, pursuant to the Seventh Supplemental Bond Ordinance the City is issuing and delivering $_____ aggregate principal amount of its Airport Passenger Facility Charge and Subordinate Lien General Revenue Bonds, Series 2004C (the "Series 2004C Bonds") and $_____ aggregate principal amount of its Airport Passenger Facility Charge and Subordinate Lien General Revenue Bonds, Series 2004[D or E] (Auction Rate Securities) (the "Series 2004[D or E] Bonds" and, together with the Series 2004C Bonds and the Series 2004[D or E] Bonds, the "Series 2004C/D/E Bonds"), and the lien of the Series 2004C Bonds and the Series 2004[D or E] Bonds on PFC Revenues and General Revenues is on a parity with the lien on such revenues securing the Series 2004[D or E] Bonds. Pursuant to the Bond Ordinance, upon compliance with certain conditions, the City may (i) issue additional revenue bonds secured on a parity with the Series 2004C/D/E Bonds, (ii) issue additional revenue bonds secured on a subordinate basis to payment from the same revenues securing the Series 2004C/D/E Bonds, (iii) issue additional revenue bonds secured by revenues different from the revenues securing the Series 2004C/D/E Bonds, (iv) issue additional revenue bonds secured by a combination of (i) and (iii) or (ii) and (iii), (v) release from the revenues securing the Series 2004C/D/E Bonds a defined category of revenues which will no longer secure the Series 2004C/D/E Bonds either (1) to secure additional revenue bonds or (2) to be sold, leased, loaned or otherwise transferred to another party or (vi) grant a lien securing other obligations on a parity with or on a subordinate basis to the Series 2004C/D/E Bonds. In addition, pursuant to the Bond Ordinance the City may, without the consent of or notice to the owners of the Series 2004C/D/E Bonds, issue additional revenue bonds or other obligations secured on a parity basis as to lien on the General Revenues of the Airport with the Series 2000 Bonds, the Series 2003 Bonds, the Series 2004A/B Bonds and the 1977 Ordinance Bonds, which additional bonds or obligations, if issued, will rank in right of payment and as to lien on the General Revenues of the Airport senior to the lien on such revenues securing the Series 2004C/D/E Bonds.

The City has covenanted and hereby covenants and agrees at all times while any Bonds are outstanding and unpaid to prescribe, fix, maintain, and collect rates, fees, and other charges for the services and facilities of the Airport to: (i) provide for 100 percent of the Operating Expenses of the Airport (except for certain specific facilities) and for the accumulation in the Revenue Fund, as defined in the Bond Ordinance, of a reasonable reserve therefor, and (ii) produce Net General Revenues, as defined in the Bond Ordinance, in each Fiscal Year, as defined in the Bond Ordinance, which will: (a) equal at least 120 percent (110 percent without regard to amounts in the General Revenue Enhancement Subaccount) of the debt service requirement of all 1977 Ordinance Bonds and General Revenue Bonds, as defined in the Bond Ordinance, and all Subordinate Lien Bonds having a lien on General Revenues, (b) enable the City to make all payments required to come from Net General Revenues into any Debt Service Reserve Account and the Rebate Account and on Contracts or Other Airport Obligations, as each is defined in the Bond Ordinance, (c) enable the City to accumulate an amount to be held in the Renewal and Extension Fund, as defined in the Bond Ordinance, which in the judgment of the City is adequate to meet the costs of major renewals, replacements, repairs, additions, betterments, and improvements to the Airport, necessary to keep the same in good operating condition or as is required by any governmental agency having jurisdiction over the Airport, and (d) with other revenues, remedy all deficiencies in

required payments into any of the funds and accounts mentioned in the Bond Ordinance from prior Fiscal Years. The City has covenanted and hereby covenants and agrees at all times while any Bonds are outstanding and unpaid to prescribe, fix, maintain, and collect PFC Revenues which will equal at least 100 percent, without regard to amounts in the PFC Revenue Enhancement Subaccount, of the debt service requirement of PFC Revenue Bonds, as defined in the Bond Ordinance, including the Series 2004[D or E] Bonds. In determining the debt service requirement of Hybrid Bonds, such as the Series 2004[D or E] Bonds, for purposes of this paragraph: (i) if the debt service on such Hybrid Bonds for the relevant period was paid from, or for future periods is expected to be paid from, General Revenues, such debt service will be taken into account in determining the debt service requirement of General Revenue Bonds only and will not be taken into account in determining the debt service requirement of PFC Revenue Bonds, notwithstanding the lien of such Hybrid Bonds on PFC Revenues; and (ii) if the debt service on such Hybrid Bonds for the relevant period was paid from, or for future periods is expected to be paid from, PFC Revenues, such debt service will be taken into account in determining the debt service requirement of PFC Revenue Bonds only and will not be taken into account in determining the debt service requirement of General Revenue Bonds, notwithstanding the lien of such Hybrid Bonds on General Revenues.

THE SERIES 2004[D or E] BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OF THE CITY NOR A PLEDGE OF THE FAITH AND CREDIT OF THE CITY. THE SERIES 2004[D or E] BONDS SHALL NOT BE PAYABLE FROM OR BE A CHARGE UPON ANY FUNDS OTHER THAN THE REVENUES AND AMOUNTS PLEDGED TO THE PAYMENT THEREOF, NOR SHALL THE CITY BE SUBJECT TO ANY PECUNIARY LIABILITY THEREON. NO OWNER OR OWNERS OF THIS SERIES 2004[D or E] BOND SHALL EVER HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY TO PAY THIS SERIES 2004[D or E] BOND OR THE INTEREST HEREON, NOR TO ENFORCE PAYMENT OF THIS SERIES 2004[D or E] BOND AGAINST ANY PROPERTY OF THE CITY; NOR SHALL THIS SERIES 2004[D or E] BOND CONSTITUTE A CHARGE, LIEN, OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY PROPERTY OF THE CITY, EXCEPT FOR THE PLEDGED REVENUES AND ANY OTHER FUNDS PLEDGED TO SECURE THE PAYMENT OF THE SERIES 2004[D or E] BONDS.

No covenants, stipulations, obligations or agreements of any officer, agent, attorney or employee of the City shall be deemed to be covenants, stipulations, obligations or agreements of any such officer, agent, attorney or employee, past or present, in his individual capacity. No recourse shall be had for the payment of the Series 2004[D or E] Bonds or any claim thereon against any member, director, officer, agent, attorney or employee of the City, past, present or future.

The person in whose name this Series 2004[D or E] Bond is registered on the registration books kept by the Bond Registrar shall be deemed to be the owner of this Series 2004[D or E] Bond for all purposes. The Series 2004[D or E] Bonds are being issued by means of a book-entry system, with actual Series 2004[D or E] Bonds immobilized at The Depository Trust Company, New York, New York (the "Securities Depository"), or its successor as Securities Depository, evidencing ownership of the Series 2004[D or E] Bonds in Authorized Denominations (hereinafter defined), and with transfers of beneficial ownership effected on the records of the Securities Depository and its participants pursuant to the rules and procedures established by the Securities Depository. Actual Series 2004[D or E] Bonds are not available for distribution to the owners of beneficial interests in the Series 2004[D or E] Bonds registered in book-entry form (the "Beneficial Owners"), except under the limited circumstances set forth in the Bond Ordinance. The principal, redemption premium (if any) and interest on the Series 2004[D or E] Bonds are payable by the Paying Agent to Cede & Co., as nominee of the Securities Depository. Transfers of principal, redemption premium (if any) and interest payments to participants of the Securities Depository is the responsibility of the Securities Depository and transfers of principal, redemption

premium (if any) and interest to Beneficial Owners of the Series 2004[D or E] Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of Beneficial Owners. Neither the City nor the Bond Registrar and Paying Agent is responsible or liable for maintaining, supervising or reviewing the records maintained by the Securities Depository, its participants or persons acting through such participants. If the Series 2004[D or E] Bonds are no longer registered to a Securities Depository or its nominee, this Series 2004[D or E] Bond may be registered as transferred only upon the registration books kept for that purpose at the principal corporate trust office of the Bond Registrar by the registered owner hereof in person, or by his or her attorney duly authorized in writing, upon presentation and surrender to the Bond Registrar of this Series 2004[D or E] Bond duly endorsed for registration of transfer or accompanied by an assignment duly executed by the registered owner or his or her attorney duly authorized in writing, and thereupon a new registered bond, in the same aggregate principal amount and of the same maturity, shall be issued to the transferee in exchange therefor. In addition, if the Series 2004[D or E] Bonds are no longer registered to a Securities Depository, this Series 2004[D or E] Bond may be exchanged by the registered owner hereof or his or her duly authorized attorney upon presentation at the principal corporate trust office of the Bond Registrar for an equal aggregate principal amount of Series 2004[D or E] Bonds of the same maturity and in any Authorized Denominations in the manner, subject to the conditions and upon payment of charges, if any, provided in the Bond Ordinance.

The Series 2004[D or E] Bonds are issuable in the form of fully registered bonds in Authorized Denominations (as defined in the Seventh Supplemental Bond Ordinance) and may be exchanged by the registered owner hereof or his duly authorized attorney upon presentation at the principal corporate trust office of the Bond Registrar for an equal aggregate principal amount of Series 2004[D or E] Bonds of the same maturity and series and in any authorized denominations in the manner, subject to the conditions and upon payment of charges, if any, provided in the Bond Ordinance.

The Series 2004[D or E] Bonds shall bear interest at the "Auction Rate" from time to time determined for the Series 2004[D or E] Bonds as provided in the Seventh Supplemental Bond Ordinance. At no time shall the Series 2004[D or E] Bonds bear interest at a rate higher than the Maximum Interest Rate as provided in the Seventh Supplemental Bond Ordinance.

The Series 2004[D or E] Bonds may not be called for optional redemption prior to January 1, 200_. The Series 2004[D or E] Bonds maturing on or after January 1, 20__ may be redeemed prior to their respective maturities at the option of the City, either in whole or in part at any time not earlier than January 1, 20__, in the manner and subject to the provisions of the Bond Ordinance, at the respective redemption prices (expressed as percentages of the principal amount) set forth below, together with accrued interest to the redemption date:

Redemption Dates (both dates inclusive)	Redemption Price

If less than all of the Series 2004[D or E] Bonds of a maturity shall be called for redemption, the particular bonds or portions thereof to be redeemed shall be selected by lot in such manner as may be designated by the Bond Registrar.

Notice of redemption, unless waived, is to be given by first class mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the registered owner of each Series 2004[D or

E] Bond to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar. All such Series 2004[D or E] Bonds called for redemption and for the retirement of which funds are duly provided shall, on the redemption date designated in such notice, become and be due and payable at the redemption price provided for redemption of such Series 2004[D or E] Bonds on such date, and interest on the Series 2004[D or E] Bonds or portions of Series 2004[D or E] Bonds so called for redemption shall cease to accrue, such Series 2004[D or E] Bonds or portions of Series 2004[D or E] Bonds shall cease to be entitled to any lien, benefit, or security under the Bond Ordinance, and the owners of such Series 2004[D or E] Bonds or portions of Series 2004[D or E] Bonds shall have no rights in respect thereof except to receive payment of the redemption price. The Bond Ordinance permits optional redemptions as described above to be conditioned on the occurrence of particular events and, if a redemption is so conditioned, the notice thereof will specify the terms of such conditional redemption. Any defect in any notice of redemption shall not affect the validity of proceedings for the redemption of any Series 2004[D or E] Bonds.

The Bond Ordinance contains a more particular statement of the covenants and provisions securing the Series 2004[D or E] Bonds, the conditions under which the owner of this Series 2004[D or E] Bond may enforce covenants (other than the covenant to pay principal of and interest on this Series 2004[D or E] Bond when due from the sources provided, the right to enforce which is unconditional), the conditions upon which additional revenue bonds may be issued on a parity or achieve parity status with this Series 2004[D or E] Bond under the Bond Ordinance, and the conditions upon which the Bond Ordinance may be amended or supplemented. Upon the occurrence of an Event of Default under the Bond Ordinance, the owner of this Series 2004[D or E] Bond shall be entitled to the remedies provided by the Bond Ordinance and the Revenue Bond Law.

It is hereby certified, recited, and declared that all acts, conditions, and things required by the Constitution and the laws of the State of Georgia to exist, happen, and be performed precedent to and in the issuance of this Series 2004[D or E] Bond and the adoption of the Bond Ordinance do exist, have happened, and have been performed in due time, form, and manner as required by law.

IN WITNESS WHEREOF, the City has caused this Series 2004[D or E] Bond to be executed by the manual [facsimile] signature of its Mayor and has caused the official seal of the City to be impressed on this Series 2004[D or E] Bond and attested by the manual [facsimile] signature of its Municipal Clerk, as of _____, 2004.

(SEAL)

CITY OF ATLANTA

By:_____
Mayor

Attest:

_____
Municipal Clerk

* * * * *

CERTIFICATE OF AUTHENTICATION

Date of Authentication:_____

This bond is one of the Series 2004[D or E] Bonds described herein.

_____,
as Bond Registrar

By:_____
Authorized Signatory

* * * * *

VALIDATION CERTIFICATE

STATE OF GEORGIA)
)
COUNTY OF FULTON)

The undersigned Clerk of the Superior Court of Fulton County, State of Georgia, **DOES HEREBY CERTIFY** that this Bond and the security therefor was validated and confirmed by judgment of the Superior Court of Fulton County, on _____, 2004, that no intervention or objection was filed opposing the validation of this Bond and the security therefor, and that no appeal of such judgment of validation has been taken.

Witness my (facsimile) signature and seal of the Superior Court of Fulton County, Georgia.

_____
Clerk, Superior Court
of Fulton County, Georgia

(SEAL)

* * * * *

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

_____

_____
[Please print or typewrite name and address including postal zip code.]

_____
[Please insert Social Security or Tax Identification Number of Assignee.]

the within bond and all rights thereunder, hereby constituting and appointing

_____

attorney to transfer this Bond on the bond registration book kept for such purpose by the Bond Registrar, with full power of substitution in the premises.

Signature Guaranteed

_____

Notice: Signature(s) must be guaranteed by an eligible guarantor Authority (such as banks, stockbrokers, savings and loan associations and credit unions) with membership in an approved Signature Guarantee Medallion Program pursuant to S.E.C. Rule 17Ad-15.

_____
Registered Owner

Notice: The signature(s) on this assignment must correspond with the name as it appears on the face of the within bond in every particular without alterations, enlargement or any change whatsoever.

* * * * *

[STATEMENT OF INSURANCE]

* * * * *

Section 3.6. Application of Proceeds of Series 2004C/D/E Bonds.

Upon the written request of the City, the Bond Registrar shall authenticate and deliver the Series 2004C/D/E Bonds to the purchaser or purchasers and shall receive a receipt for the Series 2004C/D/E Bonds. The City shall apply the proceeds from the sale of the Series 2004C/D/E Bonds as provided in the Supplemental Resolution. The application of proceeds of the Series 2004C/D/E Bonds shall at a minimum provide for the following deposits:

(1) The deposit into the Note Retirement Account (the "**2003 Note Retirement Account**") created pursuant to the Fifth Supplemental Bond Ordinance and held by Wachovia Bank, National Association, the Bond Registrar and Paying Agent for the Series 2003 Notes, of an amount necessary, taking into account anticipated investment earnings and amounts derived from the proceeds of the Series 2004C/D/E Bonds for such purpose, to pay the redemption price of the Series 2003 Notes on the earliest practicable date following the issuance of the Series 2004C/D/E Bonds on which the Series 2003 Notes may be redeemed.

(2) The deposit into the Series 2004C Subaccount of the Debt Service Reserve Account of an amount sufficient to fund the Series 2004C Subaccount of the Debt Service Reserve Account. In the event a Reserve Account Credit Facility is obtained, the premium for such Reserve Account Credit Facility shall be paid to the provider thereof and no deposit of funds to the Series 2004C Subaccount of the Debt Service Reserve Account shall be required to be made.

(3) The deposit into the Series 2004D Subaccount of the Debt Service Reserve Account of an amount sufficient to fund the Series 2004D Subaccount of the Debt Service Reserve Account. In the event a Reserve Account Credit Facility is obtained, the premium for such Reserve Account Credit Facility shall be paid to the provider thereof and no deposit of funds to the 2004D Subaccount of the Debt Service Reserve Account shall be required to be made.

(4) The deposit into the Series 2004E Subaccount of the Debt Service Reserve Account of an amount sufficient to fund the Series 2004E Subaccount of the Debt Service Reserve Account. In the event a Reserve Account Credit Facility is obtained, the premium for such Reserve Account Credit Facility shall be paid to the provider thereof and no deposit of funds to the 2004E Subaccount of the Debt Service Reserve Account shall be required to be made.

(5) The deposit into the 2004 Project Fund of the proceeds of the Series 2004C/D/E/ Bonds designated for costs of issuance or Costs of the 2004 Project, to be paid out in accordance with Article XII of the Master Bond Ordinance, invested in accordance with the provisions of the Bond Ordinance and applied only to payment of Costs of the 2004 Project, including costs of issuance, in accordance with Article VIII of this Seventh Supplemental Bond Ordinance.

Section 3.7. Optional and Mandatory Redemption of Series 2004C/D/E Bonds.

The Series 2004C/D/E Bonds shall be subject to optional and mandatory redemption as determined by the Finance Officer during the pricing of such Bonds, as approved in the Supplemental Ordinance.

ARTICLE IV.
PROVISIONS RELATING TO ADDITIONAL BONDS

Section 4.1. Additional PFC Revenue Bonds.

(a) After the issuance of the first to be issued and delivered of the Series 2004C/D/E Bonds, no PFC Revenue Bonds having a Senior Lien on PFC Revenues may be issued, unless such PFC Revenue Bonds are issued as Hybrid Bonds having, in addition to a Senior Lien on PFC Revenues, a Subordinate Lien on General Revenues in compliance with the terms of Section 4.2 of this Seventh Supplemental Bond Ordinance. The City expressly reserves the right to issue additional PFC Revenue Bonds having a Subordinate Lien on PFC Revenues in accordance with the provisions of Section 503 of the Master Bond Ordinance without complying with Section 4.2 of this Seventh Supplemental Bond Ordinance.

(b) All Hybrid Bonds having a Senior Lien on PFC Revenues shall comply with Subsections (2), (3), (4), (5), (6) and (7) of Section 505(b) of the Master Bond Ordinance, as well as the following additional conditions:

(1) There shall have been procured and filed with the City either:

(A) a report by an Independent Certified Public Accountant to the effect that historical Net Revenues consisting of PFC Revenues for each of the two most recent audited Fiscal Years were equal to at least 120 percent of the Maximum Annual Debt Service Requirement of all Hybrid Bonds having a Senior Lien on PFC Revenues (excluding, for this purpose, the Debt Service Requirement of all Hybrid Bonds having a Senior Lien on PFC Revenues to the extent such Debt Service Requirement was actually paid from General Revenues for each such Fiscal Year, as shown in such report) which will be Outstanding immediately after the issuance of the proposed Additional Bonds and secured on a parity therewith; or

(B) a report by an Airport Consultant to the effect that in each Fiscal Year of the Forecast Period forecasted PFC Revenues are expected to equal at least 130 percent of the Maximum Annual Debt Service Requirement of all Hybrid Bonds having a Senior Lien on PFC Revenues (excluding, for this purpose, the Debt Service Requirement of all Hybrid Bonds having a Senior Lien on PFC Revenues to the extent the Debt Service Requirement of such Hybrid Bonds is expected to be paid from General Revenues for each year of the Forecast Period, as shown on in such report) which will be Outstanding immediately after the issuance of the proposed Additional Bonds and secured on a parity therewith.

In computing PFC Revenues, the City may take into account pro forma adjustments to historical PFC Revenues equal to 100 percent of the increased PFC Revenues attributable to any increase in the passenger facility charge imposed prior to the date of delivery of the proposed Additional Bonds and not fully reflected in the historical PFC Revenues actually received during such historical period used. Such pro forma adjustments, if any, shall be based upon a report of an Airport Consultant as to the amount of PFC Revenues which would have been received during such period had the increased passenger facility charge been in effect throughout such period.

Section 4.2. Additional Subordinate Lien Bonds.

(a) Additional Subordinate Lien Bonds may be issued ranking as to lien on the General Revenues on a parity with the Series 2004C/D/E Bonds in accordance with Section 503 of the Master Bond Ordinance, but only if the following additional conditions are met:

(1) There shall have been procured and filed with the City either:

(A) a report by an Independent Certified Public Accountant to the effect that historical Net General Revenues (for this purpose, without consideration of (i) amounts in the General Revenue Enhancement Subaccount, or (ii) gifts or grants or expenditures of such gifts or grants) for each of the two most recent audited Fiscal Years, were equal to at least 120 percent of the Maximum Annual Debt Service Requirement of all related Senior Lien Bonds which will be Outstanding immediately after the issuance of the proposed Additional Bonds, all Outstanding 1977 Ordinance Bonds and all outstanding Subordinate Lien Bonds which will be Outstanding immediately after the issuance of the proposed Additional Bonds and secured on a parity therewith (excluding, for this purpose, the Debt Service Requirement of all Hybrid Bonds having a Subordinate Lien on General Revenues to the extent the Debt Service Requirement of such Subordinate Lien Bonds was actually paid from PFC Revenues for each such Fiscal Year, as shown in such report); or

(B) a report by an Airport Consultant to the effect that in each Fiscal Year of the Forecast Period the forecasted Net General Revenues (without consideration of (i) any amounts in the General Revenue Enhancement Subaccount, or (ii) gifts or grants or expenditures of such gifts or grants) are expected to equal at least 130 percent of the Maximum Annual Debt Service Requirement of all Senior Lien Bonds which will be Outstanding immediately after the issuance of the proposed Additional Bonds, all Outstanding 1977 Ordinance Bonds and all outstanding Subordinate Lien Bonds which will be Outstanding immediately after the issuance of the proposed Additional Bonds and secured on a parity therewith (excluding, for this purpose, the Debt Service Requirement of all Hybrid Bonds having a Subordinate Lien on General Revenues to the extent the Debt Service Requirement of such Hybrid Bonds is expected to be paid from PFC Revenues for each year of the Forecast Period, as shown in such report).

The report by the Independent Certified Public Accountant that is required by (1)(A) may contain pro forma adjustments to historical Net General Revenues equal to 100 percent of the increased annual amount attributable to any revision in the schedule of rates, fees, and charges for the services and facilities furnished by the Airport, imposed prior to the date of delivery of the proposed Additional Bonds and not fully reflected in the historical Net General Revenues actually received during such historical period used. Such pro forma adjustments, if any, shall be based upon a report of an Airport Consultant as to the amount of General Revenues which would have been received during such period had the new rate schedule been in effect throughout such period.

Section 4.3. Provisions Applicable to Rate Covenant.

For the purposes of Section 601(b)(1) of the Master Bond Ordinance, in determining the Debt Service Requirement of Hybrid Bonds with a Senior Lien on PFC Revenues and a Subordinate Lien on General Revenues, such as the Series 2004C/D/E Bonds, (i) if the debt service on such Hybrid Bonds for the relevant period was paid from, or for future periods is expected to be paid from, General Revenues, such debt service will be taken into account in determining the Debt Service Requirement of General Revenue Bonds only and will not be taken into account in determining the Debt Service Requirement of PFC Revenue Bonds, notwithstanding the lien of such Hybrid Bonds on PFC Revenues; and (ii) if the debt service on such Hybrid Bonds for the relevant period was paid from, or for future periods is expected to be paid from, PFC Revenues (for this purpose, including amounts in the PFC Revenue Enhancement Subaccount), such debt service will be taken into account in determining the Debt Service Requirement of PFC Revenue Bonds only and will not be taken into account in determining the debt service requirement of General Revenue Bonds, notwithstanding the lien of such Hybrid Bonds on General Revenues.

Section 4.4. Released Revenues Test.

For purposes of Section 505(a)(1) of the Master Bond Ordinance, historical PFC Revenues, excluding the proposed Released Revenues and without consideration of any amounts in the PFC Revenue Enhancement Account, for each of the two most recent audited Fiscal Years shall be equal to at least 150% of the Maximum Annual Debt Service Requirement of all PFC Revenue Bonds which will be Outstanding after the category of Revenues becomes Released Revenues. For purposes of this Section 4.4 and Section 505(a)(1) of the Master Bond Ordinance, "Debt Service Requirement" of PFC Revenue Bonds shall be computed in accordance with Section 4.3 above.

ARTICLE V.
PROVISIONS RELATING TO ALL SERIES 2004 BONDS

Section 5.1. Registration, Transfer and Exchange.

Wachovia Bank, National Association is hereby designated as the paying agent (the "**Paying Agent**") and bond registrar (the "**Bond Registrar**") for the Series 2004 Bonds. Subject to Section 6.1 of this Seventh Supplemental Bond Ordinance, the Bond Registrar will keep the bond registration book for registration of the Series 2004 Bonds and for registration of transfers of the Series 2004 Bonds in the event the Series 2004 Bonds are not held in book-entry form. The transfer of any Series 2004 Bond will be registered upon the bond registration book upon the surrender and presentation of the Series 2004 Bond to the Bond Registrar duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or attorney authorized in writing in form satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar will authenticate and deliver in exchange for such Series 2004 Bond so surrendered, a new Series 2004 Bond registered in the name of the transferee or transferees of the same maturity, interest rate, aggregate principal amount, and tenor, of any authorized denomination or denominations, and bearing numbers not then outstanding. Series 2004 Bonds may be exchanged at the principal corporate trust office of the Bond Registrar for a like aggregate principal amount of Series 2004 Bonds of other authorized denominations and bearing numbers not then outstanding. The City will cause to be executed and the Bond Registrar will authenticate and deliver Series 2004 Bonds which the bondholder making the exchange is entitled to receive. In any exchange or transfer of registration of any Series 2004 Bond, the owner of such Series 2004 Bond will not be required to pay any charge or fee. If any Series 2004 Bond is mutilated, lost, stolen or destroyed, the City may execute and deliver a new Series 2004 Bond of the same aggregate principal amount and tenor in lieu of and in substitution for the Series 2004 Bond mutilated, lost, stolen or destroyed. All other provisions with respect to the Bond Registrar and Paying Agent shall be governed by Article II of the Master Bond Ordinance.

Section 5.2. Book Entry System of Registration.

The following provisions shall apply to Series 2004 Bonds held in a book-entry system of registration:

(a) Upon the initial issuance, the ownership of each Series 2004 Bond shall be registered in the name of the Securities Depository or the Securities Depository Nominee, and ownership thereof shall be maintained in Book Entry Form by the Securities Depository for the account of the Agent Members thereof. Initially, the Series 2004 Bonds shall be registered in the name of Cede & Co., as the nominee of The Depository Trust Company. Beneficial Owners will not receive Series 2004 Bonds from the Bond Registrar evidencing their ownership interests. Except as provided in subparagraph (c) below, the Series 2004 Bonds may be transferred, in whole but not in part, only to the Securities Depository or the

Securities Depository Nominee, or to a successor Securities Depository selected or approved by the City or to a nominee of such successor Securities Depository.

(b) With respect to Series 2004 Bonds registered in the name of the Securities Depository or the Securities Depository Nominee, neither the City, the Bond Registrar nor the Paying Agent shall have any responsibility or obligation to any Agent Member or Beneficial Owner. Without limiting the foregoing, neither the City, the Bond Registrar nor the Paying Agent shall have any responsibility or obligation with respect to:

(i) the accuracy of the records of the Securities Depository, the Securities Depository Nominee or any Agent Member with respect to any Beneficial Ownership interest in the Series 2004 Bonds;

(ii) the delivery to any Agent Member, any Beneficial Owner or any other person, other than the Securities Depository or the Securities Depository Nominee, of any notice with respect to the Series 2004 Bonds; or

(iii) the payment to any Agent Member, any Beneficial Owner or any other person, other than the Securities Depository or the Securities Depository Nominee, of any amount with respect to the principal of or interest on the Series 2004 Bonds.

So long as any Series 2004 Bonds are registered in Book Entry Form, the City, the Bond Registrar and the Paying Agent may treat the Securities Depository as, and deem the Securities Depository to be, the absolute owner of such Series 2004 Bonds for all purposes whatsoever, including without limitation:

(i) the payment of principal and interest on such Series 2004 Bonds;

(ii) registering transfers with respect to such Series 2004 Bonds; and

(iii) voting and obtaining consents under the Bond Ordinance.

So long as any Series 2004 Bonds are registered in Book Entry Form, the Paying Agent shall pay all principal of and interest on the Series 2004 Bonds only to the Securities Depository or the Securities Depository Nominee as shown in the Bond Register, and all such payments shall be valid and effective to fully discharge the City's obligations with respect to payment of principal of and interest on the Series 2004 Bonds to the extent so paid.

(c) If at any time (i) the City determines that the Securities Depository is incapable of discharging its responsibilities described herein, (ii) if the Securities Depository notifies the City or the Paying Agent that it is unwilling or unable to continue as Securities Depository with respect to the Series 2004 Bonds, or (iii) if the Securities Depository shall no longer be registered or in good standing under the Securities Exchange Act of 1934 or other applicable statute or regulation and a successor Securities Depository is not appointed by the City within 90 days after the City receives notice or becomes aware of such condition, as the case may be, then the provisions of these subparagraphs (a) and (b) shall no longer be applicable and the City shall execute and the Bond Registrar shall authenticate and deliver certificated bonds to the Beneficial Owners. The Series 2004 Bonds issued pursuant to this subparagraph (c) shall be registered in such names and authorized denominations as the Securities Depository, pursuant to instructions from the Agent Member or otherwise, shall instruct the Bond Registrar. Upon exchange, the Bond Registrar shall authenticate and deliver the certificated Series 2004 Bonds to the persons in whose

names such Series 2004 Bonds are so registered on the Business Day immediately preceding the date of such exchange.

(d) For purposes of the foregoing paragraphs (a) through (c), the following definitions shall apply:

(i) "**Beneficial Owner**" shall mean the owners of a beneficial interest in the Series 2004 Bonds registered in Book Entry Form.

(ii) "**Book Entry Form**" or "**Book Entry System**" shall mean, with respect to the Series 2004 Bonds, a form or system, as applicable, under which (i) the ownership of beneficial interests in the Series 2004 Bonds and bond service charges may be transferred only through book entry and (ii) physical Series 2004 Bonds in fully registered form are registered only in the name of a Securities Depository or its nominee as holder, with physical Series 2004 Bonds in the custody of a Securities Depository.

(iii) "**Securities Depository**" means any securities depository that is a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to provisions of Section 17A of the Securities Exchange Act of 1934, operating and maintaining, with its participants or otherwise, a Book Entry System to record ownership of beneficial interest in bonds and bond service charges, and to effect transfers of bonds in Book Entry Form, and means, initially, The Depository Trust Company (a limited purpose trust company), New York, New York.

(iv) "**Securities Depository Nominee**" means any nominee of a Securities Depository and shall initially mean Cede and Co., New York, New York, as nominee of The Depository Trust Company.

Section 5.3. Covenants With Respect to Arbitrage.

The City hereby covenants and agrees that it will not, subsequent to the date of the issuance of the Series 2004 Bonds, intentionally use any portion of the proceeds of the Series 2004 Bonds to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments, except as may be otherwise permitted by Section 148 of the Internal Revenue Code of 1986, as amended (the "**Code**") and that it will comply with, and take such action and make such payments as may be permitted or required by, Section 148(f) of the Code, to ensure that the Series 2004 Bonds do not constitute "arbitrage bonds" within the meaning of Section 148(a) of the Code. The Mayor and the Municipal Clerk of the City are hereby authorized and directed to execute, for and on behalf of the City, a certification, based upon facts, estimates and circumstances as to the reasonable expectations regarding the amount, expenditure and use of the proceeds derived from the sale of the Series 2004 Bonds of this issue, as well as such other documents as may be necessary or desirable in connection with the issuance and delivery of the Series 2004 Bonds.

Section 5.4. Limited Obligation.

THE SERIES 2004 BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OF THE CITY NOR A PLEDGE OF THE FAITH AND CREDIT OF THE CITY. THE SERIES 2004 BONDS SHALL NOT BE PAYABLE FROM OR BE A CHARGE UPON ANY FUNDS OTHER THAN THE REVENUES AND AMOUNTS PLEDGED TO THE PAYMENT THEREOF, NOR SHALL THE CITY BE SUBJECT TO ANY PECUNIARY LIABILITY THEREON. NO OWNER OR OWNERS OF ANY SERIES 2004 BOND SHALL EVER HAVE THE RIGHT TO COMPEL

ANY EXERCISE OF THE TAXING POWER OF THE CITY TO PAY SUCH BOND OR THE INTEREST THEREON, NOR TO ENFORCE PAYMENT OF ANY SUCH BOND AGAINST ANY PROPERTY OF THE CITY; NOR SHALL ANY SUCH BOND CONSTITUTE A CHARGE, LIEN, OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY PROPERTY OF THE CITY, EXCEPT FOR THE GENERAL REVENUES OF THE AIRPORT AND ANY OTHER FUNDS PLEDGED TO SECURE THE PAYMENT OF THE SERIES 2004 BONDS.

No covenants, stipulations, obligations or agreements of any officer, agent, attorney or employee of the City shall be deemed to be covenants, stipulations, obligations or agreements of any such officer, agent, attorney or employee, past or present, in his individual capacity. No recourse shall be had for the payment of the Series 2004 Bonds or any claim thereon against any member, director, officer, agent, attorney or employee of the City, past, present or future.

Section 5.5. Offering Materials.

(a) The preparation, use and distribution of that certain Preliminary Official Statement to be dated on or about April 29, 2004 with respect to the Series 2004A/B Bonds and the Series 2004C Bonds (the "**2004A/B/C Preliminary Official Statement**"), is hereby authorized, ratified and approved. The 2004A/B/C Preliminary Official Statement shall be "deemed final" by the City as of its date, and the execution of its certificates to such effect by the appropriate officers of the City is hereby authorized and approved. The preparation and distribution of a final Official Statement with respect to the Series 2004A/B Bonds and the Series 2004C Bonds in substantially the form as the 2004A/B/C Preliminary Official Statement but containing the information in the Supplemental Ordinance is hereby authorized and approved. The Mayor of the City, the Chief Financial Officer of the City and the Airport General Manager are authorized to execute such final Official Statement on behalf of the City.

(b) The preparation, use, execution and distribution of a final Official Statement with respect to the Series 2004D Bonds and the Series 2004E Bonds (the "**2004D/E Official Statement**") is hereby authorized and approved. The 2004D/E Official Statement shall be "deemed final" by the City as of its date, and the execution of a certificate to such effect by the appropriate officers of the City is hereby authorized and approved. The Mayor of the City, the Chief Financial Officer of the City and the Airport General Manager are authorized to execute the 2004D/E Official Statement on behalf of the City.

Section 5.6. Continuing Disclosure Agreement.

The City hereby covenants and agrees that it will, to the extent allowed by applicable law, comply with and carry out all provisions of the Continuing Disclosure Agreements to be executed by the City and dated as of the date of issuance and delivery of the Series 2004 Bonds, as originally executed and as it may be amended from time to time in accordance with its terms (collectively, the "**Disclosure Agreement**"). The execution and delivery by the City of the Disclosure Agreement is hereby authorized. The Mayor of the City is authorized to sign the Disclosure Agreement on behalf of the City, and the corporate seal of the City shall be affixed on the Disclosure Agreement and attested by the Municipal Clerk. Notwithstanding any other provision of the Bond Ordinance, failure of the City to comply with the Disclosure Agreement shall not be considered a default thereunder, and under no circumstances shall such failure affect the validity or the security for the payment of the Series 2004 Bonds. It is expressly provided, however, that any beneficial owner of the Series 2004 Bonds may take such action, to the extent and in such manner as may be allowed by applicable law, as may be necessary and appropriate, including seeking mandamus or specific performance by court order to cause the City to comply with its obligations under this Section. The cost to the City of performing its obligations set forth in this Section shall be paid solely from funds lawfully available for such purpose. Nothing contained in the Bond Ordinance shall obligate the levy of any tax for the City's obligations set forth in this Section.

ARTICLE VI.
AUTHORIZATION OF ANCILLARY AGREEMENTS

Section 6.1. Credit Facilities.

The City is hereby authorized to negotiate and acquire, as deemed necessary and appropriate by the City Finance Officer or the Chief Officer, one or more municipal bond insurance policies which shall constitute a Credit Facility Agreement with respect to any series of the Series 2004 Bonds. The Chief Officer is hereby authorized and appointed to execute and deliver on behalf of the City such municipal bond insurance policy as deemed appropriate and as negotiated on the City's behalf by the City Finance Officer.

The terms of any municipal bond insurance policy for the Series 2004 Bonds shall be as set forth in the Supplemental Ordinance.

Section 6.2. Reserve Account Credit Facilities.

The City is hereby authorized to negotiate and acquire, as deemed necessary and appropriate by the City Finance Officer or the Chief Officer, one or more Debt Service Reserve Credit Facilities to satisfy the Debt Service Reserve Requirement with respect to all or any part of the Series 2004 Bonds. In connection with obtaining any Reserve Account Credit Facility, the City is hereby authorized to enter into a guaranty agreement, reimbursement agreement or similar agreement whereby the City agrees to reimburse (from Revenues of the Airport) the issuer of such Reserve Account Credit Facility for draws thereon to pay the principal of or interest on the Series 2004 Bonds.

The form and terms of any such guaranty, reimbursement or similar agreement shall comply with the Master Bond Ordinance and shall be as set forth in the Supplemental Ordinance.

Section 6.3. Agreements Relating to Auction Rate Securities.

The City is hereby authorized to execute and delivery any such agreements as may be required in connection with the issuance, delivery and administration of the Series 2004D Bonds and the Series 2004E Bonds, including without limitation one or more Auction Agent Agreements and one or more Broker/Dealer Agreements. The form and terms of any such agreements shall be as set forth in the Master Bond Ordinance.

ARTICLE VII.
PROJECT FUNDS; DEBT SERVICE FUNDS AND COSTS OF ISSUANCE ACCOUNT

Section 7.1. 2004 Project Fund.

(a) A special trust fund is hereby created and established and designated as the "City of Atlanta Airport Series 2004 Project Fund" (the "**2004 Project Fund**"). Wachovia Bank, National Association, Atlanta, Georgia, is hereby designated as the Project Fund Custodian (the "**Project Fund Custodian**"), and prior to the issuance of the Series 2004 Bonds such bank shall accept in writing its responsibilities as Project Fund Custodian hereunder.

There is hereby established within the 2004 Project Fund a separate account which shall be designated as the "**Airport General Account,**" a second separate account which shall be designated as the "**Costs of Issuance Account**," and a third separate account which shall be designated as the "**Capitalized Interest Account.**" The Project Fund Custodian, at the direction of the City, may establish

other accounts or subaccounts in the 2004 Project Fund from time to time, and the City hereby covenants and agrees to establish and maintain such other accounts or subaccounts if and to the extent required by (i) the Tax and Non-Arbitrage Certificate of the City to be issued and delivered in connection with the issuance of the Series 2004 Bonds or (ii) any statutory or regulatory requirements applicable to ensure that any particular category or item of revenue is applied in conformity with such statutory or regulatory requirement. Disbursements of Bond proceeds from the 2004 Project Fund shall be made only for payment of the Costs of the 2004 Project (including capitalized interest) and for payment of costs of issuance of the Series 2004 Bonds, provided, however, the owners of the Series 2004 Bonds shall have recourse against amounts on deposit in the 2004 Project Fund in the event there is a default with respect to the payment of the principal of or interest on the Series 2004 Bonds.

Concurrently with the issuance of the Series 2004C Bonds, any amounts remaining on deposit in the Airport General Account of the "City of Atlanta Notes 2003 Project Fund" created pursuant to Section 2.7 of the Fifth Supplemental Bond Ordinance shall be transferred to the 2004 Project Fund, disbursed in accordance with this Section 8.1 and invested in accordance with Section 8.2.

(b) Before any disbursements shall be made from the Airport General Account, there shall be filed by the Airport Manager or his designee with the City Finance Manager and with the Project Fund Custodian a requisition for such disbursement stating each amount to be paid, the account from which such payment is to be made and the name of the person, firm or corporation to whom payment thereof is due (or in the case of reimbursement of the City for costs paid by the City, that such amount is due to the City). The Department of Aviation shall maintain records with respect to the expenditures of such funds.

(c) All disbursements from the Costs of Issuance Account of the 2004 Project Fund shall be made by the Project Fund Custodian upon written direction of the City Finance Manager of the City and applied to the payment of costs and expenses incurred by the City in connection with the issuance and delivery of the Series 2004 Bonds. Moneys remaining in the Costs of Issuance Account after the earlier of (i) the payment of all costs and expenses in connection with the Series 2004 Bonds or (ii) six months after the issuance and delivery of the Series 2004 Bonds shall be deposited upon direction of the City into the Airport General Account.

(d) All requisitions submitted to the Project Fund Custodian pursuant to this Section shall be retained by the Project Fund Custodian, subject at all times to inspection by any officer of the City or any owner of a Series 2004 Bond, upon reasonable request.

(e) The Project Fund Custodian shall, at the direction of the Finance Officer, transfer from the Capitalized Interest Account (and each subaccount therein) to the Sinking Fund such amounts as shall be necessary from time to time to pay interest on the Series 2004A/B Bonds during the period of construction of the 2004 Project.

Section 7.2. Investments.

(a) Amounts on deposit in the 2004 Project Fund and each account therein may be invested and reinvested by the City in Permitted Investments.

(b) Amounts on deposit in the Note Retirement Account created pursuant to Section 2.10 of the Fifth Supplemental Bond Ordinance may be invested and reinvested by the City in direct obligations of the United States of America, or in obligations of agencies or subsidiary corporations of the United States of America fully guaranteed as to principal and interest by the United States of America.

All such investments shall be made so as to mature or be subject to redemption (without penalty) at the option of the owner thereof on or prior to the date or dates that the City anticipates that moneys therefrom will be required. Each investment shall be credited to the fund or account for which it is held, and the income, profits and revenues on such investments shall be credited to the fund or account for which such investment was made.

Section 7.3. Creation of Additional Funds and Accounts; Debt Service Reserve.

(a) There are hereby created:

(i) within the Interest Subaccount of the Payments Account of the City of Atlanta Airport Sinking Fund, a Series 2004A Subaccount, a Series 2004B Subaccount, a Series 2004C Subaccount, a Series 2004D Subaccount and a Series 2004E Subaccount;

(ii) within the Principal Subaccount of the Payments Account of the City of Atlanta Airport Sinking Fund, a Series 2004A Subaccount, a Series 2004B Subaccount, a Series 2004C Subaccount, a Series 2004D Subaccount and a Series 2004E Subaccount; and

(iii) within the Debt Service Reserve Account of the City of Atlanta Airport Sinking Fund, a Series 2004A Subaccount, a Series 2004B Subaccount, a Series 2004C Subaccount, a Series 2004D Subaccount and a Series 2004E Subaccount.

The funds in each subaccount shall secure the Series 2004A Bonds, the Series 2004B Bonds, the Series 2004C Bonds, the Series 2004D Bonds and the Series 2004E Bonds, respectively.

(b) The Debt Service Reserve Requirement for the Series 2004A/B Bonds, the Series 2003 Bonds, the Series 2000 Bonds, and for any series of Bonds issued pursuant to Section 502 of the Master Bond Ordinance as Additional Bonds with a Senior Lien on General Revenues, shall be the aggregate sum of, for each such series of Bonds so secured, the lesser of (i) 125 percent of the average annual Debt Service Requirement, (ii) the Maximum Annual Debt Service Requirement, and (iii) 10 percent of the original issue price. Notwithstanding Section 404(f) of the Master Bond Ordinance, immediately upon issuance of the Series 2004A/B Bonds, the Debt Service Reserve Account shall contain, either with funds or through a Reserve Account Credit Facility, or a combination thereof, the total Debt Service Reserve Requirement applicable to the Series 2004A/B Bonds, the Series 2003 Bonds and the Series 2000 Bonds.

(c) The Debt Service Reserve Requirement for the Series 2004C/D/E Bonds, and for any series of Bonds hereafter issued pursuant to Section 503 of the Master Bond Ordinance and Section 4.2 of this Seventh Supplemental Bond Ordinance as Additional Bonds with a Subordinate Lien on General Revenues, shall be the aggregate sum of, for each such series of Bonds so secured, the lesser of (i) 125 percent of the average annual Debt Service Requirement, (ii) the Maximum Annual Debt Service Requirement, and (iii) 10 percent of the original issue price. Notwithstanding Section 404(f) of the Master Bond Ordinance, the City may provide in the Supplemental Resolution that immediately upon issuance of the Series 2004C/D/E Bonds, the Debt Service Reserve Account shall contain, either with funds or through a Reserve Account Credit Facility, or a combination thereof, the total Debt Service Reserve Requirement applicable to the Series 2004C/D/E Bonds.

Section 7.4. No Lien or Claims.

Neither the Paying Agent nor any other Person except for Bondholders shall have any claim against any fund or account created pursuant to this Seventh Supplemental Bond Ordinance.

ARTICLE VIII.
MISCELLANEOUS

Section 8.1. Supplemental Resolution.

The City shall, after the Series 2004 Bonds have actually been sold, adopt a Supplemental Resolution which among other things will specify the interest rate or rates per annum which the Series 2004 Bonds of each series shall bear, the principal amount of Series 2004 Bonds of each series to mature in each year, the maturities of the Series 2004 Bonds of each series, if any, which shall be designated as term bonds subject to mandatory redemption, and the optional redemption provisions applicable to the Series 2004 Bonds of each series, will provide for the terms of any bond insurance policy with respect to the Series 2004 Bonds of each series, will provide for the execution and delivery of a bond purchase agreement, will provide for the specific application of proceeds of the Series 2004 Bonds and will provide for the actual issuance and delivery of the Series 2004 Bonds of each series upon payment therefor by the purchaser or purchasers thereof.

Section 8.2. Validation.

In order to proceed with the sale, issuance and delivery of the Series 2004 Bonds, the Mayor of the City is hereby authorized and directed immediately to notify the District Attorney of the Atlanta Judicial Circuit of the action taken by the City as shown by this Seventh Supplemental Bond Ordinance, to request the District Attorney to institute proper proceedings to confirm and validate the Series 2004 Bonds and to pass upon the security therefor, and the Mayor is further authorized to acknowledge service and to make answer in such proceedings and the Mayor and the Municipal Clerk of the City are authorized to take any and all further action and to execute any and all further instruments as they might deem necessary to consummate the sale, issuance and delivery of the Series 2004 Bonds.

Section 8.3. Previously Authorized Series 2004 Bonds Shall Not Be Issued.

Notwithstanding any provision of the Second Supplemental Bond Ordinance or the Fifth Supplemental Bond Ordinance, the City hereby abrogates its right to issue the Previously Authorized Series 2004 Bonds authorized pursuant to the Fifth Supplemental Bond Ordinance, and the Previously Authorized Series 2004 Bonds shall not be issued.

Section 8.4. Closing Papers.

The Mayor, the City Attorney, the City Finance Officer and the Municipal Clerk, and other officials, officers and agents of the City, together with Public Resources Advisory Group and DOBBS, RAM & Company, the City's financial advisors, and Bond Counsel, are hereby authorized, empowered and directed to prepare, execute, file and deliver such further instruments, certificates or other documents, any documents, including a guaranty or similar agreement, relating to a surety bond to be held in the Debt Service Reserve Account, and a certificate of the City with respect to tax matters, and to take such other and further action, as may be necessary or desirable to consummate the aforesaid issuance of the Series 2004 Bonds and to give full force and effect to the Bond Ordinance.

Section 8.5. Binding Contract.

This Seventh Supplemental Bond Ordinance shall constitute a contract binding the City and, as such, the Mayor is signing this contract on behalf of the City, and the Municipal Clerk is authenticating the same.

Section 8.6. Conflicting Ordinances.

Any and all ordinances or resolutions or parts of ordinances or resolutions, except the Master Bond Ordinance, in conflict with this Seventh Supplemental Bond Ordinance are to the extent of such conflict hereby repealed, and this Seventh Supplemental Bond Ordinance shall take immediate effect and shall be in full force and effect from and after its adoption.

Adopted April ___, 2004.

CITY OF ATLANTA

By:_____
Mayor

AUTHENTICATED:

_____
Municipal Clerk

2004 PROJECT

COMPONENT OF PROJECT	ESTIMATED COST
Fifth Runway	
Design and Construction	$349,000
Total	**349,000**
Other Airfield	
Pavement replacement	14,035
Taxiway extension	45,328
Runway end-around taxiway	36,637
Total	**96,000**
CPTC	
Baggage Screening	88,000
Concourse C ASA Project	20,000
CPTC improvements	15,000
Concourse imrpovements	12,000
Uupgrades and replacements	4,000
AGTS upgrades	9,000
Total	**148,000**
International Terminal	
Site Prep/Enabling	116,400
APM Extension and Station	11,600
Total	**128,000**
Totals	**$721,000**

EXHIBIT A

EXHIBIT B

REPORT OF THE AIRPORT CONSULTANT

EXHIBIT C

PROVISIONS FOR AUCTION RATE SECURITIES

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EXHIBIT C

PROVISIONS FOR AUCTION RATE SECURITIES

ARTICLE C-I
DEFINITIONS

Section C-101 Definitions.

Capitalized terms used but not otherwise defined in this Exhibit C shall have the meanings set forth in the Seventh Supplemental Bond Ordinance of the City of Atlanta, Ordinance No. _____ (the "Seventh Supplemental Bond Ordinance") to which this Exhibit C is attached. The following terms shall, for all purposes herein and (except as the context may otherwise require) in the Seventh Supplemental Bond Ordinance to which this Exhibit C is attached, have the following meanings:

Alternate Rate means, on any Rate Determination Date, the BMA Index or if the BMA Index is no longer published, an index or a rate selected or determined by the City.

Auction Agent shall have the meaning set forth in Exhibit C-1.

Auction Agreement shall have the meaning set forth in Exhibit C-1.

Auction Date shall have the meaning set forth in Exhibit C-1.

Auction Period shall have the meaning set forth in Exhibit C-1.

Auction Period Rate shall have the meaning set forth in Exhibit C-1.

Auction Procedures shall have the meaning set forth in Exhibit C-1.

Auction Rate Mode means the mode during which the duration of the Auction Period and the interest rate is determined in accordance with Section C-203 and Exhibit C-1.

Authorized Denominations means with respect to any Bonds (i) in an Auction Rate Mode, $25,000 and any integral multiple thereof and (ii) in a Fixed Rate Mode, $5,000 and any integral multiple thereof.

BMA Index means The Bond Market Association Municipal Swap Index released by Municipal Market Data to its subscribers.

Bonds, as used in this Exhibit C (but only in this Exhibit C and Exhibit C-1) shall mean any Series 2004D Bonds or Series 2004E Bonds authorized pursuant to the Seventh Supplemental Bond Ordinance and issued in accordance with the Seventh Supplemental Bond Ordinance, or all such Series 2004D Bonds and Series 2004E Bonds collectively, as the context may require. **Bonds of a Series** means the Series 2004D Bonds or the Series 2004E Bonds, respectively.

Broker-Dealer shall have the meaning set forth in Exhibit C-1.

Broker-Dealer Agreement shall have the meaning set forth in Exhibit C-1.

Business Day means a day other than (i) a Saturday, Sunday or legal holiday, (ii) a day on which the Paying Agent, the Tender Agent, the Auction Agent (if any Bonds are in an Auction Rate Mode), the

Broker-Dealers (if any Bonds are in an Auction Rate Mode), the Remarketing Agent or banks and trust companies in New York, New York are authorized or required to remain closed, or (iii) a day on which the New York Stock Exchange is closed.

Current Mode has the meaning specified in Section C-204(b).

Electronic Means means telecopy, facsimile transmission, e-mail transmission or other similar electronic means of communication providing evidence of transmission, including a telephonic communication confirmed by any other method set forth in this definition.

Favorable Opinion of Bond Counsel means, with respect to any action the occurrence of which requires such an opinion, an unqualified Counsel's Opinion to the effect that such action is permitted under the Seventh Supplemental Bond Ordinance and that such action will not impair the exclusion of interest on such Bonds from gross income for purposes of federal income taxation (subject to the inclusion of any exceptions contained in the opinion delivered upon original issuance of the Bonds).

Fixed Rate means an interest rate fixed to the Maturity Date.

Fixed Rate Mode means the period during which any Bonds interest at a Fixed Rate.

Interest Payment Date means the following dates upon which interest is payable on any Bonds:

(a) the Maturity Date or any Mode Change Date;

(b) with respect to the Auction Rate Mode, each date that is specified as an "Interest Payment Date" in Exhibit C-1; and

(c) with respect to the Fixed Rate Mode, each July 1 and January 1, provided that the Interest Payment Dates for the Fixed Rate Mode may be changed in connection with the conversion to such Mode upon receipt of a Favorable Opinion of Bond Counsel.

Interest Period means the period of time that any interest rate remains in effect, which period, with respect to Bonds in the Fixed Rate Mode, shall be the period from and including the Mode Change Date that they began to bear interest at the Fixed Rate to and including the Maturity Date.

Mandatory Purchase Date means any Mode Change Date.

Maturity Date means, with respect to any Bond, the final date specified therefore in the Supplemental Resolution.

Maximum Auction Rate shall have the meaning set forth in Exhibit C-1.

Maximum Rate means ten percent (10%) per annum; provided, however, that in no event shall the Maximum Rate exceed the maximum rate permitted by applicable law.

Mode means the Auction Rate Mode or the Fixed Rate Mode.

Mode Change Date means, with respect to any Bonds, the date one Mode terminates and another Mode begins.

Mode Change Notice shall have the meaning specified in Section C-204(a).

New Mode shall have the meaning specified in Section C-204(b).

Notice Parties means the City, the Remarketing Agent (if any), the Tender Agent (if any), the Auction Agent (if any), and all Broker-Dealers (if any).

Purchase Fund means the fund created in Section C-403.

Purchase Price means an amount equal to the principal amount of any Bond purchased on any Mandatory Purchase Date.

Rate Determination Date means any date on which the interest rate on any Bonds is required to be determined, being in the case of any Bonds to be in the Fixed Rate Mode, a Business Day prior to the first day of an Interest Period.

Rating Agencies means Fitch, Moody's and S&P or such other nationally recognized securities rating agencies selected by the City.

Record Date means, with respect to Any Bonds (i) in the Auction Rate Mode, the opening of business on the Business Day next preceding an Interest Payment Date and (ii) in the Fixed Rate Mode, the fifteenth (15th) day (whether or not a Business Day) of the calendar month next preceding each Interest Payment Date.

Redemption Date means the date fixed for redemption of Any Bonds subject to redemption in any notice of redemption given in accordance with the terms hereof.

Remarketing Agent means the remarketing agent appointed pursuant to Section C-501 of this Exhibit C.

Remarketing Agreement means the remarketing agreement entered into among the City and the Remarketing Agent with respect to any Bonds pursuant to which the Remarketing Agent has agreed to remarket the Bonds on the Mandatory Purchase Date at a price of not less than 100% of the principal amount thereof.

Remarketing Proceeds Account means the account by that name created in Section C-403.

Securities Depository has the meaning set forth in Exhibit C-1.

Sinking Fund Installments is defined in Section C-302.

Tender Agent means the tender agent appointed pursuant to Section C-502.

Tender Agency Agreement means the tender agency agreement entered into among the City and the Tender Agent with respect to any Bonds.

Section C-102 Rules of Construction.

(a) Exhibits A and C-1 constitute an integral part of the Seventh Supplemental Bond Ordinance and, except to the extent provided in the next sentence, has the same force and effect as if set forth therein. In the event of any conflict between Exhibits A and C-1 and the Seventh Supplemental Bond Ordinance, the Seventh Supplemental Bond Ordinance shall control.

(b) References in the Seventh Supplemental Bond Ordinance and in this Exhibit C to Articles or Sections with "C-" preceding the number of an Article or Section are to such Article or Section of this Exhibit C.

(c) Unless otherwise provided in the Seventh Supplemental Bond Ordinance and this Exhibit C, references in the Seventh Supplemental Bond Ordinance and in this Exhibit C to "time" shall be deemed to refer to New York, New York time.

ARTICLE C-II
INTEREST RATE MODES, INTEREST RATES AND PAYMENT

Section C-201 Denominations; Medium, Method and Place of Payment of Principal and Interest.

(a) The Bonds shall be issued in Authorized Denominations. The principal and redemption price of and interest on the Bonds shall be payable in lawful money of the United States of America. Accrued and unpaid interest on the Bonds shall be due on the Interest Payment Dates and payable by wire transfer of immediately available funds to the account specified by the Owner in a written direction received by the Paying Agent/Registrar on or prior to a Record Date or, if no such account number is furnished, by check mailed by the Paying Agent/Registrar to the Owner at the address appearing on the books required to be kept by the Paying Agent/Registrar pursuant to the Seventh Supplemental Bond Ordinance. The payment of the Purchase Price of Bonds on any Mandatory Purchase Date shall be made by wire transfer in immediately available funds by the Tender Agent to the account specified by the Owner in a written direction received by the Tender Agent or, if no such account number is furnished, by check mailed by the Tender Agent to the Owner at the address appearing on the books required to be kept by the Paying Agent/Registrar pursuant to the Seventh Supplemental Bond Ordinance. Any such direction shall remain in effect until revoked or revised by such Owner by an instrument in writing delivered to the Paying Agent/Registrar or the Tender Agent, as the case may be.

(b) Interest on Any Bonds that are issued in the Fixed Rate Mode shall be calculated on the basis of a 360-day year composed of twelve 30-day months. Interest on Any Bonds that are issued in the Auction Rate Mode shall be calculated on the basis of a 360-day year for the actual number of days elapsed to the Interest Payment Date.

(c) The interest rates for Bonds contained in the records of the Paying Agent/Registrar shall be conclusive and binding upon the City, the Remarketing Agent, the Tender Agent, the Auction Agent, all Broker-Dealers and the Owners.

(d) The Owner of any Bond shall be paid (and shall be obligated to pay as part of the price paid by such Owner in connection with the remarketing to it of such Bonds) interest thereon for an Interest Period or Auction Period only in the amount that would have accrued thereon at the rate or rates established pursuant to this Exhibit C, as applicable.

(e) No Bond may bear interest at an interest rate higher than the Maximum Rate.

Section C-202 Determination of Fixed Rate.

(a) Fixed Rate. The Fixed Rate to be effective for the Interest Period commencing on any Mode Change Date after which Bonds will bear interest at a Fixed Rate, shall be determined by the Remarketing Agent. No later than 4:00 p.m. on the Business Day next preceding the Mode Change Date,

The Remarketing Agent shall determine the Fixed Rate and shall make the Fixed Rate available by Electronic Means to each other Notice Party. The Fixed Rate shall be the minimum rate that, in the sole judgment of the Remarketing Agent, would result in a sale of the Bonds at a price equal to the principal amount thereof on the Rate Determination Date taking into consideration the duration of the Interest Period.

(b) Failure to Establish Fixed Rate. If for any reason, a Fixed Rate cannot be established on a Mode Change Date, the Bonds affected shall remain in the Auction Rate Mode.

Section C-203 Determination of Interest Rate and Auction Period During Auction Rate Mode.

(a) During any Auction Rate Mode, the Bonds shall bear interest at the Auction Period Rate for each Auction Period determined as set forth in this Section and Exhibit C-1. To the extent that any Bonds are initially issued in an Auction Rate Mode, (i) the initial Auction Period for such Bonds shall commence from and include the Closing Date and shall expire on and include the initial Auction Date, (ii) the initial Auction Date for such Bonds (which will be the day of the week on which Auctions will generally be conducted) shall be the date set forth in the Supplemental Resolution and (iii) the Auction Period Rate for the initial Auction Period for such Bonds shall be the interest rate set forth in the Supplemental Resolution. After the initial Auction Period, each Auction Period shall be an Auction Period set forth in the Supplemental Resolution unless such Auction Period is adjusted or changed to a daily, 7-day, 28-day or 35-day Auction Period in accordance with Exhibit C-1. For any other Auction Period that is not an initial Auction Period, the Auction Period Rate shall be the rate of interest determined in accordance with Exhibit C-1.

(b) During any Auction Rate Mode, upon the occurrence of a default of the City in the payment of principal, interest or premium on any Bond in the Auction Rate Mode after the same shall have become due, whether at maturity, upon call for redemption or on an Interest Payment Date, the Paying Agent/Registrar shall immediately give notice of the occurrence of such events to the Auction Agent.

(c) (1) Less than all of the Bonds then subject to a particular Auction Period may be converted to another Auction Period in accordance with Exhibit C-1; provided, however, that in such event such Bonds shall be re-designated into two or more subseries for each separate Auction Period with a new CUSIP number for each subseries.

(2) If less than all of the Bonds then subject to a particular Auction Period are converted to another Auction Period in accordance with Exhibit C-1, the particular Bonds or portions thereof which are to be converted to a new Auction Period shall be selected by the Auction Agent in its discretion subject to the provisions hereof regarding Authorized Denominations of Bonds subject to such Mode.

(3) All Bonds of any series shall be in the same Auction Period.

Section C-204 Changes in Mode.

(a) Changes. Any Mode, other than a Fixed Rate Mode, may be changed to any other Mode at the times and in the manner hereinafter provided. Any Bonds converted to a Fixed Rate Mode shall not be changed to any other Mode.

(b) Notice of Intention to Change Mode. The City or authorized Representative on behalf of the City shall give written notice (the "Mode Change Notice") to the Notice Parties of its intention to effect a change in the Mode from the Mode then prevailing (the "Current Mode") to another Mode (the "New Mode") specified in such written notice, together with the proposed Mode Change Date. Such notice shall be given at least twenty (20) days prior to the Mode Change Date.

(c) General Provisions Applying to Changes from One Mode to Another.

(i) The Mode Change Date must be a Business Day.

(ii) Additionally, the Mode Change Date from an Auction Rate Mode shall be the Interest Payment Date following the last day of an Auction Period.

(iii) On or prior to the date the City, or the Authorized Representative on behalf of the City, provides the notice to the Notice Parties pursuant to Section C-204(b) hereof, the City, or the Authorized Representative on behalf of the City, shall have received a letter from counsel acceptable to the City and addressed to the City (with a copy to all other Notice Parties) to the effect that it expects to be able to deliver a Favorable Opinion of Bond Counsel on the Mode Change Date.

(iv) No change in Mode will become effective unless all conditions precedent thereto have been met and the following items shall have been delivered to the Remarketing Agent by 11:00 a.m., or such later time as is acceptable to the City and the Remarketing Agent, on the Mode Change Date:

(1) a Favorable Opinion of Bond Counsel dated the Mode Change Date;

(2) if required, unless a Tender Agency Agreement and Remarketing Agreement is effective, an executed copy of such Tender Agency Agreement and Remarketing Agreement; and

(3) a certificate of an authorized officer of the Tender Agent to the effect that all of the Bonds tendered or deemed tendered, unless otherwise redeemed, have been purchased at a price at least equal to the Purchase Price thereof.

(v) If all conditions to the Mode change are met, the Interest Period(s) for the New Mode shall commence on the Mode Change Date and the Interest Rate(s) shall be determined by the Remarketing Agent in the manner provided in Section C-202.

(vi) With respect to a change in the Mode from an Auction Rate Mode to any other Mode, in the event the foregoing conditions have not been satisfied, the Bonds that are subject to the Mode Change Notice will not be subject to mandatory tender for purchase, will continue to bear interest in the Auction Rate Mode and the Auction Period Rate for the Auction Period commencing on the failed Mode Change Date shall be equal to the Maximum Auction Rate as determined on the Auction Date for such Auction Period and the Auction Period commencing on the failed Mode Change Date shall be a seven-day Auction Period. Thereafter, the Auction Period Rate for each succeeding Auction Period shall be determined in accordance with Exhibit C-1 and each Auction Period shall be a seven-day Auction Period until the length of the Auction Period is changed in accordance with Exhibit C-1.

(d) Serial and Term Bonds. The City may, in the notice given pursuant to Section C-204(b) in connection with any change of Bonds to the Fixed Rate Mode, provide that all or some of such Bonds shall be serial or term Bonds. The total aggregate principal amount of Bonds due on any date, whether in a Fixed Rate Mode or an Auction Rate Mode, shall be equal to the Sinking Fund Installment specified for such date, and the remaining Sinking Fund Installments shall continue to be sinking fund installments for such Bonds due on the Maturity Date, unless the City specified otherwise in the notice. The interest rate for serial or term Bonds maturing on a particular date may be different from the interest rate or rates established for other Bonds.

(e) Partial Mode Changes and Subseries Designations.

(i) Less than all of the Bonds then subject to a particular Mode may be converted to another Mode pursuant to this Section; provided, however, that in such event such Bonds shall be re-designated into two or more subseries for each separate Mode with a new CUSIP number for each subseries.

(ii) If less than all of the Bonds then subject to a particular Mode are converted to another Mode pursuant to this Section, the particular Bonds or portions thereof which are to be converted to a New Mode shall be selected by the City in its discretion subject to the provisions hereof regarding Authorized Denominations of Bonds subject to such New Mode.

ARTICLE C-III
REDEMPTION OF BONDS

Section C-301 Optional Redemption.

(a) Bonds in the Auction Rate Mode shall be subject to redemption at the option of the City, in whole or in part, on any Interest Payment Date immediately following an Auction Period, at the Redemption Price equal to the principal amount thereof, plus accrued interest to the Redemption Date; provided, however, that in the event of a partial redemption of Bonds in an Auction Rate Mode, the aggregate principal amount of Bonds in an Auction Rate Mode which will remain outstanding shall be equal to or more than $10,000,000 unless otherwise consented to by each Broker-Dealer.

(b) Bonds in the Fixed Rate Mode are subject to redemption at the option of the City, in whole or in part, on any date following the "No Call Period" set forth below at the Redemption Prices set forth in the following table:

OPTIONAL REDEMPTION DURING FIXED RATE MODE

Duration of Interest Period in Fixed Rate Mode	No Call Period (commencing on the date of commencement of the Fixed Rate Mode Interest Period)	Redemption Price
Greater than or equal to 10 years	8 years	101%, declining by 1% on the first succeeding anniversary of the end of the no call period and thereafter at 100%
Greater than or equal to 8 years and less than 10 years	6 years	101% declining by 1% on the first succeeding anniversary of the end of the no call period and thereafter at 100%
Greater than or equal to 4 years and less than 8 years	3 years	100½%, declining by ½% on the first succeeding anniversary of the end of the no call period and thereafter at 100%
Less than 4 years	Bonds are subject to optional redemption at any time	100%

(c) The City may, in connection with a change to a Fixed Rate Mode, alter its rights as described above in Section C-301(b) to redeem any Bonds on and after the Mode Change Date without the consent of Owners of the Bonds; provided, that notice describing the alteration shall be submitted to the Tender Agent and the Remarketing Agent, together with a Favorable Opinion of Bond Counsel, addressed to them.

Section C-302 Redemption from Sinking Fund Installments.

To the extent that the Supplemental Resolution provides that Bonds are subject to redemption from sinking fund installments, the date on which a sinking fund installment (each a "Sinking Fund Installment") shall be due when the Bonds are in an Auction Rate Mode shall be the dates set forth in the Supplemental Resolution, or if any such date is not an Interest Payment Date, the Interest Payment Date immediately preceding such date.

Section C-303 Redemption in Part.

In the event of redemption of less than all the Bonds, the Paying Agent/Registrar shall at the written direction of the City, or the Authorized Representative on behalf of the City, select for redemption all then Outstanding Bonds in accordance with said direction; provided, however, that in the event of redemption of less than all the Bonds of as single maturity and interest rate, the particular Bonds to be called for redemption shall be selected by lot or any other method determined by the Paying Agent/Registrar to be fair and reasonable. New Bonds representing the unredeemed balance of the principal amount thereof shall be issued in Authorized Denominations to the Owner thereof, without charge therefore. Any new Bond issued pursuant to this Section shall be executed by the City and

authenticated by the Paying Agent/Registrar and shall be in an aggregate unpaid principal amount equal to the unredeemed portion of such Bond surrendered.

ARTICLE C-IV
PURCHASE OF BONDS

Section C-401 Mandatory Purchase on Any Mode Change Date.

The Bonds to be changed to any Mode from any other Mode are subject to mandatory tender for purchase on the Mode Change Date at the Purchase Price.

Section C-402 Notice of Mandatory Tender for Purchase.

(a) The Paying Agent/Registrar shall, at least fifteen (15) days prior to any Mode Change Date, give notice of the mandatory tender for purchase of such Bonds that is to occur on such date.

(b) Notice of any mandatory tender of Bonds shall state that such Bonds are to be purchased pursuant to Section C-401, and shall be provided by the Paying Agent/Registrar or caused to be provided by the Paying Agent/Registrar by mailing a copy of the notice of mandatory tender by first-class mail to each Owner of Bonds at the respective addresses shown on the registry books. Each notice of mandatory tender for purchase shall identify the reason for the mandatory tender for purchase, and specify the Mandatory Purchase Date, the Purchase Price, the place and manner of payment, that the Owner has no right to retain such Bonds and that no further interest will accrue from and after the Mandatory Purchase Date to such Owner. Each notice of mandatory tender for purchase caused by a change in the Mode applicable to the Bonds shall in addition specify the conditions that have to be satisfied pursuant to Section C-204 hereof in order for the New Mode to become effective and the consequences that the failure to satisfy any of such conditions would have. The Paying Agent/Registrar shall give a copy of any notice of mandatory tender given by it to the other Notice Parties. Any notice mailed as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner of any Bond receives the notice, and the failure of such Owner to receive any such notice shall not affect the validity of the action described in such notice. Failure by the Paying Agent/Registrar to give a notice as provided in this Section shall not affect the obligation of the Tender Agent to purchase the Bonds subject to mandatory tender for purchase on the Mandatory Purchase Date.

Section C-403 <u>Purchase Fund</u>.

(a) <u>Funds and Accounts</u>. There is hereby established, and there shall be maintained with the Tender Agent for the Bonds, a separate fund to be known as the "Purchase Fund." The Tender Agent shall further establish a separate account within such Purchase Fund to be known as the "Remarketing Proceeds Account."

(b) <u>Remarketing Proceeds Account</u>. Upon receipt of the proceeds of a remarketing of Bonds on a Mandatory Purchase Date, the Tender Agent shall deposit such proceeds in the related Remarketing Proceeds Account for application to the payment of the Purchase Price of such Bonds.

(c) <u>No Investment</u>. Amounts held by the Tender Agent in the Remarketing Proceeds Account relating to the Bonds shall not be deemed as Pledged Revenues under the Seventh Supplemental Bond Ordinance and shall be held uninvested and separate and apart from all other funds and accounts.

(d) Payment of Purchase Price by Tender Agent. The Tender Agent shall pay the Purchase Price of Bonds to their Owners from the moneys in the Remarketing Proceeds Account in accordance with this Exhibit C by 3:00 p.m. on any Mandatory Purchase Date.

Section C-404 Remarketing of Bonds; Notices.

(a) Remarketing of Bonds. The Remarketing Agent for the Bonds shall offer for sale and use its best efforts to find purchasers for all Bonds required to be tendered for purchase.

(b) Notice of Remarketing; Registration Instructions; New Bonds.

(i) The Remarketing Agent shall notify the Tender Agent by Electronic Means not later than 11:45 a.m. on the Mandatory Purchase Date of the registration instructions as may be necessary to re-register Bonds; and

(ii) Unless otherwise permitted by the Securities Depository and the book-entry-only system applicable to the Bonds, the Tender Agent shall authenticate and have available for delivery to the Remarketing Agent prior to 12:30 p.m. on the Mandatory Tender Date new Bonds for the respective purchasers thereof.

(c) Transfer of Funds. The Remarketing Agent shall at or before 11:45 a.m. on the Mandatory Purchase Date (x) notify the City and the Tender Agent by Electronic Means of the amount of tendered Bonds that were not successfully remarketed, and (y) confirm to the City and the Tender Agent the transfer of the Purchase Price of remarketed Bonds to the Tender Agent in immediately available funds at or before 12:00 noon, such confirmation to include the pertinent Fed Wire reference number.

Section C-405 Source of Funds for Purchase of Bonds.

On or before the close of business on the Mandatory Purchase Date with respect to any Bonds, the Tender Agent shall purchase such Bonds from the Owners at the Purchase Price. Unless otherwise provided in a certificate of an Authorized Officer delivered to the Paying Agent/Registrar, the Tender Agent and the Remarketing Agent on a Mandatory Purchase Date, funds for the payment of such Purchase Price shall be derived solely from the immediately available funds on deposit in the Remarketing Proceeds Account with respect to such Bonds.

Notwithstanding the foregoing, unless otherwise provided in a certificate of an Authorized Officer delivered to the Tender Agent and the Remarketing Agent on a Mandatory Purchase Date, the City shall have the option, but shall not be obligated, to transfer immediately available funds to the Tender Agent for the payment of the Purchase Price of any Bond that is tendered or deemed tendered for purchase in accordance with this Exhibit C and the Purchase Price of which is not paid on the Mandatory Purchase Date from the source identified above. Neither the City, the Tender Agent nor the Remarketing Agent shall have any liability or obligation to pay or, except from the source identified above, make available such Purchase Price. Unless otherwise provided in a certificate of an Authorized Officer delivered to the Paying Agent/Registrar and Tender Agent on a Mandatory Purchase Date, the failure to pay any such Purchaser Price for Bonds that have been tendered or deemed tendered for purchase from the source identified above shall not constitute an Event of Default under the Seventh Supplemental Bond Ordinance and in the case of such failure such Bonds shall not be purchased and shall remain in the Mode in effect immediately preceding such Mandatory Purchase Date.

Section C-406 Delivery of Bonds.

Except as otherwise required or permitted by the book-entry-only system of the Securities Depository, the Bonds sold by the Remarketing Agent pursuant to Section C-404 shall be delivered by the Remarketing Agent to the purchasers of those Bonds by 3:00 p.m. on the Mandatory Purchase Date.

Section C-407 Delivery and Payment for Purchased Bonds: Undelivered Bonds.

Except as other wise required or permitted by the book-entry-only system of the Securities Depository, Bonds purchased pursuant to this article shall be delivered (with all necessary endorsements) at or before 12:00 noon on the Mandatory Purchase Date, at the office of the Tender Agent in New York, New York. Payment of the Purchase Price shall be made by wire transfer in immediately available funds by the Tender Agent by the close of business on the Mandatory Purchase Date, or, if the Owner has not provided or caused to be provided wire transfer instructions, by check mailed to the Owner at the address appearing in the books required to be kept by the Paying Agent/Registrar pursuant to the Seventh Supplemental Bond Ordinance. If Bonds to be purchased are not delivered by the Owners to the Tender Agent by 12:00 noon on the Mandatory Purchase Date, the Tender Agent shall hold any funds received for the purchase of those Bonds in trust in a separate account and shall pay such funds to the former Owners upon presentation of the Bonds subject to tender. Any such amounts shall be held uninvested. Such undelivered Bonds shall be deemed tendered and cease to accrue interest as to the former Owners on the Mandatory Purchase Date, and moneys representing the Purchase Price shall be available against delivery of those Bonds at the Principal Office of the Tender Agent; provided, however, that any funds which shall be so held by the Tender Agent and which remain unclaimed by the former Owner of any such Bond not presented for purchase for a period of three years after delivery of such funds to the Tender Agent, shall, to the extent permitted by law, upon request in writing by the City and the furnishing of security or indemnity to the Tender Agent's satisfaction, be paid to the City free of any trust or lien and thereafter the former Owner of such Bond shall look only to the City and then only to the extent of the amounts so received by the City without any interest thereon and the Tender Agent shall have no further responsibility with respect to such moneys or payment of the Purchase Price of such Bonds. The Tender Agent shall authenticate a replacement Bond for any undelivered Bond which may then be remarketed by the Remarketing Agent.

ARTICLE C-V
AGENTS

Section C-501 Remarketing Agent.

The City shall appoint and employ the services of a Remarketing Agent prior to any Mode Change Date while any Bonds are in the Auction Rate Mode.

Any Remarketing Agent may at any time resign and be discharged of the duties and obligations created by the Seventh Supplemental Bond Ordinance by giving notice to the City and the Tender Agent in accordance with the Remarketing Agreement. Any Remarketing Agent may be removed at any time, at the direction of the City, by an instrument filed with the related Remarketing Agent and the related Tender Agent in accordance with the Remarketing Agreement.

Any Remarketing Agent shall be selected by the City and shall be a member of the National Association of Securities Dealers, Inc., shall have a capitalization of at least fifteen million dollars ($15,000,000), and shall be authorized by law to perform all the duties set forth herein. The City's delivery of a Certificate setting forth the effective date of the appointment of a Remarketing Agent and

the name, address and telephone number of such Remarketing Agent shall be conclusive evidence that (i) such Remarketing Agent has been appointed and is qualified to act as Remarketing Agent under the terms of the Seventh Supplemental Bond Ordinance and (ii) if applicable, the predecessor Remarketing Agent has been removed in accordance with the provisions of the Seventh Supplemental Bond Ordinance.

Each Remarketing Agent shall keep such books and records as shall be consistent with prudent industry practice and make such books and records available for inspection by the City at all reasonable times.

Section C-502 Tender Agent.

The City shall appoint and employ the services of the Tender Agent prior to any Mode Change Date while any Bonds are in the Auction Rate Mode.

The Tender Agent may at any time resign and be discharged of the duties and obligations created by the Seventh Supplemental Bond Ordinance by giving at least fifteen (15) days' notice to the City, provided that a successor Tender Agent shall be appointed and acting hereunder on or prior to the effective date of such resignation or discharge. The Tender Agent may be removed at any time, at the direction of the City, by an instrument filed with the related Remarketing Agent and upon at least fifteen (15) days' notice to the Tender Agent, provided that a successor Tender Agent shall be appointed and acting hereunder on or prior to the effective date of such removal.

The Tender Agent shall be selected by the City and shall be a bank or other financial institution that satisfies the qualifications set forth in the Seventh Supplemental Bond Ordinance. The City's delivery of a Certificate setting forth the effective date of the appointment of a Tender Agent and the name, address and telephone number of such Tender Agent shall be conclusive evidence that (i) such Tender Agent has been appointed and is qualified to act as Tender Agent under the terms hereof and (ii) if applicable, the predecessor Tender Agent has been removed in accordance with the provisions hereof.

The Tender Agent shall keep such books and records as shall be consistent with prudent industry practice and make such books and records available for inspection by the City, at all reasonable times.

Section C-503 Auction Agent.

The City shall appoint and employ the services of an Auction Agent while any Bonds are in the Auction Rate Mode. The City shall have the right to remove the Auction Agent as provided in the Auction Agreement.

Section C-504 Broker-Dealers.

The City shall appoint and employ the services of one or more Broker-Dealers for the Bonds that are in the Auction Rate Mode.

ARTICLE C-VI
MISCELLANEOUS

Section C-601 Reserved.

Section C-602 Notices.

(a) Notices to Owners. All notices required to be given to Owners of Bonds, unless otherwise expressly provided, shall be given by first class mail, postage prepaid.

(b) Notices to Rating Agencies. The City shall give written notice to the Rating Agencies of any of the following events:

(i) Any change of Tender Agent or Remarketing Agent;

(ii) Any material changes to the Seventh Supplemental Bond Ordinance that affect the Bonds;

(iii) Any action in connection with a change to a Fixed Rate Mode; and

(iv) Any redemption, defeasance or mandatory tender of all the Outstanding Bonds.

(c) Demands; Requests. All notices, demands and requests to be given to or made hereunder by the City, the Tender Agent, the Remarketing Agents, the Auction Agent, the Broker-Dealers or the Rating Agencies shall, unless otherwise expressly provided herein, be given or made in writing and shall be deemed to be properly given or made if by United States registered or certified mail, return receipt requested, postage prepaid, addressed as set forth below. Notices, demands and requests that may be given by Electronic Means may be sent to the telephone or fax numbers, as applicable, set forth below:

(i) As to the City:	The address, phone number and fax number specified in the Supplemental Resolution.
(ii) As to the Tender Agent:	The address, phone number and fax number specified in the Tender Agency Agreement.
(iii) As to the Remarketing Agent(s):	The address, phone number and fax number specified in the related Remarketing Agreement.
(iv) As to the Auction Agent:	The address, phone number and fax number specified in the Auction Agreement.
(v) As to the Broker-Dealer(s):	The address, phone number and fax number specified in the related Broker-Dealer Agreement.

or to such other address as is provided by the entity.

EXHIBIT C-1

TO

PROVISIONS FOR AUCTION RATE SECURITIES

AUCTION RATE MODE PROVISIONS

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EXHIBIT C-1

AUCTION RATE MODE PROVISIONS

ARTICLE I.
DEFINITIONS

Section 1.01 Definitions.

In addition to the words and terms defined in the Provisions for Auction Rate Securities (hereinafter referred to as "Exhibit C") to which this Exhibit C-1 is attached, the following words and terms as used in this Exhibit C-1 and elsewhere in Exhibit C have the following meanings with respect to Bonds in an Auction Rate Mode unless the context or use indicates another or different meaning or intent:

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

All Hold Rate means, as of any Auction Date, 45% of the Index in effect on such Auction Date.

Auction means each periodic implementation of the Auction Procedures.

Auction Agent means the auctioneer appointed in accordance with Section 3.01 or 3.02.

Auction Agreement means an agreement among the City and the Auction Agent pursuant to which the Auction Agent agrees to follow the procedures specified in this Exhibit C-1, with respect to Bonds in an Auction Rate Mode, as such agreement may from time to time be amended or supplemented.

Auction Date means during any period in which the Auction Procedures are not suspended in accordance with the provisions hereof:

(a) if the Bonds are in a daily Auction Period, each Business Day;

(b) if the Bonds are in a Flexible Auction Period, the last Business Day of the Flexible Auction Period; and

(c) if the Bonds of a Series are in any other Auction Period, the Business Day next preceding each Interest Payment Date for such Bonds of a Series (whether or not an Auction shall be conducted on such date); provided, however, that the last Auction Date with respect to the Bonds of any Series in an Auction Period other than a daily Auction Period shall be the earlier of (i) the Business Day next preceding the Interest Payment Date next preceding the Mode Change Date for such Bonds of a Series, and (ii) the Business Day next preceding the Interest Payment Date next preceding the Maturity Date for such Bonds; and provided, further, that if the Bonds of a Series are in a daily Auction Period, the last Auction Date shall be the earlier of (x) the Business Day next preceding the Mode Change Date for such Bonds, and (y) the Business Day next preceding the Maturity Date for the Bonds of a Series.

On the Business Day preceding the conversion from a daily Auction Period to another Auction Period, there shall be two Auctions, one for the last daily Auction Period and one for the first Auction Period following the conversion.

The first Auction Date for the Bonds shall be specified by the City in the Supplemental Resolution.

Auction Multiple means, as of any Auction Date, the percentage of Index (in effect on such Auction Date) determined as set forth below, based on the Prevailing Rating of the Bonds of such Series in effect at the close of business on the Business Day immediately preceding such Auction Date:

Prevailing Rating	Percentage of Index
AAA/AAA/Aaa	125%
AA/AA/Aa	150%
A/A/A	200%
BBB/BBB/Baa	250%
Below BBB/BBB/Baa	275%

Auction Period means:

(a) a Flexible Auction Period;

(b) with respect to Bonds of a Series in a daily Auction Period, a period beginning on each Business Day and extending to but not including the next succeeding Business Day;

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

(d) with respect to Bonds of a Series in a 28-day Auction Period and with Auctions generally conducted on (i) Fridays, a period of generally 28 days beginning on a Monday (or the last day of the prior Auction Period if the prior Auction Period does not end on a Sunday) and ending on the fourth Sunday thereafter (unless such Sunday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) Mondays, a period of generally 28 days beginning on a Tuesday (or the last day of the prior Auction Period if the prior Auction Period does not end on a Monday) and ending on the fourth Monday thereafter (unless such Monday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (iii) Tuesdays, a period of generally 28 days beginning on a Wednesday (or the last day of the prior Auction Period if the prior Auction Period does not end on a Tuesday) and ending on the fourth Tuesday thereafter

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

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

(f) with respect to Bonds of a Series in a three month Auction Period, a period of generally three months (or shorter period upon a conversion from another Auction Period) beginning on the day following the last day of the prior Auctio Period and ending on the first day of the month that is the third calendar month following the beginning date of such Auction Period, and

(g) with respect to Bonds of a Series in a semiannual Auction Period, a period of generally six months (or shorter period upon a conversion from another Auction Period) beginning on the day following the the last day of the prior Auctio Period and ending on the next succeeding June 30 or December 31;

provided, however, that

(a) if there is a conversion of Bonds of a Series with Auctions generally conducted on Fridays (i) from a daily Auction Period to a seven-day Auction Period, the next Auction Period shall begin on the date of the conversion (i.e. the Interest Payment Date for the prior Auction Period) and shall end on the next succeeding Sunday (unless such Sunday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) from a daily Auction period to a 28-day Auction Period, the next Auction Period shall begin on the date of the conversion (i.e. the Interest Payment Date for the prior Auction Period) and shall end on the Sunday (unless such Sunday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than 21 days but not more than 28 days from such date of conversion, and (iii) from a

daily Auction Period to a 35-day Auction Period, the next Auction Period shall begin on the date of the conversion (i.e. the Interest Payment Date for the prior Auction Period) and shall end on the Sunday (unless such Sunday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than 28 days but no more than 35 days from such date of conversion;

(b) if there is a conversion of Bonds of a Series with Auctions generally conducted on Mondays (i) from a daily Auction Period to a seven-day Auction Period, the next Auction Period shall begin on the date of the conversion (i.e. the Interest Payment Date for the prior Auction Period) and shall end on the net succeeding Monday (unless such Monday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) from a daily Auction Period to a 28-day Auction Period, the next Auction Period shall begin on the date of the conversion (i.e. the Interest Payment Date for the prior Auction Period) and shall end on the Monday (unless such Monday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than 21 days but not more than 28 days from such date of conversion, and (iii) from a daily Auction Period to a 35-day Auction Period, the next Auction Period shall begin on the date of the conversion (i.e. the Interest Payment Date for the prior Auction Period) and shall end on the Monday (unless such Monday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than 28 days but no more than 35 days from such date of conversion;

(c) if there is a conversion of Bonds of a Series with Auctions generally conducted on Tuesdays (i) from a daily Auction Period to a seven-day Auction Period, the next Auction Period shall begin on the date of the conversion (i.e. the Interest Payment Date for the prior Auction Period) and shall end on the next succeeding Tuesday (unless such Tuesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) from a daily Auction Period to a 28-day Auction Period, the next Auction Period shall begin on the date of the conversion (i.e. the Interest Payment Date for the prior Auction Period) and shall end on the Tuesday (unless such Tuesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than 21 days but not more than 28 days from such date of conversion, and (iii) from a daily Auction Period to a 35-day Auction Period, the next Auction Period shall begin on the date of conversion (i.e. the Interest Payment Date for the prior Auction Period) and shall end on the Tuesday (unless such Tuesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than 28 days but no more than 35 days from such date of conversion;

(d) if there is a conversion of Bonds of a Series with Auctions generally conducted on Wednesdays (i) from a daily Auction Period to a seven-day Auction Period, the next Auction Period shall begin on the date of the conversion (i.e. the Interest Payment Date for the prior Auction Period) and shall end on the next succeeding Wednesday (unless such Wednesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) from a daily Auction Period to a 28-day Auction Period, the next Auction Period shall begin on the date of the conversion (i.e. the Interest Payment Date for the prior Auction Period) and shall end on the Wednesday (unless such Wednesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than 21 days but not more than 28 days from such date of conversion, and (iii) from a daily Auction Period to a 35-day Auction Period, the next Auction Period shall begin on the date of the conversion (i.e. the Interest Payment Date for the prior Auction Period) and shall end on the Wednesday (unless such Wednesday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than 28 days but no more than 35 days from such date of conversion; and

(e) if there is a conversion of Bonds of a Series with Auctions generally conducted on Thursdays (i) from a daily Auction Period to a seven-day Auction Period, the next Auction Period shall begin on the date of the conversion (i.e. the Interest Payment Date for the prior Auction Period) and shall end on the next succeeding Thursday (unless such Thursday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day), (ii) from a daily Auction Period to a 28-day Auction Period, the next Auction Period shall begin on the date of the conversion (i.e. the Interest Payment Date for the prior Auction Period) and shall end on the Thursday (unless such Thursday is not followed by a Business Day), in which case on the next succeeding day which is followed by a Business Day) which is more than 21 days but not more than 28 days from such date of conversion, and (iii) from a daily Auction Period to a 35-day Auction Period, the next Auction Period shall begin on the date of the conversion (i.e. the Interest Payment Date for the prior Auction Period) and shall end on the Thursday (unless such Thursday is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day) which is more than 28 days but no more than 35 days from such date of conversion.

Auction Period Rate means with respect to Bonds of each Series, the rate of interest to be borne by the Bonds of such Series during each Auction Period determined in accordance with Section 2.03 of this Exhibit C-1; provided, however, in no event may the Auction Rate exceed the Maximum Rate.

Auction Procedures means the procedures for conducting Auctions for Bonds of a Series in an Auction Rate Mode set forth in this Exhibit C-1.

Auction Rate means for each series of Bonds for each Auction Period, (i) if Sufficient Clearing Bids exist, the Winning Bid Rate, provided, however, if all of such Bonds of a Series are the subject of Submitted Hold Orders, the All Hold Rate with respect to such Bonds and (ii) if Sufficient Clearing Bids do not exist, the Maximum Auction Rate with respect to such Bonds.

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

Bid has the meaning specified in subsection (a) of Section 2.01 of this Exhibit C-1.

Bidder means each Existing Owner and Potential Owner who places an Order.

Broker-Dealer means any entity that is permitted by law to perform the function required of a Broker-Dealer described in this Exhibit that is a member of, or a direct participant in, the Securities Depository, that has been selected by the City, and that is a party to a Broker-Dealer Agreement with the Auction Agent.

Broker-Dealer Agreement means an agreement among the Auction Agent, the City and a Broker-Dealer pursuant to which such Broker-Dealer agrees to follow the procedures described in this Exhibit C-1, as such agreement may from time to time be amended or supplemented.

Default Rate means, in respect of any Auction Period other than a daily Auction Period, a per annum rate equal to three hundred percent (300%) of the Index determined on the Auction Date next preceding the first day of such Auction Period or in the case of Bonds of a Series in a daily Auction Period, three hundred percent (300%) of the Index determined on the Auction Date which was the first day of such Auction Period, provided, however, the Default Rate shall not exceed the Maximum Rate.

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

Flexible Auction Period means any period of not less than seven nor more than 1,092 days which begins on an Interest Payment Date and ends on a Tuesday unless such Tuesday is not followed by a Business Day, in which case the next succeeding day which is followed by a Business Day.

Fitch means Fitch Ratings, a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Fitch" shall be deemed to refer to any other nationally recognized securities rating agency, other than Moody's or S&P, designated by an Authorized Officer.

Hold Order has the meaning specified in subsection (a) of Section 2.01 of this Exhibit C-1.

Index shall have the meaning specified in Section 2.06 of this Exhibit C-1.

Interest Payment Date means:

(a) when used with respect to any Auction Period (including the initial Auction Period commencing on and including the Closing Date, and expiring on and including the initial Auction Date specified in the Supplemental Resolution) other than a daily Auction Period or a Flexible Auction Period, the Business Day immediately following such Auction Period;

(b) when used with respect to a daily Auction Period, the first Business Day of the month immediately succeeding such Auction Period;

(c) when used with respect to a Flexible Auction Period of (i) seven or more but fewer than 92 days, the Busines Day immediately following such Flexible Auctio Period, or (ii) 92 or more days, each thirteenth Thursday after the first day of such Flexible Auction Period or the next Business Day if such Thursday is not a Business Dayu and on the Business Day immediately following such Flexible Auction Period;

(d) each Mode Change Date; and

(e) the Maturity Date or Redemption Date for any Bonds of a Series.

Maximum Auction Rate means as of any Auction Date, the product of the Index multiplied by the Auction Multiple; provided, however, that in no event shall the Maximum Auction Rate exceed the Maximum Rate, anything herein to the contrary notwithstanding.

Moody's means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's shall be deemed to refer to any other nationally recognized securities rating agency, other than Fitch or S&P, designated by an Authorized Officer.

Order means a Hold Order, Bid or Sell Order.

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

Prevailing Rating means (a) AAA/AAA/Aaa, if the Bonds of a Series shall have a rating of AAA or better by S&P and Fitch and a rating of Aaa or better by Moody's, (b) if not AAA/AAA/Aaa, AA/AA/Aa if the Bonds of a Series shall have a rating of AA- or better by S&P and Fitch and a rating of Aa3 or better by Moody's, (c) if not AAA/AAA/Aaa or AA/AA/Aa, A/A/A if the Bonds of a Series shall have a rating of A- or better by S&P and Fitch and a rating of A3 or better by Moody's, (d) if not AAA/AAA/Aaa, AA/AA/Aa or A/A/A, BBB/BBB/Baa if the Bonds of a Series shall have a rating of BBB or better by S&P and Fitch and a rating of Baa3 or better by Moody's, and (e) if not AAA/AAA/Aaa, AA/AA/Aa, A/A/A or BBB/BBB/Baa, then below BBB/BBB/Baa, whether or not the Bonds of a Series are rated by any Rating Agency. For purposes of this definition, S&P's and Fitch's rating categories of "AAA," "AA-," "A-," and "BBB-" and Moody's rating categories of "Aaa," "Aa3," "A3" and "Baa3" shall be deemed to refer to and include the respective rating categories correlative thereto in the event that any such Rating Agencies shall have changed or modified their generic rating categories or if any successor thereto appointed in accordance with the definitions thereof shall use different rating categories. If the Bonds of a Series are not rated by a Rating Agency, the requirement of a rating by such Rating Agency shall be disregarded. If the ratings for the Bonds of a Series are split between the foregoing categories, the lowest rating shall determine the Prevailing Rating. If there is no rating, then the Auction Period Rate shall be the Maximum Auction Rate.

Principal Office means, with respect to the Auction Agent, the office thereof designated in the Auction Agreement as the office of the Auction Agent to which notices, requests or communications should be sent.

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

Sell Order has the meaning specified in subsection (a) of Section 2.01 of this Exhibit C-1.

S&P means Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, Inc., a corporation organized and existing under the laws of the State of New York, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency, other than Fitch or Moody's, designated by an Authorized Officer.

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

Submitted Bid has the meaning specified in subsection (b) of Section 2.03 of this Exhibit C-1.

Submitted Hold Order has the meaning specified in subsection (b) of Section 2.03 of this Exhibit C-1.

Submitted Order has the meaning specified in subsection (b) of Section 2.03 of this Exhibit C-1.

Submitted Sell Order has the meaning specified in subsection (b) of Section 2.03 of this Exhibit C-1.

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

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

Section 1.02 Rules of Construction.

(a) This Exhibit C-1 constitutes an integral part of the Exhibit C and, except to the extent provided in the next sentence, has the same force and effect as if set forth in Exhibit C. In the event of any conflict between this Exhibit C-1 and Exhibit C, Exhibit C shall control.

(b) References in this Exhibit C-1 to Articles or Sections are to such Article or Section of this Exhibit C-1.

ARTICLE II.
AUCTION PROCEDURES

Section 2.01 Orders by Existing Owners and Potential Owners.

(a) Prior to the Submission Deadline on each Auction Date:

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

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

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

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

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

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

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

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

(B) such principal amount or a lesser principal amount of Bonds of a Series to be determined as described by subsection (a)(v) of Section 2.04 hereof if the rate determined by the Auction Procedures on such Auction Date shall be equal to such specified rate; or

(C) a lesser principal amount of Bonds of a Series to be determined as described in subsection (b)(iv) of Section 2.04 hereof if such specified rate shall be higher than the Maximum Auction Rate and Sufficient Clearing Bids do not exist.

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

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

(B) such principal amount or a lesser principal amount of Bonds of a Series as described in subsection (b)(iv) of Section 2.04 hereof if Sufficient Clearing Bids do not exist.

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

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

(B) such principal amount or a lesser principal amount of Bonds of a Series as described in subsection (a)(vi) of Section 2.04 hereof if the rate determined by the Auction Procedures on such Auction Date shall be equal to such specified rate.

(c) Anything herein to the contrary notwithstanding:

(i) for purposes of any Auction, any Order which specified Bonds of a Series to be held, purchased or sold in a principal amount which is not equal to the Authorized Denomination for Bonds of such Series or an integral multiple thereof shall be rounded down to the nearest amount that is equal to the Authorized Denomination for Bonds of such Series, and the Auction

Agent shall conduct the Auction Procedures as if such Order had been submitted in such lower amount;

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

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

(iv) the Auction Procedures shall be suspended with respect to the Bonds of a Series during the period commencing on the date of the Auction Agent's receipt of notice [from the Paying Agent/Registrar] of the occurrence of a default of the City in the payment of principal, Sinking Fund Installment, interest or premium on any Bond of such Series in the Auction Rate Mode after the same shall have become due, whether at maturity, upon call for redemption or on an Interest Payment Date but shall resume two Business Days after the date on which the Auction Agent receives notice [from the Paying Agent/Registrar] that such default has been waived or cured, with the next Auction to occur on the next regularly scheduled Auction Date occurring thereafter.

Section 2.02 Submission of Orders by Broker-Dealers to Auction Agent.

(a) Each Broker-Dealer shall submit to the Auction Agent in writing or by such other method as shall be reasonably acceptable to the Auction Agent, including such electronic communication acceptable to the parties, prior to the Submission Deadline on each Auction Date, all Orders obtained by such Broker-Dealer and, if requested, specifying with respect to each Order:

(i) the name of the Bidder placing such Order;

(ii) the aggregate principal amount of Bonds of each Series, if any, that are the subject of such order;

(iii) to the extent that such Bidder is an Existing Owner;

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

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

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

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

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

(c) If an Order or Orders covering all of the Bonds of a particular Series held by an Existing Owner is not submitted to the Auction Agent prior to the Submission Deadline, the Auction Agent shall deem a Hold Order to have been submitted on behalf of such Existing Owner covering the principal amount of Bonds of such Series held by such Existing Owner and not subject to Orders submitted to the Auction Agent; provided, however, that if there is a conversion from one Auction Period to another Auction Period or an amendment or modification to the Seventh Supplemental Bond Ordinance in accordance with Section 2.07(b) of this Exhibit C-1 and Orders have not been submitted to the Auction Agent prior to the Submission Deadline covering the aggregate principal amount of Bonds of the Series to be converted held by such Existing Owner, the Auction Agent shall deem a Sell Order to have been submitted on behalf of such Existing Owner covering the principal amount of Bonds of such Series to be converted held by such Existing Owner not subject to Orders submitted to the Auction Agent.

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

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

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

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

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

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

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

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

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

Section 2.03 Determination of Auction Period Rate.

(a) Not later than 9:30 a.m., New York City time, on each Auction Date for Bonds of each Series in an Auction Rate Mode, the Auction Agent shall advise the Broker-Dealers and the City by telephone or other electronic communication acceptable to the parties of the All Hold Rate, the Maximum Auction Rate and the Index for the Bonds of such Series.

(b) Promptly after the Submission Deadline on each Auction Date for Bonds of each Series in an Auction Rate Mode, the Auction Agent shall assemble all Orders submitted or deemed submitted to it by the Broker-Dealers (each such Order as submitted or deemed submitted by a Broker-Dealer being hereinafter referred to as a "Submitted Hold Order," a "Submitted Bid" or a "Submitted Sell Order," as the case may be, and collectively as a "Submitted Order") and shall determine (i) the Available Bonds, (ii) whether there are Sufficient Clearing Bids, and (iii) the Auction Rate.

(c) Promptly after the Auction Agent has made the determinations pursuant to subsection (b) above, the Auction Agent shall advise the City by telephone (promptly confirmed in writing), telex or facsimile transmission or other electronic communication acceptable to the parties of the Auction Rate for the next succeeding Auction Period and the City shall promptly notify the Securities Depository of such Auction Rate.

(d) In the event the Auction Agent fails to calculate or, for any reason, fails to timely provide the Auction Rate for any Auction Period, the new Auction Period shall be the same as the preceding Auction Period and the Auction Period Rate for the new Auction Period shall be the same as the Auction Period Rate for the preceding Auction Period.

(e) In the event that the Auction Procedures are suspended pursuant to paragraph (iv) of subsection (c) of Section 2.01 of this Exhibit C-1 with respect to any Bond of Series, the Auction Period Rate for the next succeeding Auction Period shall be the Default Rate.

(f) In the event that all of the conditions for a change in the Mode applicable to the Bonds of a Series from an Auction Mode to any other Mode pursuant to Section C-204 of Exhibit C have not been met or in the event of a failure to change the length of the current Auction Period due to the lack of Sufficient Clearing Bids at the Auction on the Auction Date for the first new Auction Period, the Auction Period Rate for the next Auction Period shall be the Maximum Auction Rate and the Auction Period shall be a seven-day Auction Period.

(g) If the Bonds of a Series are not rated or if the Bonds of a Series are no longer maintained in book-entry form by the Securities Depository, then the Auction Period Rate shall be the Maximum Auction Rate.

Section 2.04 Allocation of Bonds of a Series.

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

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

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

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

(iv) the Submitted Bid of each Potential Owner specifying any rate that is lower than the Winning Bid Rate shall be accepte3d, thus requiring each such Potential Owner to purchase the Bonds of a Series that are the subject of such Submitted Bid;

(v) the Submitted Bid of each Existing Owner specifying a rate that is equal to the Winning Bid Rate shall be accepted, thus requiring each such Existing Owner to continue to hold the Bonds of a Series that are the subject of such Submitted Bid, but only up to and including the principal amount of Bonds of a Series obtained by multiplying (A) the aggregate principal amount of Outstanding Bonds of a Series which are note the subject of Submitted Hold Orders described in paragraph (i) above or of Submitted Bids described in paragraphs (iii) or (iv) above by (B) a fraction the numerator of which shall be the principal amount of Outstanding Bonds of a Series held by such Existing Owner subject to such Submitted Bid and the denominator of which shall be the aggregate principal amount of Outstanding Bonds of a Series subject to such Submitted Bids made by all such Existing Owners that specified a rate equal to the Winning Bid Rate, and the remainder, if any, of such Submitted Bid shall be rejected, thus requiring each such Existing Owner to sell any excess amount of Bonds of a Series;

(vi) the Submitted Bid of each Potential Owner specifying a rate that is equal to the Winning Bid Rate shall be accepted, thus requiring each such Potential Owner to purchase the Bonds of a Series that are the subject of such Submitted Bid, but only in an amount equal to the principal amount of Bonds of a Series obtained by multiplying (A) the aggregate principal amount of Outstanding Bonds of a Series which are not the subject of Submitted Hold Orders described in paragraph (i) above or of Submitted Bids described in paragraphs (iii), (iv) or (v) above by (B) a fraction the numerator of which shall be the principal amount of Outstanding Bonds of a Series subject to such Submitted Bid and the denominator of which shall be the sum of the aggregate principal amount of Outstanding Bonds of a Series subject to such Submitted Bids made by all such Potential Owners that specified a rate equal to the Winning Bid Rate, and the remainder of such Submitted Bid shall be rejected; and

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

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

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

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

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

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

(v) The Submitted Bid of each Potential Owner specifying any rate that is higher than the Maximum Auction Rate with respect to the Bonds of a Series shall be rejected.

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

(d) If, as a result of the procedures described in subsection (a) above, any Potential Owner would be required to purchase a principal amount of Bonds of a Series that is less than the Authorized Denomination for Bonds of such Series on any Auction Date, the Auction Agent shall by lot, in such manner as it shall determine in its sole discretion, allocate such Bonds for purchase among Potential

Owners so that the principal amount of Bonds of a Series purchased on such Auction Date by any Potential Owner shall be an integral multiple of the Authorized Denomination for Bonds of such Series, even if such allocation results in one or more of such Potential Owners not purchasing such Bonds on such Auction Date.

Section 2.05 Notice of Auction Period Rate.

(a) On each Auction Date, the Auction Agent shall notify by telephone or other telecommunication device or other electronic communication acceptable to the parties or in writing each Broker-Dealer that participated in the Auction held on such Auction Date of the following with respect to Bonds of each Series for which an Auction was held on such Auction Date:

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

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

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

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

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

(vi) the immediately succeeding Auction Date.

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

principal amount of such Bonds of a Series to be sold pursuant to such Bid or Sell Order against payment therefore.

Section 2.06 Index.

(a) The Index on any Auction Date with respect to Bonds of a Series in any Auction Period of 95 days or less shall be the LIBOR Rate on such date. If such rate is unavailable, the Index for the Bonds of a Series shall be an index or rate agreed to by all Broker-Dealers and consented to by the City.

"LIBOR Rate" means, as of any date of determination for any Auction Period, (i) for any Auction Period of fewer than 40 days, the offered rate for deposits in U.S. dollars for a one-month period which appears on the Telerate Page 3750 at approximately 11:00 a.m., London time, on such date, or if such date is not a date on which dealings in U.S. dollars are transacted in the London interbank market, then on the next preceding day on which such dealings were transacted in such market and (ii) for any Auction Period of 40 or more but fewer than 95 days, such rate for deposits in U.S. dollars for a three-month period.

(b) The Index with respect to Bonds of a Series in any Auctio Period greater than 95 days will be the rate on United States Treasury securities having a maturity which most closely approximates the length of the Auction Period, as last published in *The Wall Street Journal.* If such rate is unavailable, the Index for the Bonds of a Series shall be an index or rate agreed to by all Broker-Dealers and consented to by the City.

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

(d) The determination of the Index as provided herein shall be conclusive and binding upon the City, the Broker-Dealers, the Auction Agent and the Owners of the Bonds of a Series.

Section 2.07 Miscellaneous Provisions Regarding Auctions.

(a) In this Exhibit C-1, each reference to the purchase, sale or holding of "Bonds" shall refer to beneficial interests in such Bonds, unless the context clearly requires otherwise.

(b) During an Auction Rate Mode, with respect to the Bonds of a Series, the provisions of the Seventh Supplemental Bond Ordinance, including the Supplemental Resolution, Exhibit C, this Exhibit C-1 and the definitions contained in this Exhibit C-1, including, without limitation, the definitions of Maximum Rate, Maximum Auction Rate, All Hold Rate, Index, Default Rate, Auction Multiple and the Auction Period Rate, may be modified or amended, pursuant to the Seventh Supplemental Bond Ordinance by obtaining, when required by the Seventh Supplemental Bond Ordinance, the consent of the owners of all Outstanding Bonds of such Series as follows; provided, however, that no such modification or amendment that adversely affect the rights, duties or obligations of the Auction Agent shall be made without the consent of the Auction Agent. If on the first Auction Date occurring at least 20 days after the date on which the Paying Agent/Registrar mailed notice of such proposed modification or amendment to the registered owners of the Outstanding Bonds of a Series as and to the extent required by the Seventh Supplemental Bond Ordinance, (i) the Auction Period Rate which is determined on such date is the Winning Bid Rate and (ii) there is delivered to the City a Favorable Opinion of Bond Counsel, the proposed modification or amendment shall be deemed to have been consented to by the owners of all affected Outstanding Bonds of such Series.

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

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

Section 2.08 Changes in Auction Period or Auction Date.

(a) Changes in Auction Period.

(i) During any Auction Rate Mode, the City may from time to time on any Interest Payment Date, change the length of the Auction Period with respect to all of the Bonds of any Series among daily, seven-day, 28-day, 35-day, three month, semiannual and Flexible Auction Periods in order to accommodate economic and financial factors that may affect or be relevant to the length of the Auction Period and the interest rate borne by Bonds of such Series. The City shall initiate the change in the length of the Auction Period by giving written notice to the Auction Agent, the Broker-Dealers and the Securities Depository that the Auction Period shall change if the conditions described herein are satisfied and the proposed effective date of the change, at least 10 Business Days prior to the Auction Date for such Auction Period.

(ii) Any such changed Auction Period shall be for a period of one day, seven days, 28 days, 35 days, three months or six months and shall be for all of the Bonds of a Series in an Auction Rate Mode.

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

(iv) The change in length of the Auction Period for Bonds of any Series shall take effect only if (A) the Auction Agent receives, by 11:00 a.m., New York City time, on the Business Day before the Auction Date for the first such Auction Period, a certificate from an Authorized Officer consenting to the change in the length of the Auction Period specified in such certificate and (B) Sufficient Clearing Bids exist at the Auction on the Auction Date for such first Auction Period. For purposes of the Auction for such first Auction Period only, each Existing

Owner shall be deemed to have submitted Sell Orders with respect to all of its Bonds of a Series for which there is to be a change in the length of the Auction Period except to the extent such Existing Owner submits an Order with respect to such Bonds. If the condition referred to in (A) above is not met, the Auction Rate for the next Auction Period shall be determined pursuant to the Auction Procedures and the Auction Period shall be the Auction Period determined without reference to the proposed change. If the condition referred to in (A) is met but the condition referred to in (B) above is not met, the Auction Rate for the next Auction Period shall be the Maximum Auction Rate and the Auction Period shall be a seven-day Auction Period.

(v) On the conversion date for Bonds of a Series from one Auction Period to another, any Bonds of such Series which are not the subject of a specific Hold Order or Bid shall be deemed to be subject to a Sell Order.

(b) Changes in Auction Date. During any Auction Rate Mode, the Auction Agent, with the written consent of the City, may specify an earlier Auction Date for Bonds of any Series (but in no event more than five Business Days earlier) than the Auction Date that would otherwise be determined in accordance with the definition of "Auction Date" in order to conform with then current market practice with respect to similar securities or to accommodate economic and financial factors that may affect or be relevant to the day of the week constituting an Auction Date and the interest rate borne on such Bonds. The Auction Agent shall provide notice of its determination to specify an earlier Auction Date for an Auction Period by means of a written notice delivered at least 45 days prior to the proposed changed Auction Date to the City, the Broker-Dealers and the Securities Depository.

ARTICLE III.
AUCTION AGENT

Section 3.01 Auction Agent.

(a) The Auction Agent shall be appointed by the City to perform the functions specified herein. The Auction Agent shall designate its Principal Office and signify its acceptance of the duties and obligations imposed upon it hereunder by an Auction Agreement delivered to the City and each Broker-Dealer which shall set forth such procedural and other matters relating to the implementation of the Auction Procedures as shall be satisfactory to the City.

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

Section 3.02 Qualifications of Auction Agent; Resignation; Removal.

The Auction Agent shall be (a) a bank or trust company organized under the laws of the United States or any state territory thereof having a combined capital stock, surplus and undivided profits of at least $30,000,000, or (b) a member of National Association of Securities Dealers having a capitalization of at least $30,000,000 and, in either case, authorized by law to perform all the duties imposed upon it by the Seventh Supplemental Bond Ordinance and a member of or a participant in, the Securities Depository. The Auction Agent may at any time resign and be discharged of the duties and obligations created by the Seventh Supplemental Bond Ordinance by giving at least ninety (90) days notice to each Broker-Dealer and the City. The Auction Agent may be removed at any time by the City by written notice, delivered to the Auction Agent and each Broker-Dealer. Upon any such resignation or removal, the City shall appoint a successor Auction Agent meeting the requirements of this Section. In the event of the resignation or removal of the Auction Agent, the Auction Agent shall pay over, assign and deliver any moneys and Bonds held by it in such capacity to its successor. The Auction Agent shall continue to perform its duties

hereunder until its successor has been appointed by the City. In the event that the Auction Agent has not been compensated for its services, the Auction Agent may resign by giving thirty (30) days notice to the City even if a successor Auction Agent has not been appointed.

RCS# 5607
4/19/04
5:20 PM

Atlanta City Council

Regular Session

04-O-0431

SUPPLEMENTAL BOND ORDINANCE
IMPROVEMENTS HARTSFIELD-JACKSON
ADOPT ON SUB

YEAS:	11
NAYS:	0
ABSTENTIONS:	0
NOT VOTING:	5
EXCUSED:	0
ABSENT	0

Y Smith	Y Archibong	Y Moore	Y Mitchell
Y Starnes	NV Fauver	NV Martin	Y Norwood
Y Young	Y Shook	Y Maddox	NV Willis
NV Winslow	Y Muller	Y Boazman	NV Woolard

17

04-O-0431

(Do Not Write Above This Line)

AN ORDINANCE

BY COUNCILMEMBER

A SEVENTH SUPPLEMENTAL BOND ORDINANCE SUPPLEMENTING THE RESTATED AND AMENDED MASTER BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON MARCH 20, 2000 (99-O-1896), AS AMENDED AND SUPPLEMENTED BY THE FIRST SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON MARCH 30, 2000 (00-O-0214), THE SECOND SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON OCTOBER 7, 2002 (02-O-1463), THE AMENDED AND RESTATED THIRD SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON MAY 19, 2003 (03-O-0772), THE FOURTH SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON JUNE 2, 2003 (03-O-0835), THE FIFTH SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON SEPTEMBER 15, 2003 (03-O-1448),

(continued on reverse side)

ADOPTED BY COUNCIL

APR 19 2004

- ☐ CONSENT REFER
- ☐ REGULAR REPORT REFER
- ☐ ADVERTISE & REFER
- ☐ 1st ADOPT 2nd READ & REFER
- ☑ PERSONAL PAPER REFER

Date Referred 03/01/04

Referred To: Finance/Executive

Date Referred

Refferred To:

Date Referred

Referred To:

First Reading

Committee

Date

Chair

Referred To

Committee	Committee
Fin/Exec	
Date 3-18-04	Date
Chair	Chair
Action Fav, Adv, Hold (see rev. side) Other	Action Fav, Adv, Hold (see rev. side) Other
Members	Members
Refer To	Refer To

Committee	Committee
Fin/Exec	
Date 3/31/04	Date
Chair	Chair
Action Fav, Adv, Hold (see rev. side) Other Substitute #1	Action Fav, Adv, Hold (see rev. side) Other
Members	Members
Refer To	Refer To

FINAL COUNCIL ACTION

☑ 2nd ☐ 1st & 2nd ☐ 3rd Readings

☐ Consent ☐ V Vote ☑ RC Vote

CERTIFIED

CERTIFIED APR 10 2004

COUNCIL PRESIDENT PROTEM

CERTIFIED APR 10 2004

MUNICIPAL CLERK

MAYOR'S ACTION

APPROVED APR 27 2004

MAYOR

AND THE SIXTH SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON NOVEMBER 17, 2003 (03-O-1871); TO PROVIDE FOR THE ISSUANCE OF GENERAL REVENUE BONDS AND THE ISSUANCE OF HYBRID BONDS SECURED BY A SENIOR LIEN ON PFC REVENUES AND A SUBORDINATE LIEN ON GENERAL REVENUES; TO PROVIDE FUNDS TO FINANCE OR REFINANCE, IN WHOLE OR IN PART, THE COST OF THE PLANNING, ENGINEERING, DESIGN, ACQUISITION AND CONSTRUCTION OF CERTAIN IMPROVEMENTS TO HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT; TO PROVIDE FOR A REASONABLY REQUIRED DEBT SERVICE RESERVE AND TO PAY EXPENSES RELATING THERETO; TO PROVIDE FUNDS TO REFUND THE CITY'S OUTSTANDING AIRPORT LIMITED OBLIGATION BOND ANTICIPATION NOTES, SERIES 2003; TO RATIFY, AUTHORIZE AND APPROVE THE PREPARATION, USE AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND A FINAL OFFICIAL STATEMENT IN CONNECTION WITH THE OFFER AND SALE OF THE BONDS; TO PROVIDE FOR THE ANNUAL SUBMISSION OF CERTAIN FINANCIAL INFORMATION AND OPERATING DATA PURSUANT TO RULE 15c2-12 OF THE SECURITIES AND EXCHANGE COMMISSION; TO PROVIDE FOR THE FORM OF THE BONDS AND FOR THE EXECUTION OF THE BONDS; TO PROVIDE FOR THE PLACE OF PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; AND FOR OTHER PURPOSES.

Rosalind Rubens Newell

ROSALIND RUBENS NEWELL,
DEPUTY CITY ATTORNEY

DEPARTMENTAL AUTHORIZATION

RECOMMENDED

CHIEF FINANCIAL