

STATE OF LOUISIANA

PARISH OF ST. CHARLES

I, the undersigned Secretary of the St. Charles Parish Council, do hereby certify that the foregoing pages constitute a true and correct copy of an ordinance adopted by the St. Charles Parish Council on February 9, 2015, authorizing the issuance of \$22,170,000 Water Revenue Refunding Bonds, Series 2015 of Consolidated Waterworks and Wastewater District No. 1 of the Parish of St. Charles, Louisiana (the “District”), for the purpose of refinancing outstanding debt of the District; prescribing the form, terms and conditions of said Bonds; designating the date, denomination and place of payment of said Bonds; providing for the payment thereof in principal and interest; confirming the sale and delivery of the Bonds to the Underwriter; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature on this, the 9<sup>th</sup> day of February, 2015.

---

Secretary

**EXHIBIT A**  
**to Bond Ordinance**

**\$23,975,000**  
**WATER REVENUE BONDS, SERIES 2007A**  
**CONSOLIDATED WATERWORKS AND WASTEWATER DISTRICT NO. 1**  
**OF THE PARISH OF ST. CHARLES, LOUISIANA**

<b>DATE (JULY 1)</b>	<b>PRINCIPAL PAYMENT</b>	<b>INTEREST RATE</b>	<b>CUSIPs</b>
2017	\$ 745,000	5.000%	788048 AN6
2018	780,000	5.000	788048 AN6
2019	820,000	5.000	788048 AN6
2020	865,000	4.000	788048 AP1
2021	895,000	5.000	788048 AR7
2022	940,000	5.000	788048 AR7
2023	990,000	4.125	788048 AS5
2024	1,030,000	4.125	788048 AT3
2025	1,070,000	5.000	788048 AU0
2026	1,125,000	4.250	788048 AV8
2027	1,175,000	5.000	788048 AW6
2028	1,230,000	5.000	788048 AW6
2029	1,295,000	5.000	788048 AW6
2030	1,360,000	5.000	788048 AW6
2031	1,425,000	5.000	788048 AW6
2032	1,500,000	4.250	788048 AM8
2033	1,560,000	5.000	788048 AX4
2034	1,640,000	5.000	788048 AX4
2035	1,720,000	5.000	788048 AX4
2036	1,810,000	5.000	788048 AX4

The bonds maturing on July 1, 2017 shall be paid at maturity. The bonds maturing July 1, 2018 and thereafter shall be called for redemption on July 1, 2017, at the principal amount thereof and accrued interest to the date fixed for redemption.

**EXHIBIT B**

**to Bond Ordinance**

**DEFEASANCE AND ESCROW DEPOSIT AGREEMENT**

(Series 2007A Bonds)

This DEFEASANCE AND ESCROW DEPOSIT AGREEMENT (the "Agreement"), by and between **CONSOLIDATED WATERWORKS AND WASTEWATER DISTRICT NO. 1 OF THE PARISH OF ST. CHARLES, LOUISIANA** (the "Issuer"), appearing herein through the hereinafter named officers, and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.** (the "Escrow Agent"), appearing herein through the hereinafter named officers, which shall be dated March 1, 2015.

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

WHEREAS, the Issuer has heretofore duly authorized and issued its Water Revenue Bonds, Series 2007A, of which \$23,975,000 is outstanding (the "Series 2007A Bonds"); and

WHEREAS, the Issuer has found and determined that the refunding of \$23,975,000 of the Series 2007A Bonds, which mature March 1, 2017 to March 1, 2036, inclusive (the "Refunded Bonds"), would be financially advantageous to the Issuer and would result in debt service savings; and

WHEREAS, the Issuer has authorized the issuance of \$\_\_\_\_\_ of its Water Revenue Refunding Bonds, Series 2015 (the "Bonds"), a portion of the proceeds of which are to be used for the purpose of refunding the Refunded Bonds, pursuant to an ordinance adopted by the St. Charles Parish Council, acting as the governing authority of the Issuer on February 9, 2015 (the "Bond Ordinance"); and

WHEREAS, the Bond Ordinance provides that a portion of the proceeds from the sale of the Bonds shall be placed in escrow with the Escrow Agent and, together with the interest earned from the investment thereof, will be sufficient to pay the principal of and interest on the Refunded Bonds as the same mature and become due or are redeemed;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, and in order to provide for the aforesaid refunding and thereby reduce annual debt service on the Refunded Bonds, the parties hereto agree as follows:

**SECTION 1. Establishment of Escrow Fund.** There is hereby created and established with the Escrow Agent a special and irrevocable escrow fund to be known as "Consolidated Waterworks and Wastewater District No. 1 of the Parish of St. Charles, Louisiana, Water Revenue Refunding Bonds, Series 2015 – Escrow Fund" (herein called the "Escrow Fund") to be held in trust by the Escrow Agent separate and apart from other funds of the Issuer and the Escrow Agent. Receipt of a true and correct copy of the Bond Ordinance is hereby acknowledged by

the Escrow Agent, and reference herein to or citation herein of any provision of said Bond Ordinance shall be deemed to incorporate the same as a part hereof in the same manner and with the same effect as if fully set forth herein.

SECTION 2. Deposit to Escrow Fund; Application of Moneys. (a) Concurrently with the issuance and delivery of the Bonds, the Issuer will cause to be deposited with the Escrow Agent the sum of \$\_\_\_\_\_ from the proceeds of the Bonds (the "Bond Proceeds") and a transfer of \$\_\_\_\_\_ from the existing funds of the Issuer (the "Existing Funds"). Such funds will be applied as follows:

- i) \$\_\_\_\_\_ of Bond Proceeds to the Escrow Fund to purchase the Escrow Obligations (hereinafter defined) described in Schedule A attached hereto; and
- ii) \$\_\_\_\_\_ of Existing Funds to the Escrow Fund to purchase the Escrow Obligations (hereinafter defined) described in Schedule A attached hereto; and
- iii) \$\_\_\_\_\_ of Bond Proceeds to the Escrow Fund for initial cash deposit; and
- iv) \$\_\_\_\_\_ of Existing Funds to the Escrow Fund for initial cash deposit; and
- v) \$\_\_\_\_\_ of Bond Proceeds to the Expense Fund created in Section 4 hereof; and

(b) Concurrently with such deposit, the Escrow Agent shall apply the moneys described in (i) and (ii) above to the purchase of the obligations described in Schedule A attached hereto. The obligations listed in Schedule A hereto and any other direct obligations of the United States Government are hereinafter referred to as the "Escrow Obligations." Concurrently with such deposit, the Escrow Agent shall deposit the moneys described in (iii) and (iv) above in the Escrow Fund and shall hold such moneys uninvested and without liability for interest. All documents evidencing the book entries of the Escrow Obligations shall be held by the Escrow Agent and appropriate evidence thereof shall be furnished by the Escrow Agent to the Issuer. As shown in Schedule B attached hereto, the Escrow Obligations shall mature in principal amounts and pay interest in such amounts and at such times so that sufficient moneys will be available from such Escrow Obligations (together with other moneys on deposit in the Escrow Fund) to pay, as the same mature and become due or are redeemed, the principal of and interest on the Refunded Bonds. The Issuer has heretofore found and determined that the investments described in said Schedule A are adequate in yield and maturity date in order to provide the necessary moneys, when combined with initial cash deposit to the Escrow Fund, to accomplish the refunding of the Refunded Bonds, as provided in this paragraph (b) and in Schedule C.

In the event that, on the date of delivery of the Bonds, there is not delivered to the Escrow Agent any Escrow Obligation described in Schedule A hereto, the Escrow Agent shall accept delivery of cash and/or replacement obligations which are direct, non-callable general obligations of or guaranteed by the United States of America (collectively, "Replacement Obligations") described in paragraph (c) of this Section, in lieu thereof, and shall hold such Replacement Obligations in the Escrow Fund until the Escrow Obligations described in Schedule A which were not delivered on the date of delivery of the Bonds are available for delivery. The Escrow Agent shall return to the supplier thereof any Replacement Obligations in exchange for and upon receipt of the Escrow Obligations set forth in Schedule A for which such Replacement Obligations described in such paragraph (c) were substituted. The Escrow Agent shall have no power or duty to invest any moneys held in the Escrow Fund or to make substitutions of the Escrow Obligations held in the Escrow Fund or to hereafter sell, transfer or otherwise dispose of such Escrow Obligations, except as provided in this subparagraph (b) and pursuant to the following subparagraph (c).

(c) An obligation shall qualify as a Replacement Obligation or other permitted substitution obligation only if:

(i) such obligations are in an amount, and/or mature in an amount (including any interest received thereon), which together with any cash or Government Securities substituted for the Escrow Obligations listed in Schedule A hereto is equal to or greater than the amount payable on the maturity date of the Escrow Obligations listed in Schedule A hereto for which the substitution occurred;

(ii) such obligations mature on or before the next date on which the Government Securities listed in Schedule A hereto which are substituted for will be required for payment of principal of, or interest on the Refunded Bonds; and

(iii) the Escrow Agent shall have been provided with (A) a mathematical verification of an independent certified public accountant that the Replacement Obligations are sufficient to pay the principal and interest of the Refunded Bonds as shown on Schedule C and (B) an opinion of nationally recognized bond counsel to the effect that the substitution is permitted hereunder and has no adverse effect on the exclusion from gross income for federal income tax purposes of interest on the bonds or the Refunded Bonds.

To the extent that the Escrow Obligations mature before the payment dates referred to in Schedule C, the Escrow Agent, at the written direction of the Issuer, may invest for the benefit of the Issuer such cash in other Escrow Obligations provided that the investment in such other Escrow Obligations mature on or before dates pursuant to Section 6 in such amounts as equal or exceed the Section 6 requirements and that such investment does not cause the Bonds or the Refunded Bonds to be "arbitrage bonds" under the Internal Revenue Code of 1986, as amended, as determined by an opinion of a nationally recognized bond counsel.

(d) The Escrow Agent shall collect and receive the interest accruing and payable on the Escrow Obligations and the maturing principal amounts of the Escrow Obligations as the same are paid and credit the same to the Escrow Fund, so that the interest on and the principal of the Escrow Obligations and the Replacement Obligations, if any, as such are paid, will be available to make the payments required pursuant to Section 6 hereof.

(e) In the event there is a deficiency in the Escrow Fund, the Escrow Agent shall notify the Issuer of such deficiency, and the Issuer shall immediately remedy such deficiency by paying to the Escrow Agent the amount of such deficiency. The Escrow Agent shall not be liable for any such deficiency, except as may be caused by the Escrow Agent's negligence or willful misconduct.

SECTION 3. Deposit to Escrow Fund Irrevocable. The deposit of the moneys in the Escrow Fund shall constitute an irrevocable deposit of said moneys in trust exclusively for the benefit of the owners of the Refunded Bonds and such moneys and Escrow Obligations and Replacement Obligations, if any, together with any income or interest earned thereon, shall be held in escrow and shall be applied solely to the payment of the principal of and interest on the Refunded Bonds as the same mature and become due or are redeemed. Subject to the requirements set forth herein for the use of the Escrow Fund and the moneys and investments therein, the Issuer covenants and agrees that the Escrow Agent shall have full and complete control and authority over and with respect to the Escrow Fund and moneys and investments therein and the Issuer shall not exercise any control or authority over and with respect to the Escrow Fund and the moneys and investments therein.

SECTION 4. Establishment of Expense Fund; Use of Moneys in Expense Fund. There is also hereby created and established with the Escrow Agent a special trust account to pay the Costs of Issuance of the Bonds, as defined in the Bond Ordinance (herein called the "Expense Fund") to be held in the custody of the Escrow Agent separate and apart from any other funds of the Issuer and the Escrow Agent, to which the amount of the proceeds derived from the issuance and sale of the Bonds hereinabove set forth are to be deposited. The amounts on deposit in the Expense Fund shall be used for and applied to the payment of the Costs of Issuance of the Issuer in connection with the issuance, sale and delivery of the Bonds and the establishment of the funds hereunder; and pending such disbursement moneys in the Expense Fund shall be invested by the Escrow Agent as directed by the Issuer. Payment of the aforesaid expenses shall be made by the Escrow Agent from the moneys on deposit in such Expense Fund for the purposes listed in Schedule D hereto upon receipt by the Escrow Agent of either an invoice or statement for the appropriate charges, or a written request of the Issuer signed by the Finance Director of the Issuer, which request shall state, with respect to each payment to be made, the person, firm or corporation to whom payment is to be made, the amount to be paid and the purpose for which the obligation to be paid was incurred. Each such invoice, statement or written request shall be sufficient evidence to the Escrow Agent that the payment requested to be made from the moneys on deposit in such Expense Fund is a proper payment to the person named therein in the amount and for the purpose stated therein, and upon receipt of such invoice, statement or written request, and the Escrow Agent shall pay the amount set forth therein as directed by the terms thereof. When all expenses contemplated to be paid from such

Expense Fund have been paid, such fund shall be closed and any balance remaining therein shall be withdrawn by the Escrow Agent and applied by the Issuer to the payment of principal of Bonds next falling due.

SECTION 5. Use of Moneys. The Escrow Agent shall apply the moneys deposited in the Escrow Fund, Expense Fund and the Escrow Obligations and Replacement Obligations, if any, together with any income or interest earned thereon, in accordance with the provisions hereof. The Escrow Agent shall have no power or duty to invest any moneys held hereunder, or to make substitutions of the Escrow Obligations and Replacement Obligations, if any, held hereunder or to sell, transfer or otherwise dispose of the Escrow Obligations acquired hereunder, except as provided in 2(b) and (c) above. The liability of the Escrow Agent for the payment of the amounts to be paid hereunder shall be limited to the principal of and interest on the Escrow Obligations and Replacement Obligations, if any, and cash available for such purposes in the Escrow Fund and Expense Fund. Any amounts held as cash in the Escrow Fund or Expense Fund shall be held in cash without any investment thereof or liability for interest thereon, not as a time or demand deposit with any bank, savings and loan or other depository.

SECTION 6. Payment of Refunded Bonds. The Escrow Agent shall receive the matured principal of and the interest on the Escrow Obligations and Replacement Obligations, if any, as the same are payable. On or before each interest payment date on the Refunded Bonds, the Escrow Agent shall transmit to the Issuer or the paying agent for the Refunded Bonds in immediately available funds, sufficient amounts for the payment of the interest on the Refunded Bonds due on said date and any principal of and redemption premiums on the Refunded Bonds due on said date by reason of the redemption of Refunded Bonds, in accordance with Schedule C attached hereto.

SECTION 7. Notice of Defeasance and Call for Redemption. The Issuer shall cause a Notice of Defeasance and Call for Redemption of the Refunded Bonds to be sent by the paying agent for the Refunded Bonds as required by the ordinance issuing the Refunding Bonds. The Issuer will reimburse the paying agent for the Refunded Bonds for any expenses incurred in connection with this Section from moneys other than those in the Escrow Fund.

SECTION 8. Remaining Moneys in Escrow Fund. Upon the retirement of the Refunded Bonds, any amounts remaining in the Escrow Fund shall be paid to the Issuer as its property free and clear of the trust created by the Bond Ordinance and this Agreement.

SECTION 9. Rights of Owners of Refunded Bonds. The Escrow Fund created hereby shall be irrevocable and the owners of the Refunded Bonds shall have a beneficial interest and a first, prior and paramount claim on all moneys and Escrow Obligations in the Escrow Fund until paid out, used and applied in accordance with this Agreement.

SECTION 10. Fees and Rights of Escrow Agent. In consideration of the services rendered by the Escrow Agent under this Agreement, the Issuer has paid to the Escrow Agent its reasonable fees and expenses, and the Escrow Agent hereby acknowledges (i) receipt of such

payment and (ii) that it shall have no lien whatsoever upon any moneys in the Escrow Fund. In no event shall the Issuer be liable to any person by reason of the transactions contemplated hereby other than to the Escrow Agent as set forth in this Section 10. Notwithstanding anything in this Agreement to the contrary, if the Escrow Agent is required by a governmental agency or court proceeding initiated by a third party to undertake efforts beyond that which is set forth herein but related thereto (other than due to the Escrow Agent's negligence or willful misconduct), the Escrow Agent shall notify the Issuer of the same in writing and the Issuer shall promptly pay the Escrow Agent for such extraordinary fees, cost and expense reasonably and necessarily incurred in connection therewith.

The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance of the moneys and securities deposited therein, the purchase of those Escrow Obligations listed in Schedule A, the retention of the Escrow Obligations or the proceeds thereof or any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any act, omission or error of the Escrow Agent made in good faith and without negligence in the conduct of its duties.

SECTION 11. Enforcement. The Issuer, the paying agent for the Refunded Bonds and the owners of the Refunded Bonds shall have the right to take all actions available under law or equity to enforce this Agreement or the terms hereof.

SECTION 12. Records and Reports. The Escrow Agent will keep books of record and account in which complete and correct entries shall be made of all transactions relating to the receipts, disbursements, allocations and application of the money and Escrow Obligations and Replacement Obligations, if any, deposited to the Escrow Fund and all proceeds thereof. With respect to each investment of the proceeds of Escrow Obligations, the Escrow Agent shall record, to the extent applicable, the purchase price of such investment, its fair market value, its coupon rate, its yield to maturity, the frequency of its interest payment, its disposition price, the accrued interest due on its disposition date and its disposition date. Upon prior written notice to the Escrow Agent, such books shall be available for inspection at reasonable hours and under reasonable conditions by the Issuer and the owners of the Bonds and the Refunded Bonds.

SECTION 13. Successor Escrow Agents. If at any time the Escrow Agent or its legal successor or successors shall resign or be removed or should become unable, through operation of law or otherwise, to act as escrow agent hereunder, or if its property and affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy or for any other reason, a vacancy shall forthwith exist in the office of escrow agent hereunder. In such event the Issuer, by appropriate order, and with the prior written consent of the Issuer, shall promptly and not later than 60 days after such event appoint an escrow agent to fill such vacancy.

Any successor escrow agent shall execute, acknowledge and deliver to the Issuer and



the Escrow Agent an instrument accepting such appointment hereunder, and the Escrow Agent shall execute and deliver an instrument transferring to such successor escrow agent, subject to the terms of this Agreement, all the rights, powers and trusts of the Escrow Agent hereunder. Upon the request of any such successor escrow agent, the Issuer shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor escrow agent all such rights, powers and duties. The Escrow Agent shall pay over to its successor escrow agent a proportional part of the Escrow Agent's fee hereunder.

The Escrow Agent may be removed or may resign at any time by an instrument or concurrent instrument in writing delivered to the Escrow Agent by the Issuer.

SECTION 14. Amendments. This Agreement may be amended with the consent of the Issuer and the Escrow Agent (i) to correct ambiguities, (ii) to strengthen any provision hereof which is for the benefit of the owners of the Refunded Bonds or the Bonds or (iii) to sever any provision hereof which is deemed to be illegal or unenforceable; and provided further that this Agreement shall not be amended unless the Issuer and the Escrow Agent shall receive an opinion of nationally recognized bond counsel, that such amendments is permitted under the Agreement and will not cause the Refunded Bonds to be "arbitrage bonds". A copy of any amendment shall be provided to any rating agencies which have rated the Bonds

SECTION 15. Successors Bound. All covenants, promises and agreements in this Agreement shall bind and inure to the benefit of the respective successors and assigns of the Issuer, the Escrow Agent and the owners of the Refunded Bonds, whether so expressed or not.

SECTION 16. Louisiana Law Governing. This Agreement shall be governed by the applicable laws of the State of Louisiana.

SECTION 17. Termination. Except as provided in Section 10 hereof, this Agreement shall terminate when all of the Refunded Bonds have been paid as aforesaid and any remaining moneys have been paid to the Issuer.

SECTION 18. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the Issuer or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 19. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Defeasance and Escrow Deposit Agreement as of the day and year first written.

CONSOLIDATED WATERWORKS AND  
WASTEWATER DISTRICT NO. 1 OF THE  
PARISH OF ST. CHARLES, LOUISIANA

ATTEST:

By: \_\_\_\_\_  
President of the Parish of St. Charles

By: \_\_\_\_\_  
Secretary, St. Charles Parish Council

(SEAL)

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A.  
as Escrow Agent

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

**SCHEDULE A**  
**To Escrow Deposit Agreement**

**SCHEDULE OF ESCROW SECURITIES**  
**PURCHASED WITH BOND PROCEEDS**

**SCHEDULE B**  
**To Escrow Agreement**

**ESCROW CASH FLOW AND PROOF OF SUFFICIENCY**

**SCHEDULE C**  
**To Escrow Deposit Agreement**

**DEBT SERVICE ON REFUNDED BONDS**

**SCHEDULE D**  
**To Escrow Deposit Agreement**

**ESTIMATED COSTS OF ISSUANCE**

**EXHIBIT C**  
**to Bond Ordinance**

NO. R-\_\_\_\_

PRINCIPAL AMOUNT: \$\_\_\_\_\_

Unless this Bond is presented by an authorized representative of the Depository Trust Company, a New York corporation ("DTC"), to the Issuer or their 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.

As provided in the Bond Ordinance referred to herein, until the termination of the system of book-entry-only transfers through DTC and notwithstanding any other provision of the Bond Ordinance to the contrary, this Bond may be transferred, in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

UNITED STATES OF AMERICA  
STATE OF LOUISIANA  
PARISH OF ST. CHARLES

WATER REVENUE REFUNDING BONDS, SERIES 2015  
CONSOLIDATED WATERWORKS AND WASTEWATER DISTRICT NO. 1  
OF THE PARISH OF ST. CHARLES, LOUISIANA

<u>Bond</u> <u>Date</u>	<u>Maturity</u> <u>Date</u>	<u>Interest</u> <u>Rate</u>	<u>CUSIP</u>
March 3, 2015	July 1, 20__	_____%	_____

Consolidated Waterworks and Wastewater District No. 1 of the Parish of St. Charles, Louisiana (the "Issuer"), promises to pay, but solely from the source and as hereinafter provided, to:

REGISTERED OWNER: CEDE & CO. (Tax Identification #13-2555119)

PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS

or registered assigns, on the Maturity Date set forth above, the Principal Amount set forth

above, together with interest thereon from the Bond Date set forth above, or from the most recent interest payment date to which interest has been paid or duly provided for, payable on January 1 and July 1 of each year, commencing July 1, 2015 (each an "Interest Payment Date"), at the Interest Rate per annum set forth above until said Principal Amount is paid. The principal of this Bond, upon maturity, is payable in such coin or currency of the United States of America which at the time of payment is legal tender for payment of public and private debts at The Bank of New York Mellon Trust Company, N.A., in Baton Rouge, Louisiana, or any successor thereto (the "Paying Agent"), upon presentation and surrender hereof. Interest on this Bond is payable by check mailed by the Paying Agent to the registered owner hereof. The interest so payable on any Interest Payment Date will, subject to certain exceptions provided in the hereinafter defined Bond Ordinance, be paid to the person in whose name this Bond is registered as of the close of business on the Record Date (which is the 15th calendar day of the month next preceding an Interest Payment Date). Any interest not punctually paid or duly provided for shall be payable as provided in the Bond Ordinance.

FOR SO LONG AS THIS BOND IS HELD IN BOOK-ENTRY FORM REGISTERED IN THE NAME OF CEDE & CO. ON THE REGISTRATION BOOKS OF THE ISSUER KEPT BY THE PAYING AGENT, AS BOND REGISTRAR, THIS BOND, IF CALLED FOR PARTIAL REDEMPTION IN ACCORDANCE WITH THE ORDINANCE, SHALL BECOME DUE AND PAYABLE ON THE REDEMPTION DATE DESIGNATED IN THE NOTICE OF REDEMPTION GIVEN IN ACCORDANCE WITH THE ORDINANCE AT, AND ONLY TO THE EXTENT OF, THE REDEMPTION PRICE, PLUS ACCRUED INTEREST TO THE SPECIFIED REDEMPTION DATE; AND THIS BOND SHALL BE PAID, TO THE EXTENT SO REDEEMED, (i) UPON PRESENTATION AND SURRENDER HEREOF AT THE OFFICE SPECIFIED IN SUCH NOTICE OR (ii) AT THE WRITTEN REQUEST OF CEDE & CO., BY CHECK MAILED TO CEDE & CO. BY THE PAYING AGENT OR BY WIRE TRANSFER TO CEDE & CO. BY THE PAYING AGENT IF CEDE & CO. AS BONDOWNER SO ELECTS. IF, ON THE REDEMPTION DATE, MONEYS FOR THE REDEMPTION OF BONDS OF SUCH MATURITY TO BE REDEEMED, TOGETHER WITH INTEREST TO THE REDEMPTION DATE, SHALL BE HELD BY THE PAYING AGENT SO AS TO BE AVAILABLE THEREFOR ON SUCH DATE, AND AFTER NOTICE OF REDEMPTION SHALL HAVE BEEN GIVEN IN ACCORDANCE WITH THE ORDINANCE, THEN, FROM AND AFTER THE REDEMPTION DATE, THE AGGREGATE PRINCIPAL AMOUNT OF THIS BOND SHALL BE IMMEDIATELY REDUCED BY AN AMOUNT EQUAL TO THE AGGREGATE PRINCIPAL AMOUNT THEREOF SO REDEEMED, NOTWITHSTANDING WHETHER THIS BOND HAS BEEN SURRENDERED TO THE PAYING AGENT FOR CANCELLATION.

This Bond is one of an authorized issue of Water Revenue Refunding Bonds, Series 2015, aggregating in principal the sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) (the "Bonds"), said Bonds having been issued by the Issuer pursuant to a Bond Ordinance adopted by the St. Charles Parish Council, acting as the governing authority of the Issuer, on February 9, 2015 (the "Bond Ordinance"), for the purpose of defeasing and refunding the Issuer's Water Revenue Bonds, Series 2007A (the "Refunded Bonds"),



providing a reserve therefor and paying the costs of issuance of the Bonds, under the authority of Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority.

The Bonds are issuable in the denomination of \$5,000, or any integral multiple thereof within a single maturity. As provided in the Bond Ordinance, and subject to certain limitations set forth therein, the Bonds are exchangeable for an equal aggregate principal amount of Bonds of the same maturity of any other authorized denomination.

Those Bonds maturing on July 1, 2026 and thereafter, shall be callable for redemption by the Issuer in full, or in part, at any time on or after July 1, 2025 (but if less than a full maturity, then by lot within such maturity), at the principal amount thereof and accrued interest to the date fixed for redemption. In the event a Bond to be redeemed is of a denomination larger than Five Thousand Dollars (\$5,000), a portion of such Bond (\$5,000 or any multiple thereof) may be redeemed. Any Bond which is to be redeemed only in part shall be surrendered at the office of the Paying Agent, and there shall be delivered to the Owner of such Bond, a new Bond of the same maturity and of authorized denomination as requested by such Owner in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered. Official notice of such call of any of the Bonds for redemption shall be given not less than thirty-five (35) days prior to the redemption date by the Issuer to the Paying Agent, who shall within five (5) days thereof give notice of such redemption by means of first class mail, postage prepaid, addressed to the Owner of each Bond to be redeemed at his address as shown on the Bond Register.

The Bond Ordinance permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Issuer and the rights of the owners of the Bonds at any time by the Issuer with the consent of the owners of a majority of the Bond Obligation, as defined in the Bond Ordinance.

Subject to the limitations and requirements provided in the Bond Ordinance, the transfer of this Bond shall be registered on the registration books of the Paying Agent upon surrender of this Bond at the principal corporate trust office of the Paying Agent as Bond Registrar, duly endorsed by, or accompanied by a written instrument of transfer in form and a guaranty of signature satisfactory to the Paying Agent, duly executed by the registered owner or his attorney duly authorized in writing, and thereupon a new Bond or Bonds of the same maturity and of authorized denomination or denominations, for the same aggregate principal amount, will be issued to the transferee. Prior to due presentment for transfer of this Bond, the Issuer and the Paying Agent may deem and treat the registered owner hereof as the absolute owner hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and interest hereon and for all other purposes, and neither the Issuer nor the Paying Agent shall be affected by any notice to the contrary.

This Bond and the issue of which it forms a part are payable by an irrevocable pledge and dedication from the income and revenues derived or to be derived from the operation of the Issuer's combined waterworks plants and systems as a single revenue

producing public utility (the “Water System”), after provisions have been made for payment therefrom of the reasonable expenses of administration, operation and maintenance of the Water System and after provision has been made for the payments required by the Issuer’s Water Revenue Refunding Bonds, Series 2007B. For a complete statement of the revenues from which and conditions under which this Bond is issued, and provisions permitting the issuance of *pari passu* additional bonds under certain conditions, reference is hereby made to the Bond Ordinance.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Ordinance until the certificate of registration hereon shall have been signed by the Paying Agent.

It is certified that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of the State of Louisiana. It is further certified, recited and declared that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond and the issue of which it forms a part to constitute the same legal, binding and valid obligations of the Issuer have existed, have happened and have been performed in due time, form and manner as required by law, and that the indebtedness of the Issuer, including this Bond and the issue of which it forms a part, does not exceed the limitations prescribed by the Constitution and statutes of the State of Louisiana.

IN WITNESS WHEREOF, the St. Charles Parish Council, acting as the governing authority of the Issuer, has caused this Bond to be executed in the name of the Issuer by the facsimile signatures of the Parish President and Secretary of said governing authority and a facsimile of the corporate seal of the Issuer to be imprinted hereon.

CONSOLIDATED WATERWORKS  
AND WASTEWATER DISTRICT  
NO. 1 OF THE PARISH OF ST.  
CHARLES, LOUISIANA

---

Secretary, St. Charles Parish Council

---

President of the Parish of St. Charles

(SEAL)

PAYING AGENT'S CERTIFICATE OF REGISTRATION

This Bond is one of the Bonds referred to in the within mentioned Bond Ordinance.

THE BANK OF NEW YORK  
MELLON TRUST COMPANY, N.A.  
Baton Rouge, Louisiana  
as Paying Agent

Date of Registration: \_\_\_\_\_, 2015

By:

\_\_\_\_\_  
Authorized Officer

\* \* \* \* \*

ASSIGNMENT

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

\_\_\_\_\_

—

Please Insert Social Security  
or other Identifying Number of  
Assignee

\_\_\_\_\_

—

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

\_\_\_\_\_

—

\_\_\_\_\_ attorney or agent to transfer the  
within Bond on the books kept for registration thereof, with full power of substitution in  
the premises.

Dated: \_\_\_\_\_

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

\* \* \* \* \*

**EXHIBIT D**  
**to Bond Ordinance**

**NOTICE OF CALL FOR REDEMPTION**  
**WATER REVENUE BONDS, SERIES 2007A**  
**DATED JANUARY 30, 2007**  
**(MATURING JULY 1, 2018 THROUGH JULY 1, 2036, INCLUSIVE)**  
**OF**  
**CONSOLIDATED WATERWORKS AND WASTEWATER DISTRICT NO. 1**  
**OF THE PARISH OF ST. CHARLES, LOUISIANA**

**NOTICE IS HEREBY GIVEN** that, pursuant to an ordinance adopted on February 9, 2015, by the St. Charles Parish Council, acting as the governing authority of Consolidated Waterworks and Wastewater District No. 1 of the Parish of St. Charles, Louisiana (the “Issuer”), the Issuer hereby calls for redemption on July 1, 2018, \$23,230,000 of the Issuer's outstanding Water Revenue Bonds, Series 2005, dated January 30, 2007, consisting of all of the bonds of said issue which mature July 1, 2018 through July 1, 2036, inclusive, as hereinafter set forth (the “Refunded Bonds”), at a price of par, plus accrued interest, upon presentation and surrender of said bonds as set out below.

**NOTICE IS HEREBY FURTHER GIVEN** that the Refunded Bonds are hereby called for redemption on July 1, 2017, at the principal amount thereof and accrued interest to the call date, and being more fully described as follows:

<b>DATE (JULY 1)</b>	<b>PRINCIPAL PAYMENT</b>	<b>INTEREST RATE</b>	<b>CUSIPs</b>
2018	\$ 780,000	5.000%	788048 AN6
2019	820,000	5.000	788048 AN6
2020	865,000	4.000	788048 AP1
2021	895,000	5.000	788048 AR7
2022	940,000	5.000	788048 AR7
2023	990,000	4.125	788048 AS5
2024	1,030,000	4.125	788048 AT3
2025	1,070,000	5.000	788048 AU0
2026	1,125,000	4.250	788048 AV8
2027	1,175,000	5.000	788048 AW6
2028	1,230,000	5.000	788048 AW6
2029	1,295,000	5.000	788048 AW6
2030	1,360,000	5.000	788048 AW6
2031	1,425,000	5.000	788048 AW6
2032	1,500,000	4.250	788048 AM8

2033	1,560,000	5.000	788048 AX4
2034	1,640,000	5.000	788048 AX4
2035	1,720,000	5.000	788048 AX4
2036	1,810,000	5.000	788048 AX4

No further interest shall accrue and be payable on the Refunded Bonds from and after July 1, 2017. The Refunded Bonds should not be surrendered for payment until July 1, 2017, and then should be surrendered at Bank of New York Mellon Trust Company, N.A., as follows:

**By Express Mail**

**or Courier Service**

**By Mail**

Bank of New York Mellon Trust Company, N.A.	Bank of New York Mellon Trust Company, N.A.
2001 Bryan Street, 11 <sup>th</sup> Floor	2001 Bryan Street, 11 <sup>th</sup> Floor
Dallas, TX 75201	Dallas, TX 75201

Holders of said Refunded Bonds are reminded that the Federal Interest and Dividend Tax Compliance Act of 1983 requires that the Paying Agent, as payor, withhold 28% of the principal amount if a Taxpayer Identification Number has not been provided by the Holder as payee. If the Tax Identification Number has not previously been provided to the Paying Agent, then Bondholders are requested to provide this information to the Paying Agent with a Form W-9 in order to avoid the aforesaid withholding.

CONSOLIDATED WATERWORKS AND  
WASTEWATER DISTRICT NO. 1 OF THE PARISH  
OF ST. CHARLES, LOUISIANA

By: \_\_\_\_\_  
Secretary, St. Charles Parish Council

Date: February 9, 2015

**EXHIBIT E**  
**to Bond Ordinance**

**\$22,170,000**  
**WATER REVENUE REFUNDING BONDS, SERIES 2015**  
**OF**  
**CONSOLIDATED WATERWORKS AND WASTEWATER DISTRICT NO. 1**  
**OF THE PARISH OF ST. CHARLES, LOUISIANA**

**BOND PURCHASE AGREEMENT**

February 9, 2015

Consolidated Waterworks and Wastewater District No. 1  
Parish of Charles, Louisiana

Ladies and Gentlemen:

The undersigned, Stephens Inc. (the “*Underwriter*”), hereby offers and is duly authorized to enter into this Bond Purchase Agreement (this “*Agreement*”) with Consolidated Waterworks and Wastewater District No. 1 of the Parish of St. Charles, Louisiana (the “*Issuer*” or the “*District*”), which, upon acceptance of this offer by the Issuer shall be binding upon the Issuer and the Underwriter. This offer is made subject to its acceptance by the Issuer prior to 11:59 p.m., prevailing New Orleans, Louisiana time, on the date hereof, which acceptance shall be evidenced by the execution of this Agreement by duly authorized officers of the Issuer. **Capitalized terms used, but not defined, herein shall have the meanings ascribed thereto in the hereinafter defined Bond Ordinance.**

**Section 1.** (a) Subject to the terms and conditions, and upon the basis of the findings, representations and covenants hereinafter set forth, the Underwriter hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell to the Underwriter, all (but not less than all) of the above referenced bonds (the “*Bonds*”) at the aggregate purchase price (the “*Purchase Price*”) of \$24,809,641.95 (which is the original aggregate principal amount of the Bonds of \$22,170,000.00, plus an original issue premium of \$2,805,916.95, less an underwriting discount of \$166,275.00).

(b) The Bonds are authorized under and shall be issued pursuant to Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority (the “*Act*”), and a Bond Ordinance adopted by the St. Charles Parish Council (the “*Governing Authority*”) on February 9, 2015 (the “*Bond Ordinance*”). The Bonds are being issued for the purpose of refunding all of the Issuer’s Water Revenue Bonds, Series 2007A, maturing July 1, 2017 to July 1, 2036, inclusive, providing a reserve and paying the costs of issuance of the Bonds.

The Bonds are payable by an irrevocable pledge and dedication from the income and

revenues derived or to be derived from the operation of the Issuer's combined waterworks plants and systems as a single revenue producing public utility (the "Water System"), after provisions have been made for payment therefrom of the reasonable expenses of administration, operation and maintenance of the Water System and after provision has been made for the payments required by the Issuer's Water Revenue Refunding Bonds, Series 2007B (the "Net Revenues"), all as provided in the Bond Ordinance.

Pursuant to the Bond Ordinance, the Bonds (a) shall be dated March 3, 2015, (b) shall be issued as fully registered Bonds, one Bond per maturity, in the denomination of \$5,000 or any integral multiple of \$5,000 in excess thereof, and (c) shall bear interest from the date thereof or from the most recent interest payment date to which interest has been paid or duly provided for, such interest to be payable on January 1 and July 1 of each year, commencing July 1, 2015, until paid, at the rates per annum set forth on, and shall be payable and mature in the principal amounts and on the dates set forth on, **Exhibit A** attached hereto. The Bonds shall be as further described in the Official Statement (as defined in Section 3 hereof).

The Issuer has appointed The Bank of New York Mellon Trust Company, N.A., in Baton Rouge, Louisiana, as paying agent and registrar for the Bonds (such capacity collectively and respectively, the "*Paying Agent*").

**Section 2.** (a) **Bond Ordinance.** Concurrently with the Issuer's acceptance hereof, the Issuer shall deliver to the Underwriter a true and correct copy of the Bond Ordinance.

(b) **Public Offering.** The Underwriter intends to make an initial bona fide public offering of all of the Bonds at not in excess of the public offering prices set forth on Exhibit A attached hereto, and may subsequently change such offering price without any requirement of prior notice. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing bonds into investment trusts) and others at prices lower than such public offering prices. Not less than ten business days prior to the Closing, the Underwriter agrees to furnish to Foley & Judell, L.L.P., Bond Counsel, a certificate acceptable to Bond Counsel (i) specifying the reoffering prices at which a substantial amount of the Bonds was sold to the public (excluding bond houses, brokers and other intermediaries) and (ii) certifying the accuracy of such reoffering prices (if lower than those set out in Exhibit A). The Underwriter acknowledges that Bond Counsel will rely on such representations in making its determination that the Bonds are not "arbitrage bonds" within the meaning of the Internal Revenue Code of 1986, as amended.

**Section 3. Official Statement.** The Issuer has caused to be prepared a Preliminary Official Statement dated February 3, 2015 (such Preliminary Official Statement, including the cover page, the summary statement and all appendices, exhibits, reports and statements included therein or attached thereto and any amendments and supplements thereto that may be authorized by the Issuer for use with respect to the Bonds being herein referred to as the "*Preliminary Official Statement*"), which, pursuant to the Bond Ordinance, the Issuer has authorized to be circulated, and the Issuer consents, approves and ratifies the use of the Preliminary Official Statement by the Underwriter prior to the date hereof in connection with the offering of the Bonds. The Issuer hereby authorizes and approves the use and distribution by the Underwriter of an Official Statement relating to the Bonds substantially in the form of the Preliminary Official Statement, including the Appendices thereto, with only such changes

therein or modifications thereof (including, without limitation, any changes in or modifications of any of the appendices, exhibits, reports or statements included therein or attached thereto) as shall have been accepted and approved by the Underwriter, which Official Statement shall have been approved by the Issuer pursuant to the Bond Ordinance and executed on behalf of the Issuer by the Chief Financial Officer of the Parish of St. Charles and the Secretary and Chairman of the Governing Authority (such Official Statement, including the cover page, the summary statement and all appendices, exhibits, reports and statements included therein or attached thereto, all information incorporated therein by reference, and any amendments and supplements thereto that may be authorized by the Issuer for use with respect to the Bonds being herein called the “*Official Statement*”). The Issuer hereby consents to the use of copies of the Official Statement, the Bond Ordinance and other pertinent documents in connection with the offering and sale of the Bonds.

The Issuer agrees to deliver to the Underwriter, at such address as the Underwriter shall specify, as many copies of the Official Statement as the Underwriter shall reasonably request as necessary to comply with paragraph (b)(4) of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the “Rule”) and with Rule G-32 and all other applicable rules of the Municipal Securities Rulemaking Board. The Issuer agrees to deliver such Official Statements within seven (7) business days after the execution of this Bond Purchase Agreement or prior to the Closing Date (as hereinafter defined), whichever comes first.

The Issuer by its approval of the execution and delivery of this Bond Purchase Agreement, covenants with the Underwriter that, if at any time prior to the earlier of (i) receipt of notice from the Underwriter that Official Statements are no longer required to be delivered under the Rule or (ii) the expiration of twenty-five (25) days from the “End of the Underwriting Period” (as defined in the Rule) or other such period of time necessary to enable the Underwriter to comply with the Rule, any event occurs affecting the Issuer or the transactions contemplated in connection with the issuance of the Bonds which could cause the Official Statement to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Issuer shall notify the Underwriter in writing, and if, in the opinion of the Underwriter, such event requires an amendment or supplement to the Official Statement, the Issuer promptly will amend or supplement, or cause to be amended or supplemented, the Official Statement in a form and in a manner approved by the Underwriter and consented to by the Issuer so that the Official Statement, under such caption, will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading. For the purposes of, and during the period of time provided by this paragraph, the Issuer will furnish such information as the Underwriter may from time to time reasonably request.

The Issuer has delivered a “deemed final” certificate to the Underwriter, dated the date of the Preliminary Official Statement, to evidence compliance with the Rule to the date hereof.

The Issuer hereby represents that it has filed on a timely basis all annual filings and all event filings required to be filed by the Issuer pursuant to each continuing disclosure



undertaking under the Rule to which it is a party.

The Issuer hereby agrees to enter into the Tax Compliance Certificate in the form required by Bond Counsel (the “*Tax Certificate*”) on the Closing Date.

**Section 4.** Subject to the terms hereof, payment and delivery of the Bonds (the “*Closing*”) shall take place at 11:00 a.m., prevailing New Orleans, Louisiana Time, on March 3, 2015 (or such other time or Business Day as may be mutually agreed upon by the Underwriter and the Issuer in writing) (the “*Closing Date*”) at the offices of Foley & Judell, L.L.P. in New Orleans, Louisiana (or such other place as may be mutually agreed upon by the Underwriter and the Issuer in writing). The Closing shall occur upon the due performance by the Issuer and the Underwriter of the following:

(a) The Issuer shall deliver to the Underwriter the instruments and documents required to be delivered at the Closing pursuant to Section 6 hereof;

(b) The definitive Bonds will be issued on the terms and in substantially the form and tenor provided in the Bond Ordinance. The Bonds will not be registered under the Securities Act of 1933, as amended (the “Securities Act”) in reliance upon an exemption thereunder, and the Bond Ordinance will not be qualified under the Trust Indenture Act of 1939, as amended (the “Trust Indenture Act”) in reliance upon an exemption thereunder. The Bonds shall be delivered in fully registered form, with CUSIP numbers appropriately imprinted or typewritten thereon and will be initially issued and registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”) as securities depository. One lithographed, printed or typewritten Bond will be issued for each maturity date of the Bonds. Payment of the Purchase Price of the Bonds will be made upon delivery of the Bonds to DTC at the office of the Paying Agent on behalf of DTC, utilizing the DTC FAST system of registration, for the account of the Underwriter, which delivery of the Bonds shall occur at the Closing;

(c) The Underwriter will, upon satisfaction of the terms of this Bond Purchase Agreement, pay the Purchase Price for the Bonds in lawful money of the United States of America by federal wire transfer in same day funds as instructed by the Issuer.

**Section 5.** The Issuer hereby represents to, and covenants and agrees with, the Underwriter as follows:

(a) The Issuer is a body politic and a political subdivision of the State of Louisiana (the “*State*”) duly created and existing under the laws of the State. The Issuer is authorized by the laws of the State, including the Act, to adopt the Bond Ordinance; to issue, sell and deliver the Bonds; to execute and deliver the Preliminary Official Statement and the Official Statement and to enter into and execute, deliver, and perform the Continuing Disclosure Certificate, the Tax Certificate and this Agreement. The Issuer has complied with all provisions of the Constitution and the laws of the State with respect to the consummation of, and has full power and authority to consummate, all transactions contemplated by the Official Statement, the Bond Ordinance, the Bonds, this Agreement, the Continuing Disclosure Certificate, the Tax Certificate, the Paying Agent Agreement and any and all other instruments or

agreements to be entered into by the Issuer (collectively, the “*Documents*”).

(b) The Issuer has duly authorized by all necessary action the approval of the Preliminary Official Statement and the Official Statement and its use by the Underwriter in the public offering and sale of the Bonds and the execution of the Official Statement by the Chief Financial Officer of the Parish of St. Charles and the Secretary and Chairman of the Governing Authority or other authorized official of the Issuer and the execution, delivery, and performance of this Agreement and other Documents to which it is a party, and no approval, authorization, consent, or other action by any governmental body (other than consents and approvals already obtained) is required in connection with the execution or performance by the Issuer of the same, and neither the execution nor the performance of any of the Documents to which it is a party shall conflict with, breach, or violate any legal or contractual requirements to which the Issuer is a party or by which the Issuer or the property of the Issuer may be subject or bound. On and as of the Closing Date, each of the Documents to which it is a party, when executed by the other parties thereto at or before the Closing Date, shall have been duly and validly executed and delivered by the Issuer, shall be in full force and effect as to the Issuer, and shall constitute the legal, valid and binding obligation of the Issuer, enforceable in accordance with its terms, except as limited by applicable bankruptcy, reorganization, insolvency, or other similar laws affecting the enforcement of creditors' rights generally and by the application of the general principles of equity.

(c) On and as of the Closing Date, all authorizations, consents and approvals of, notices to, registrations or filings with, or actions in respect of any governmental body, agency or other instrumentality or court required to be obtained, given or taken on behalf of the Issuer in connection with the execution, delivery and performance by the Issuer of the Documents shall have been obtained, given or taken and shall be in full force and effect. Notwithstanding the foregoing, the Issuer makes no representation herein with respect to compliance with the securities or “*Blue Sky*” laws of the various jurisdictions of the United States of America.

(d) When issued, delivered and paid for, as herein provided, the Bonds shall be duly authorized, executed, issued and delivered and shall constitute valid and binding obligations of the Issuer for the payment thereof as therein provided and shall evidence the valid limited and special obligation indebtedness of the Issuer, enforceable in accordance with their terms and the terms of the Bond Ordinance, except that the binding effect and enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or other laws in effect from time to time affecting the rights of creditors generally, moratorium, or other laws in effect from time to time affecting the rights of creditors generally.

(e) There are no legal or governmental actions, proceedings, inquiries or investigations before or by any court, public board or body pending or, to the actual knowledge of the Issuer, threatened against or affecting the Issuer, or to which the Issuer is a party, or of which any property of the Issuer is subject, which, if determined adversely to the Issuer would individually or in the aggregate (a) have a material adverse effect on the financial position or results of the operations of the Issuer, considered as a whole, (b) materially and adversely affect the validity or the

enforceability of the collection of the Tax or the Bond Ordinance, or (c) otherwise materially or adversely affect the ability of the Issuer to comply with its obligations under the Bond Ordinance.

(f) To the actual knowledge of the Issuer, no legislation, ordinance, rule, or regulation has been enacted by any governmental body, department, or agency of the State nor has any decision been rendered by any court of competent jurisdiction in the State, which would materially and adversely affect the transactions contemplated by the Official Statement, or which might result in any material adverse change in the operations, properties, assets, liabilities, or condition (financial or other) of the Issuer, or which affects the information contained in the Official Statement.

(g) The Official Statement (as amended or supplemented with the approval of the Underwriter, if the Official Statement shall have been so amended or supplemented) is as of the date hereof, and shall be as of the Closing Date true, correct and complete and does not and shall not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(h) Subsequent to the dates as of which information is given in the Official Statement, and prior to the Closing Date, except as set forth in or contemplated by the Official Statement, (1) there has not been and shall not have been any increase in the long-term debt of the Issuer, and (2) there shall not have been any material adverse change in the business or the financial position or results of operations of the Issuer subsequent to the date of the Official Statement.

(i) The Issuer shall not knowingly take or omit to take any action, which action or omission shall in any way cause the proceeds from the sale of the Bonds to be applied in a manner other than as provided in the Bond Ordinance and the Tax Certificate or which would cause the interest on the Bonds to become includable in the gross income of the owners thereof for federal income tax purposes.

(j) The Issuer acknowledges and agrees that these representations and covenants are made to induce the Underwriter to purchase the Bonds, and such representations and covenants and any other representations and covenants made by the Issuer to the Underwriter are made for the benefit of the ultimate purchasers of the Bonds, and maybe relied upon by such purchasers.

(k) Any certificate signed by any authorized officials of the Issuer and delivered to the Underwriter shall be deemed a representation and covenant by the Issuer to the Underwriter under this Agreement as to the statements made therein.

(l) Except as disclosed in the Official Statement, to the actual knowledge of the Issuer, as of the date hereof, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or threatened against the Issuer, affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the collection and receipt of revenues of the Tax pledged to the payment of the Bonds or contesting or affecting, as to the Issuer, the validity or enforceability in any respect of the Bonds

or contesting the powers of the Issuer, or its authority for the issuance of the Bonds or the adoption of the Bond Ordinance.

**Section 6.** The obligations of the Underwriter under this Agreement have been undertaken in reliance on, and shall be subject to, the due performance by the Issuer of its obligations and agreements to be performed hereunder and to the accuracy of and compliance with the representations, covenants and agreements of the Issuer contained herein and in all Documents and closing certificates, in each case on and as of the date of execution and delivery of this Agreement and on and as of the Closing Date. The obligations of the Underwriter hereunder with respect to the Closing also are subject to the following further conditions:

(a) At the time of the Closing, (i) the Documents shall be in full force and effect and shall not have been rescinded, amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, and the Issuer shall have adopted, executed and delivered, and there shall be in full force and effect, such additional resolutions, agreements, opinions and certificates, each of which shall be satisfactory in form and substance to the Underwriter, and there shall have been taken in connection therewith and in connection with the issuance of the Bonds all such action as shall, in the opinion of the Underwriter, be necessary in connection with the transactions contemplated hereby, (ii) the Bonds shall have been duly authorized, executed, authenticated and delivered, and (iii) the Issuer shall perform or have performed all of its obligations under or specified in the Documents, respectively, to be performed at or prior to the Closing and the Underwriter shall have received evidence, in appropriate form, of such action;

(b) At the Closing, the Underwriter shall receive the following, in form and substance satisfactory to the Underwriter:

(1) The approving opinion of Bond Counsel, dated the date of Closing, relating to, among other things, the validity of the Bonds and the exclusion of the interest on the Bonds from gross income for federal income tax purposes under the law existing on the date of the Closing, in form satisfactory to the Underwriter.

(2) Certified copies of all proceedings of the Issuer relating to the authorization and issuance of the Bonds;

(3) A copy of the Municipal Bond Debt Service Reserve Insurance Policy of Assured Guaranty municipal Corp. and documents related thereto as may be required by the Underwriter;

(4) A certificate of the President of the Parish of St. Charles and the Secretary of the Governing Authority or other duly authorized officer of the Issuer, dated as of the Closing Date, in form and substance reasonably satisfactory to the Underwriter, to the effect that (a) the representations and covenants of the Issuer herein and in the Documents are true and correct in all material respects as of the Closing Date, (b) all obligations required under or specified in this Agreement, the Official Statement and the other Documents

to be performed by the Issuer on or prior to the Closing Date have been performed or waived, (c) the Issuer is in compliance in all respects with all the covenants, agreements, provisions and conditions contained in the Documents to which the Issuer is a party which are to have been performed and complied with by the Closing Date, (d) the representations and covenants of the Issuer herein regarding the Official Statement, as set forth in Section 3 hereof, remain true and correct as of the Closing Date as though made on and as of the Closing Date, and such representations and covenants shall apply to any amendment or supplements to the Official Statement which are made after the date of the Official Statement and on or before the Closing Date and are authorized by the Issuer to be prepared pursuant to Section 3 hereof, and (e) since the date of the Official Statement, no event affecting the Issuer has occurred and no litigation is pending or, to the knowledge of the signer of such certificate, threatened which should be disclosed in the Official Statement for the purposes for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any respect;

(5) Evidence that Form 8038-G has been or shall be filed with the Internal Revenue Service with respect to the Bonds;

(6) The Tax Certificate containing provisions required by Bond Counsel under the Internal Revenue Code of 1986, as amended, signed by the duly authorized representative of the Issuer; and

(7) Such additional legal opinions, consents, certificates, proceedings, instruments and other documents as the Underwriter or Bond Counsel may reasonably request to evidence compliance by the Issuer with legal requirements, the truth and accuracy, as of the Closing Date, of the representations of the Issuer herein and the due performance or satisfaction by the Issuer at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer.

(c) At the Closing, the Underwriter shall receive the following documents, each in form and substance satisfactory to the Underwriter and its counsel:

(i) the Official Statement, together with any supplements or amendments to the Official Statement in the event that the Official Statement has been supplemented or amended, executed by a duly authorized officer of the Issuer;

(ii) executed copies of each of the Documents;

(iii) evidence satisfactory to the Underwriter that the Bonds have received a rating of “A+/Stable” from Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business (“S&P”); provided,

however, the Underwriter, in its sole discretion, may waive this requirement as a precondition to Closing;

(iv) a certificate, satisfactory in form and substance to the Underwriter, of one or more duly authorized officers of the Paying Agent, dated the Closing Date, as to the due acceptance of its duties pursuant to the Resolutions by the Paying Agent and the due authentication and delivery of the Bonds by the Paying Agent under the Bond Ordinance; and

(v) a form of Specimen Bond.

If the Issuer shall be unable to satisfy the conditions to the obligations of the Underwriter to be satisfied by it pursuant to this Agreement, this Agreement shall terminate with the effect stated in **Section 7** hereof.

**Section 7.** (a) The Underwriter shall have the right to cancel its obligation to purchase the Bonds if between the date hereof and the Closing, legislation shall be enacted or favorably reported for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration, a decision by a court of the United States or the United States Tax Court shall be rendered, or a ruling, regulation or statement by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made or proposed to be made with respect to the federal taxation upon interest on obligations of the general character of the Bonds, or other action or events shall have transpired which may have the purpose or effect, directly or indirectly, of adversely changing the federal income tax consequences of any of the transactions contemplated in connection herewith, and, in the opinion of the Underwriter, materially adversely affects the market price of the Bonds, or the market price generally of obligations of the general character of the Bonds, or there shall exist any event which in the Underwriter's judgment either (a) makes untrue or incorrect in any material respect any statement or information contained in the Official Statement or (b) is not reflected in the Official Statement but should be reflected therein in order to make the statements and information contained therein not misleading in any material respect, or there shall have occurred any outbreak of hostilities or any national or international calamity or crisis including financial crisis, or a default with respect to the debt obligations of, or the institution of proceedings under federal or state bankruptcy laws by or against the Issuer, the effect of which on the financial markets of the United States being such as, in the reasonable judgment of the Underwriter, would make it impracticable for the Underwriter to market the Bonds or to enforce contracts for the sale of the Bonds, or there shall be in force a general suspension of trading on the New York Stock Exchange, or a general banking moratorium shall have been declared by either federal, Louisiana or New York authorities, or there shall have occurred since the date of this Bond Purchase Agreement any material adverse change in the affairs of the Issuer, except for changes which the Official Statement discloses have occurred or may occur, or legislation shall be enacted or any action shall be taken by the Securities and Exchange Commission which, in the opinion of Bond Counsel, has the effect of requiring the contemplated distribution of the Bonds to be registered under the Securities Act of 1933, as amended, or the Bond Ordinance, or any other document executed in connection with the transactions contemplated hereof to be qualified under the Trust Indenture Act of 1939, as

amended, or a stop order, ruling, regulation or official statement by or on behalf of the Securities and Exchange Commission shall be issued or made to the effect that the issuance, offering or sale of the Bonds, or of obligations of the general character of the Bonds as contemplated hereby, or the offering of any other obligation which may be represented by the Bonds is in violation of any provision of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, or the Trust Indenture Act of 1939, as amended, or any state blue sky or securities commission shall have withheld registration, exemption or clearance of the offering, and in the reasonable judgment of the Underwriter the market for the Bonds is materially affected thereby.

(b) If the Issuer shall be unable to satisfy any of the conditions to the obligations of the Underwriter contained in this Bond Purchase Agreement and such condition is not waived by the Underwriter, or if the obligations of the Underwriter to purchase and accept delivery of the Bonds shall be terminated or cancelled for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and neither the Underwriter nor the Issuer shall be under further obligation hereunder; except that the respective obligations to pay expenses, as provided in Section 9 hereof, shall continue in full force and effect.

**Section 8.** Reserved.

**Section 9.** (a) If the Bonds are sold to the Underwriter by the Issuer, the Issuer shall pay, from the proceeds of the Bonds, any reasonable expenses incident to the performance of its obligations hereunder, including but not limited to: the cost of the preparation, printing and distribution of the Preliminary Official Statement and the Official Statement; the cost of the preparation of the printed Bonds; any rating agency fees; and the fees and expenses of Bond Counsel, any Financial Advisor, the Paying Agent and any other experts or consultants retained by the Issuer.

(b) The Underwriter shall pay all advertising expenses and direct selling expenses in connection with the public offering of the Bonds; the cost of preparing and printing the blue sky and legal investment memoranda, if any; filing fees in connection with the aforesaid blue sky and legal investment memoranda; and all other expenses incurred by the Underwriter (including fees and costs of its counsel, if any, and the cost of any Federal Funds necessary to pay the purchase price of the Bonds) in connection with their public offering.

**Section 10.** (a) Except as otherwise specifically provided in this Agreement, all notices, demands and formal actions under this Agreement shall be in writing and mailed, delivered or faxed and confirmed by hard copy to the Issuer at the address set forth on the first page hereof, and to the Underwriter at the following address:

Stephens Inc.  
445 North Boulevard, Suite 802  
Baton Rouge, LA 70802

Such addresses may be changed by notice hereunder.

(b) This Agreement shall inure to the benefit of and be binding upon the Issuer and the Underwriter and their successors and assigns, and shall not confer any rights upon any other person, partnership, association or corporation other than persons, if any, controlling the Issuer or the Underwriter within the meaning of the Securities Act or the Exchange Act. The terms “*successors*” and “*assigns*” shall not include any purchaser of any of the Bonds from the Underwriter merely because of such purchase.

(c) All of the findings, representations and covenants of the Issuer and the Underwriter in this Agreement shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of the Underwriter or the Issuer, (ii) delivery of and any payment for the Bonds hereunder, or (iii) termination or cancellation of this Agreement.

(d) Section and paragraph headings have been inserted in this Agreement as a matter of convenience of reference only, and it is agreed that such section headings are not a part of this Agreement and shall not be used in the interpretation of any provisions of this Agreement. Terms of any gender used herein shall include the masculine, feminine and neuter.

(e) If any provision of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any constitution, statute, rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

(f) This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

(g) This Agreement shall be governed by and construed in accordance with the law of the State of Louisiana.



This Agreement shall become effective upon execution of the acceptance hereof by the below specified officers of each party hereto, and shall be valid and enforceable as of the time of such acceptance.

Very truly yours,

STEPHENS INC.

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

Name: Charles H. Sides, Jr.

Title: Senior Vice President

**Accepted and Agreed to as of the Date First  
Above Written:**

CONSOLIDATED WATERWORKS AND  
WASTEWATER DISTRICT NO. 1 OF THE  
PARISH OF ST. CHARLES, LOUISIANA

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

Name: V.J. St. Pierre, Jr.

Title: President of the Parish of St. Charles

**EXHIBIT A**  
**To Bond Purchase Agreement**

**AMOUNTS, MATURITIES AND INTEREST RATES**  
**\$22,170,000**  
**WATER REVENUE REFUNDING BONDS, SERIES 2015**  
**CONSOLIDATED WATERWORKS AND WASTEWATER DISTRICT NO. 1**  
**OF THE PARISH OF ST. CHARLES, LOUISIANA**

**MATURITY SCHEDULE**

<u>DATE</u> <u>(JULY 1)</u>	<u>PRINCIPAL</u> <u>PAYMENT</u>	<u>INTEREST</u> <u>RATE</u>	<u>REOFFERING</u> <u>PRICE</u>
2017	\$ 750,000	2.000%	102.808%
2018	765,000	2.000	103.197
2019	780,000	2.000	103.106
2020	800,000	2.000	102.446
2021	810,000	5.000	119.120
2022	850,000	5.000	119.373
2023	900,000	5.000	119.934
2024	540,000	4.000	112.408
2024	400,000	5.000	120.681
2025	185,000	2.500	98.918
2025	795,000	5.000	121.409
2030	5,675,000	5.000	116.006 *
2035	7,245,000	5.000	114.019 *
2036	1,675,000	3.750	98.550

\* Priced to call.

Optional Redemption of Bonds. Those Bonds maturing on July 1, 2026 and thereafter, shall be callable for redemption by the Issuer in full, or in part, at any time on or after July 1, 2025 (but if less than a full maturity, then by lot within such maturity), at the principal amount thereof and accrued interest to the date fixed for redemption.

Mandatory Sinking Fund Redemption of Term Bonds. The Term Bond maturing on July 1, 2030 shall be subject to mandatory sinking fund redemption on July 1 in the years and in the principal amounts set forth below at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon:

<u>Year</u> <u>(July 1)</u>	<u>Principal</u> <u>Amount</u>
2026	\$1,025,000
2027	1,080,000
2028	1,130,000
2029	1,190,000
2030*	1,250,000

---

\*Final Maturity

The Term Bond maturing on July 1, 2035 shall be subject to mandatory sinking fund redemption on July 1 in the years and in the principal amounts set forth below at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon:

<u>Year</u> <u>(July 1)</u>	<u>Principal</u> <u>Amount</u>
2031	\$1,310,000
2032	1,380,000
2033	1,445,000
2034	1,520,000
2035*	1,590,000

---

\*Final Maturity

**MUNICIPAL BOND DEBT SERVICE RESERVE  
INSURANCE COMMITMENT**

Issuer: Consolidated Waterworks and Wastewater District No. 1 of the Parish of St. Charles, Louisiana      Date of Commitment: February 3, 2015

Related Bonds: Water Revenue Refunding Bonds, Series 2015

Premium: 1.42% of Policy Limit      Expiration Date: Friday, April 3, 2015

Policy Limit: A dollar amount equal to the Reserve Requirement for the Related Bonds, as specified under the Authorizing Document (defined below)

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), a stock insurance company, hereby commits to issue its Municipal Bond Debt Service Reserve Insurance Policy (the "Reserve Policy"), in the form attached hereto as Exhibit B, relating to the above-described debt obligations (the "Bonds"), subject to the terms and conditions contained herein or added hereto. All terms used herein and not otherwise defined shall have the meanings ascribed to them in the document setting forth the security for and authorizing the issuance of the Bonds (the "Authorizing Document").

To keep this Commitment in effect after the Expiration Date set forth above, a request for renewal must be submitted to AGM prior to such expiration date. AGM reserves the right to refuse wholly or in part to grant a renewal. To keep the Commitment in effect to the Expiration Date set forth above, AGM must receive a duplicate of this Commitment executed by an authorized officer of the Issuer by the date which is ten days from the date of this Commitment.

THE RESERVE POLICY SHALL BE ISSUED UPON SATISFACTION OF THE FOLLOWING CONDITIONS:

1. The documents to be executed and delivered in connection with the issuance and sale of the Bonds shall not contain any untrue or misleading statement of a material fact and shall not fail to state a material fact necessary in order to make the information contained therein not misleading.
2. No event shall occur which would permit any purchaser of the Bonds, otherwise required, not to be required to purchase the Bonds on the date scheduled for the issuance and delivery thereof.
3. There shall be no material change in or affecting the Bonds (including, without limitation, the security for the Bonds) or the financing documents or the Official Statement (or any similar disclosure documents) to be executed and delivered in connection with the issuance and sale of the Bonds from the descriptions or forms thereof approved by AGM.
4. Any Official Statement (or similar disclosure document) relating to the Bonds shall contain only such references to the Reserve Policy and AGM as AGM shall approve.
5. The Reserve Policy shall expire on the earlier of the date the Bonds are no longer outstanding and the final maturity date of the Bonds.
6. The Authorizing Document shall incorporate the terms and provisions set forth in Exhibit A – Authorizing Document Requirements.

7. Prior to closing of the Bonds, AGM shall be provided with:

(a) A letter from Foley & Judell ("Bond Counsel") addressed to AGM to the effect that AGM may rely on the approving opinion(s) of Bond Counsel as if such opinion(s) were addressed to AGM;

(b) An opinion(s) of Bond Counsel, addressed to and in form and substance satisfactory to AGM, as to (i) the due authorization, validity and enforceability of the Authorizing Document, the Insurance Agreement and, to the extent not contained in the Authorizing Document, the document which incorporates the requirements set forth in Exhibit A hereto, (ii) the Reserve Policy constituting a permitted debt service reserve instrument under the applicable provisions of the Authorizing Document, (iii) the repayment obligations owed to AGM in connection with the Reserve Policy being secured by a valid lien on all revenues and other collateral securing the Bonds (subject only to the priority of payment provisions set forth under the Authorizing Document), and (iv) such other matters AGM shall reasonably request;

(c) A fully-executed copy of the Insurance Agreement in substantially the form of Exhibit C hereto; and

(d) Evidence of wire transfer in federal funds in an amount equal to the insurance premium, unless alternative arrangements for the payment of such amount acceptable to AGM have been made prior to the delivery date of the Reserve Policy.

8. Promptly after the issuance of the Reserve Policy, AGM shall receive a complete set of executed documents implementing the requirements of this Commitment.

ASSURED GUARANTY MUNICIPAL CORP.

  

---

Authorized Officer

\*To keep this commitment in effect to the Expiration Date set forth on the first page, AGM must receive by the date which is ten days from the date of this Commitment a duplicate of this Commitment executed by an appropriate officer of the Issuer.

***[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]***

The undersigned, an authorized officer of the Issuer, agrees that (i) if the debt service reserve fund requirement for the Bonds is satisfied by a credit instrument, such credit instrument shall be the Reserve Policy provided by AGM in accordance with the terms of this Commitment; (ii) the Issuer has made its own independent investigation and decision as to whether to obtain the Reserve Policy and whether the Reserve Policy is appropriate or proper for it based upon its own judgment and upon advice from such legal and financial advisers as it has deemed necessary; (iii) AGM has not made, and therefore the Issuer is not relying on, any recommendation from AGM that the Issuer deposit a credit instrument into the debt service reserve fund for the Bonds or obtain the Reserve Policy; it being understood and agreed that communications from AGM (whether written or oral) referring to, containing information about or negotiating the terms and conditions of the Reserve Policy, any related insurance document or the documentation governing the Bonds do not constitute a recommendation to obtain the Reserve Policy; (iv) the Issuer acknowledges that AGM has not made any representation, warranty or undertaking, and has not given any assurance or guaranty, in each case, expressed or implied, concerning its future financial strength or the rating of AGM's financial strength by the rating agencies; (v) the Issuer acknowledges that the ratings of AGM reflect only the views of the rating agencies and an explanation of the significance of such ratings may be obtained only from the rating agencies; (vi) the Issuer understands that such ratings may not continue for any given time period and instead may change over time, including, without limitation, being placed under review for possible downgrade, revised downward, withdrawn entirely by the relevant rating agency if, in the judgment of such rating agency, circumstances so warrant, or withdrawn entirely by AGM in its sole discretion; (vii) the Issuer acknowledges that AGM undertakes no responsibility to bring to its attention, and shall have no liability for, the placement of a rating under review for possible downgrade or the downward revision or withdrawal of any rating obtained, and that any such review for possible downgrade, downward revision or withdrawal may have an adverse affect on the Bonds or on the Reserve Policy constituting a permitted debt service reserve instrument under the Authorizing Document; and (viii) the Issuer acknowledges that AGM pays rating agencies to rate AGM's financial strength, but that such payment is not in exchange for any specific rating or for a rating within any particular range. ***Notwithstanding anything to the contrary set forth herein, the provisions set forth under subparagraphs (ii) through (viii) above shall survive the expiration or termination of this Commitment.***

CONSOLIDATED WATERWORKS AND WASTEWATER DISTRICT NO. 1 OF THE PARISH OF ST. CHARLES,  
LOUISIANA

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

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## AUTHORIZING DOCUMENT REQUIREMENTS

The Authorizing Document shall incorporate the following requirements either in one section or article entitled "Provisions Relating to Reserve Policy" (or the like), the provisions of which section or article shall be stated in the Authorizing Document to govern, notwithstanding anything to the contrary set forth in the Authorizing Document, or individually in the appropriate sections. The Authorizing Document otherwise shall be in form and substance acceptable to AGM:

(a) The prior written consent of AGM shall be a condition precedent to the deposit of any credit facility (a "Credit Facility") credited to the debt service reserve fund established for the Bonds (the "Reserve Fund") in lieu of a cash deposit into the Reserve Fund. Amounts drawn under the Reserve Policy shall be available only for the payment of scheduled principal and interest on the Series 2015 Bonds when due.

(b) The Issuer shall repay any draws under the Reserve Policy and pay all related reasonable expenses incurred by AGM and shall pay interest thereon from the date of payment by AGM at the Late Payment Rate. "Late Payment Rate" means the lesser of (x) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 5%, and (ii) the then applicable highest rate of interest on the Series 2015 Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such national bank as AGM shall specify. If the interest provisions of this subparagraph (b) shall result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by AGM, with the same force and effect as if the Issuer had specifically designated such extra sums to be so applied and AGM had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, "Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

Amounts in respect of Policy Costs paid to AGM shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to AGM on account of principal due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy. The obligation to pay Policy Costs shall be secured by a valid lien on all revenues and other collateral pledged as security for the Series 2015 Bonds (subject only to the priority of payment provisions set forth under the Authorizing Document).

All cash and investments in the Reserve Fund shall be transferred to the Sinking Fund for payment of debt service on Series 2015 Bonds before any drawing may be made on the Reserve Policy or any other Credit Facility credited to the Reserve Fund in lieu of cash. Payment of any Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Credit Facilities (including the Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after

applying all available cash and investments in the Reserve Fund. Payment of Policy Costs and reimbursement of amounts with respect to other Credit Facilities shall be made on a pro-rata basis prior to replenishment of any cash drawn from the Reserve Fund. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(c) Upon a failure to pay Policy Costs when due or any other breach of the terms of this [Section/Article], AGM shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Authorizing Document, other than (i) acceleration of the maturity of the Series 2015 Bonds or (ii) remedies which would adversely affect owners of the Series 2015 Bonds

(d) The Authorizing Document shall not be discharged until all Policy Costs owing to AGM shall have been paid in full. The Issuer's obligation to pay such amounts shall expressly survive payment in full of the Bonds.

(e) The Issuer shall include any Policy Costs then due and owing AGM in the calculation of the additional bonds test and the rate covenant in the Authorizing Document.

(f) The Authorizing Document shall require the Trustee to ascertain the necessity for a claim upon the Reserve Policy in accordance with the provisions of subparagraph (b) hereof and to provide notice to AGM in accordance with the terms of the Reserve Policy at least five business days prior to each date upon which interest or principal is due on the Series 2015 Bonds. Where deposits are required to be made by the Issuer with the Trustee to the debt service fund for the Series 2015 Bonds more often than semi-annually, the Trustee shall be instructed to give notice to AGM of any failure of the Issuer to make timely payment in full of such deposits within two business days of the date due.

(g) The Issuer will pay or reimburse AGM any and all charges, fees, costs, losses, liabilities and expenses which AGM may pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the Reserve Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of the Authorizing Document or any document executed in connection with the Bonds (the "Related Documents"), including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Issuer relating to Authorizing Document or any other Related Document, any party to the Authorizing Document or any other Related Document or the transactions contemplated by the Related Documents, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under the Authorizing Document or any other Related Document, if any, or the pursuit of any remedies under the Authorizing Document or any other Related Document, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, (iv) any amendment, waiver or other action with respect to, or related to the Authorizing Document, the Reserve Policy or any other Related Document whether or not executed or completed, or (v) any action taken by AGM to cure a default or termination or similar event (or to mitigate the effect thereof) under the Authorizing Document or any other Related Document; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of AGM spent in connection with the actions described in clauses (ii) through (v) above. AGM reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Authorizing Document or any other Related Document. Amounts payable by the Issuer hereunder shall bear interest at the Late Payment Rate from the date such amount is paid or incurred by AGM until the date AGM is paid in full.

(h) The obligation of the Issuer to pay all amounts due to AGM shall be an absolute and unconditional obligation of the Issuer and will be paid or performed strictly in accordance with the provisions of this [Section/Article], irrespective of (i) any lack of validity or enforceability of or any amendment or other modifications of, or waiver with respect to the Series 2015 Bonds, the Authorizing Document or any other Related Document, or (ii) any amendment or other modification of, or waiver with respect to the Reserve Policy; (iii) any exchange, release or non-perfection of any security interest in property securing the Series 2015 Bonds, the Authorizing Document or any other Related



Documents; (iv) whether or not such Series 2015 Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated; (v) any amendment, modification or waiver of or any consent to departure from the Reserve Policy, the Authorizing Document or all or any of the other Related Documents; (vi) the existence of any claim, setoff, defense (other than the defense of payment in full), reduction, abatement or other right which the Issuer may have at any time against the Trustee or any other person or entity other than the Insurer, whether in connection with the transactions contemplated herein or in any other Related Documents or any unrelated transactions; (vii) any statement or any other document presented under or in connection with the Reserve Policy proving in any and all respects invalid, inaccurate, insufficient, fraudulent or forged or any statement therein being untrue or inaccurate in any respect; or (viii) any payment by the Insurer under the Reserve Policy against presentation of a certificate or other document which does not strictly comply with the terms of the Reserve Policy.

(i) The Issuer shall fully observe, perform, and fulfill each of the provisions (as each of those provisions may be amended, supplemented, modified or waived with the prior written consent of the Insurer) of the Authorizing Document applicable to it, each of the provisions thereof being expressly incorporated into this [Section/Article] by reference solely for the benefit of AGM as if set forth directly herein. No provision of the Authorizing Document or any other Related Document shall be amended, supplemented, modified or waived, without the prior written consent of AGM, in any material respect or otherwise in a manner that could adversely affect the payment obligations of the Issuer hereunder or the priority accorded to the reimbursement of Policy Costs under the Authorizing Document. The Insurer is hereby expressly made a third party beneficiary of the Authorizing Document and each other Related Document

(j) The Issuer covenants to provide to AGM, promptly upon request, any information regarding the Bonds or the financial condition and operations of the Issuer as reasonably requested by AGM. The Issuer will permit AGM to discuss the affairs, finances and accounts of the Issuer or any information AGM may reasonably request regarding the security for the Series 2015 Bonds with appropriate officers of the Issuer and will use commercially reasonable efforts to enable AGM to have access to the facilities, books and records of the Issuer on any business day upon reasonable prior notice.

(k) Notices and other information to AGM shall be sent to the following address (or such other address as AGM may designate in writing): Assured Guaranty Municipal Corp., 31 West 52nd Street, New York, New York 10019, Attention: Managing Director – Surveillance, Re: Policy No.\_\_\_\_\_.



## MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY

ISSUER:

Policy No.:

BONDS:

Effective Date:

Premium: \$

Termination Date:

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") as set forth in the documentation (the "Bond Document") providing for the issuance of and securing the Bonds, for the benefit of the Owners, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

AGM will make payment as provided in this Policy to the Trustee or Paying Agent on the later of the Business Day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, in a form reasonably satisfactory to it. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Issuer, as appropriate, who may submit an amended Notice of Nonpayment. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy. Upon such payment, AGM shall become entitled to reimbursement of the amount so paid (together with interest and expenses) pursuant to the Insurance Agreement.

The amount available under this Policy for payment shall not exceed the Policy Limit. The amount available at any particular time to be paid to the Trustee or Paying Agent under the terms of this Policy shall automatically be reduced by any payment under this Policy. However, after such payment, the amount available under this Policy shall be reinstated in full or in part, but only up to the Policy Limit, to the extent of the reimbursement of such payment (exclusive of interest and expenses) to AGM by or on behalf of the Issuer. Within three Business Days of such reimbursement, AGM shall provide the Trustee, the Paying Agent and the Issuer with notice of the reimbursement and reinstatement.

Payment under this Policy shall not be available with respect to (a) any Nonpayment that occurs prior to the Effective Date or after the Termination Date of this Policy or (b) Bonds that are not outstanding under the Bond Document. If the amount payable under this Policy is also payable under another insurance policy or surety bond insuring the Bonds, payment first shall be made under this Policy to the extent of the amount available under this Policy up to the Policy Limit. In no event shall AGM incur duplicate liability for the same amounts owing with respect to the Bonds that are covered under this Policy and any other insurance policy or surety bond that AGM has issued.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York are, or the Insurer's Fiscal Agent is, authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the

stated date for payment of interest. "Insurance Agreement" means the Insurance Agreement dated as of the effective date hereof in respect of this Policy, as the same may be amended or supplemented from time to time. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer that has been recovered from such Owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from the Issuer, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment of principal or interest thereunder, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds. "Policy Limit" shall be the dollar amount of the debt service reserve fund required to be maintained for the Bonds by the Bond Document from time to time (the "Debt Service Reserve Requirement"), but in no event shall the Policy Limit exceed \$ . The Policy Limit shall automatically and irrevocably be reduced from time to time by the amount of each reduction in the Debt Service Reserve Requirement, as provided in the Bond Document.

AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be cancelled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By \_\_\_\_\_  
Authorized Officer

(212) 974-0100

**INSURANCE AGREEMENT**

THIS INSURANCE AGREEMENT, dated February 15, 2015 (the "Agreement"), by and between the Consolidated Waterworks and Wastewater District No. 1 of the Parish of St. Charles, Louisiana (the "Issuer") and Assured Guaranty Municipal Corp. (the "Insurer").

In consideration of the issuance by the Insurer of its Municipal Bond Debt Service Reserve Insurance Policy No. \_\_\_\_\_ (the "Reserve Policy") with respect to the Issuer's Water Revenue Refunding Bonds, Series 2015 (the "Series 2015 Bonds") issued under the document setting forth the security for and authorizing the issuance of the Series 2015 Bonds (the "Authorizing Document") and the Issuer's payment to the Insurer of the insurance premium for the Reserve Policy, the Insurer and the Issuer hereby covenant and agree as follows:

1. Upon any payment by the Insurer under the Reserve Policy, the Insurer shall furnish to the Issuer written instructions as to the manner in which payment of amounts owed to the Insurer as a result of such payment under the Reserve Policy shall be made. Amounts drawn under the Reserve Policy shall be used solely to pay scheduled payments of principal and interest due on the Series 2015 Bonds.

2. The Issuer shall pay the Insurer the principal amount of any draws under the Reserve Policy and pay all related reasonable expenses incurred by the Insurer and shall pay interest thereon from the date of payment by the Insurer at the Late Payment Rate. "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 5%, and (ii) the then applicable highest rate of interest on the Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate, the Prime Rate shall be the prime or base lending rate of such national bank as the Insurer shall designate. If the interest provisions of this Section 2 shall result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the Insurer, with the same force and effect as if the Issuer had specifically designated such extra sums to be so applied and the Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

3. Repayment of draws and payment of expenses and the interest accrued thereon at the Late Payment Rate (collectively, "Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12th of the aggregate of Policy Costs related to such draw. Amounts in respect of Policy Costs paid to the Insurer shall be credited first to interest due, then to the expenses due and then to principal due.

4. As and to the extent that payments are made to the Insurer on account of principal due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy.

5. All cash and investments in the Reserve Fund shall be transferred to the Sinking Fund for payment of debt service on the Series 2015 Bonds before any drawing may be made on the Reserve Policy or on any alternative credit instrument. Payment of any Policy Costs shall be made prior to replenishment of any such cash

amounts. Draws on all alternative credit instruments (including the Reserve Policy) on which there is available coverage shall be made on a pro rata basis (calculated by reference to available coverage under each such alternative credit instrument) after applying available cash and investments in the Reserve Fund. Payment of Policy Costs and reimbursement of amounts with respect to alternative credit instruments shall be made on a pro-rata basis prior to replenishment of any cash drawn from the Reserve Fund. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

6. Upon a failure to pay Policy Costs when due or any other breach of the terms of this Agreement, the Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Authorizing Document, other than (i) acceleration of the maturity of the Series 2015 Bonds or (ii) remedies which would adversely affect owners of the Bonds.

7. The Authorizing Document shall not be discharged until all Policy Costs owing to the Insurer shall have been paid in full. The Issuer's obligation to pay such amounts shall expressly survive payment in full of the Bonds.

8. In order to secure the Issuer's payment obligations with respect to the Policy Costs, there is hereby granted and perfected in favor of the Insurer a security interest (subject only to the priority of payment provisions set forth under the Authorizing Document) in all revenues and collateral pledged as security for the Series 2015 Bonds.

9. Policy Costs due and owing shall be included in debt service requirements for purposes of calculation of the additional bonds test and the rate covenant in the Authorizing Document.

10. The Trustee shall ascertain the necessity for a claim upon the Reserve Policy in accordance with the provisions of Section 5 hereof and shall provide notice to the Insurer in accordance with the terms of the Reserve Policy at least five business days prior to each date upon which interest or principal is due on the Series 2015 Bonds. Where deposits are required to be made by the Issuer with the Trustee to the debt service fund for the Series 2015 Bonds more often than semi-annually, the Trustee shall give notice to the Insurer of any failure of the Issuer to make timely payment in full of such deposits within two business days of the date due.

11. The Issuer will pay or reimburse the Insurer any and all charges, fees, costs, losses, liabilities and expenses which the Insurer may pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the Reserve Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of this Agreement, the Authorizing Document or any other document executed in connection with the Series 2015 Bonds (the "Related Documents"), including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Issuer) relating to this Agreement, the Authorizing Document, or any other Related Document, any party to this Agreement, the Authorizing Document or any other Related Document or the transactions contemplated by the Related Documents, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under this Agreement, the Authorizing Document or any other Related Document, if any, or the pursuit of any remedies under this Agreement, the Authorizing Document or any other Related Document, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, (iv) any amendment, waiver or other action with respect to, or related to this Agreement, the Authorizing Document, the Reserve Policy or any other Related Document whether or not executed or completed, or (v) any action taken by the Insurer to cure a default or termination or similar event (or to mitigate the effect thereof) under the Authorizing Document or any other Related Document; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of the Insurer spent in connection with the actions described in clauses (ii)-(v) above. The Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Agreement, the Authorizing Document or any other Related Document. Amounts payable by the Issuer hereunder

shall bear interest at the Late Payment Rate from the date such amount is paid or incurred by the Insurer until the date the Insurer is paid in full.

12. The obligation of the Issuer to pay all amounts due under this Agreement shall be an absolute and unconditional obligation of the Issuer and will be paid or performed strictly in accordance with this Agreement, irrespective of (i) any lack of validity or enforceability of or any amendment or other modifications of, or waiver with respect to the Series 2015 Bonds, the Authorizing Document or any other Related Document, or (ii) any amendment or other modification of, or waiver with respect to the Reserve Policy; (iii) any exchange, release or non-perfection of any security interest in property securing the Series 2015 Bonds, this Agreement, the Authorizing Document or any other Related Documents; (iv) whether or not such Series 2015 Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated; (v) any amendment, modification or waiver of or any consent to departure from this Agreement, the Reserve Policy, the Authorizing Document or all or any of the other Related Documents; (vi) the existence of any claim, setoff, defense (other than the defense of payment in full), reduction, abatement or other right which the Issuer may have at any time against the Trustee or any other person or entity other than the Insurer, whether in connection with this Agreement, the transactions contemplated herein, in the Authorizing Document or in any other Related Documents or any unrelated transactions; (vii) any statement or any other document presented under or in connection with the Reserve Policy proving in any and all respects invalid, inaccurate, insufficient, fraudulent or forged or any statement therein being untrue or inaccurate in any respect; or (viii) any payment by the Insurer under the Reserve Policy against presentation of a certificate or other document which does not strictly comply with the terms of the Reserve Policy.

13. The prior written consent of the Insurer shall be a condition precedent to the deposit of any credit facility credited to the Reserve Fund in lieu of a cash deposit into the Reserve Fund.

14. The Issuer shall fully observe, perform, and fulfill each of the provisions (as each of those provisions may be amended, supplemented, modified or waived with the prior written consent of the Insurer) of the Authorizing Document applicable to it, each of the provisions thereof being incorporated herein by reference as if set forth directly herein. No provision of the Authorizing Document or any other Related Document shall be amended, supplemented, modified or waived, without the prior written consent of the Insurer, in any material respect or otherwise in a manner that could adversely affect the payment obligations of the Issuer hereunder or the priority accorded to the reimbursement of Policy Costs under the Authorizing Document. The Insurer is hereby expressly made a third party beneficiary of the Authorizing Document and each other Related Document.

15. The Issuer covenant to provide to the Insurer, promptly upon request, any information regarding the Bonds or the financial condition and operations of the Issuer as reasonably requested by the Insurer. The Issuer will permit the Insurer to discuss the affairs, finances and accounts of the Issuer or any information the Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the Issuer and will use commercially reasonable efforts to enable the Insurer to have access to the facilities, books and records of the Issuer on any business day upon reasonable prior notice.

16. Notices to the Insurer shall be sent to the following address (or such other address as the Insurer may designate in writing): Assured Guaranty Municipal Corp., 31 West 52nd Street, New York, New York 10019, Attention: Managing Director– Surveillance, Re: Policy No.\_\_\_\_\_.

17. If any one or more of the agreements, provisions or terms of this Agreement shall be for any reason whatsoever held invalid, then such agreements, provisions or terms shall be deemed severable from the remaining agreements, provisions or terms of this Agreement and shall in no way affect the validity or enforceability of the other provisions of this Agreement.

18. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Authorizing Document.

19. This Agreement may be executed in counterparts, each of which alone and all of which together shall be deemed one original Agreement.

20. This Agreement and the rights and obligations of the parties of the Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of New York.

***[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]***



IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed in their respective names as of the date first written above.

CONSOLIDATED WATERWORKS AND  
WASTEWATER DISTRICT NO. 1 OF THE PARISH OF  
ST. CHARLES, LOUISIANA

ASSURED GUARANTY MUNICIPAL CORP.

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

By: \_\_\_\_\_  
Title: Authorized Officer



**PROCEDURES FOR PREMIUM PAYMENT  
TO  
ASSURED GUARANTY MUNICIPAL CORP.  
("AGM")**

AGM's issuance of its municipal bond debt service reserve insurance policy at bond closing is contingent upon payment and receipt of the premium. NO POLICY MAY BE RELEASED UNTIL PAYMENT OF SUCH AMOUNT HAS BEEN CONFIRMED. Set forth below are the procedures to be followed for confirming the amount of the premium to be paid and for paying such amount:

Confirmation of Amount to be Paid:	<b>Upon determination of the final debt service schedule, fax such schedule to AGM</b>
	Attention: Maria Sazon, Director
	Phone No.: 212-339-0836
	Fax No.: 212-408-6090

**Confirm with AGM's credit analyst that you are in agreement with respect to par and premium on the transaction prior to the closing date.**

Payment Date:                      Date of Delivery of the insured bonds.

Method of Payment:              Wire transfer of Federal Funds.

**Wire Transfer Instructions:**

Bank:	The Bank of New York
ABA#:	021 000 018
Acct. Name:	Assured Guaranty Municipal Corp.
Account No.:	8900297263
Policy No.:	[To Be Assigned]

**CONFIRMATION OF PREMIUM WIRE NUMBER AT CLOSING**

AGM will accept as confirmation of the premium payment a wire transfer number and the name of the sending bank, to be communicated on the closing date to Nicole DiMarco, Closing Coordinator - (212) 261-5593.