

**COUNTY OF YORK,  
Commonwealth of Pennsylvania**

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**ORDINANCE NO. 2004-5**

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**OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF YORK, PENNSYLVANIA, GUARANTYING SUMS PAYABLE BY THE YORK COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY (YCIDA) UNDER THE TERMS OF A QUALIFIED INTEREST RATE MANAGEMENT AGREEMENT (AN INTEREST RATE SWAP AGREEMENT) WITH RESPECT TO ALL OR A PORTION OF THE OUTSTANDING VARIABLE RATE DEMAND COUNTY GUARANTEED ECONOMIC DEVELOPMENT REVENUE BONDS (YORK COUNTY ECONOMIC DEVELOPMENT CORPORATION PROJECT), SERIES 2003B (TAXABLE); SETTING FORTH THE SUBSTANTIAL FORM OF THE QUALIFIED INTEREST RATE MANAGEMENT AGREEMENT; SETTING FORTH AND ADOPTING AN INTEREST RATE MANAGEMENT PLAN; AMENDING AND SUPPLEMENTING ORDINANCE # 2003-12 OF THIS COUNTY AND THE GUARANTY AGREEMENT, DATED AS OF DECEMBER 1, 2003, AUTHORIZED BY SUCH ORDINANCE, CONSISTENT WITH THE PROVISIONS OF THIS ORDINANCE; AUTHORIZING AN AMENDMENT TO THE SERVICE AGREEMENT, DATED AS OF DECEMBER 1, 2003, BETWEEN THIS COUNTY AND THE YORK COUNTY ECONOMIC DEVELOPMENT CORPORATION; MAKING CERTAIN COVENANTS OF THIS COUNTY WHICH ARE INTENDED TO SECURE THE QUALIFIED INTEREST RATE MANAGEMENT AGREEMENT; AUTHORIZING APPROPRIATE OFFICERS OF THIS COUNTY TO TAKE CERTAIN ACTIONS AND REQUESTING YCIDA TO TAKE CERTAIN ACTIONS.**

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**WHEREAS,** The County of York, Pennsylvania (the “County”) is a County of the Third Class of the Commonwealth of Pennsylvania (the “Commonwealth”), is governed by its Board of County Commissioners (the “Board”), and is a “local government unit” within the meaning of the Local Government Unit Debt Act of the Commonwealth, 53 Pa. C.S. Chs. 80-82 (the “Debt Act”); and

**WHEREAS,** This County heretofore incurred lease rental debt evidenced by a Guaranty Agreement, dated as of December 1, 2003 (the “Guaranty Agreement”) guaranteeing, among other things, a series of bonds of the York County Industrial Development Authority (“YCIDA”), designated as its “Variable Rate Demand County Guaranteed Economic Development Revenue Bonds (York County Economic Development Corporation Project), Series 2003B (Taxable),” in the original, and currently outstanding, aggregate principal amount of \$8,375,000 (the “2003B Bonds”), which Guaranty Agreement was authorized by Ordinance #2003-12 of this County enacted by the Board on November 18, 2003 (the “2003B Enabling Ordinance”); and

**WHEREAS,** The proceedings for the incurrence of lease rental indebtedness of this County represented by the Guaranty Agreement were approved by the Pennsylvania Department of Community and Economic Development (the “Department”) under Approval No. LRA-4097, dated December 11, 2003; and

**WHEREAS,** The 2003B Bonds bear interest at variable rates, adjustable weekly, and with annual principal payments set forth in the Guaranty Agreement and the 2003B Enabling Ordinance; and

**WHEREAS**, RBC Dain Rauscher Inc. (the “Underwriter”) has presented to the Board of this County a proposal (the “Proposal”) under which YCIDA could enter into in an interest rate swap agreement (variable to fixed) (the “Swap Agreement”) with respect to all or some portion of those outstanding 2003B Bonds, which are stated to mature or are subject to mandatory redemption on December 1 of the years 2013 to 2028, inclusive (that portion of the 2003B Bonds ultimately subject to the Swap Agreement being hereinafter referred to as the “Swapped 2003B Bonds”); and

**WHEREAS**, The Act, including the amendments made to the Debt Act by Act No. 2003-23, effective September 24, 2003, contemplate that the County may guaranty a qualified interest rate management agreement entered into by an authority, consistent with the amended provisions of the Debt Act; and

**WHEREAS**, This County has received an “interest rate management plan,” as contemplated by the Debt Act, prepared by Investment Management Advisory Group, Inc., an “independent financial advisor” to YCIDA and this County (the “Financial Advisor”), as defined in and contemplated by the Debt Act (the “Interest Rate Management Plan”), which addresses certain financial aspects and risks of an interest rate swap agreement (variable to fixed), with respect to the Swapped 2003B Bonds, as contemplated by the Proposal; and

**WHEREAS**, The Board of this County duly has read and considered the Proposal, the Interest Rate Management Plan, the substantial form of the Swap Agreement to be entered into by YCIDA; and

**WHEREAS**, The Swap Agreement is consistent with the Interest Rate Management Plan; and

**WHEREAS**, YCIDA proposes to award the proposed Swap Agreement to Royal Bank of Canada (the "Swap Provider"), at private sale by negotiation, and to enter into the Swap Agreement; and

**WHEREAS**, The Swap Provider possesses qualifications (including a credit rating) satisfying the criteria established by the Debt Act and the Interest Rate Management Plan; and

**WHEREAS**, Under Section 8284 of the Debt Act, if the maximum net payments by fiscal year for periodic scheduled payments of this County, not including any termination payments, and interest on the Swapped 2003B Bonds, exceed the amount of interest approved in the proceedings of this County with respect to the 2003B Bonds filed with and approved by the Department, this County shall adopt an amendment to the 2003B Enabling Ordinance reflecting such increase; and

**WHEREAS**, The Board of this County desires to amend the 2003B Enabling Ordinance to increase the maximum net annual payments on the Swapped 2003B Bonds, as approved by the Department, and the Swap Agreement, to reflect a maximum interest rate of 25% on the Swapped 2003B Bonds and a maximum interest rate of 6.25% payable by YCIDA, and guaranteed by this County, on the Swap Agreement, all as contemplated by Section 8284 of the Debt Act; and

**WHEREAS**, The Board of this County desires to take all action necessary to adopt the Interest Rate Management Plan, to authorize and approve the execution and delivery of the

Swap Agreement by YCIDA, to deem the terms of the 2003B Enabling Ordinance and the Guaranty Agreement as amended and supplemented by the terms of this Ordinance, and to authorize and approve any related documents as may be necessary to implement the Proposal; and

**WHEREAS,** The Board of this County entered into a Service Agreement, dated as of December 1, 2003 (the "Service Agreement"), with the York County Economic Development Corporation ("YCEDC"), under the terms of which YCEDC agreed to reimburse this County for any payments made by this County under the terms of the Guaranty Agreement; and

**WHEREAS,** The Board of this County shall enter into a First Supplement to the Service Agreement (the "Supplemental Service Agreement"), with YCEDC, obligating YCEDC to reimburse this County for any payments made under the Guaranty Agreement as a result of this Ordinance or the Swap Agreement.

**NOW, THEREFORE, BE IT RESOLVED,** by the Board of this County, as follows:

**SECTION 1.** The Board of this County does hereby retain the Financial Advisor (and confirm the retention of the Financial Advisor by YCIDA) to serve in the capacity and perform the functions required under the Debt Act with respect to the Swap Agreement. The Board of this County approves and confirms the Interest Rate Management Plan, a copy of which is attached hereto as Appendix A and, without limiting the generality of the foregoing, approves, ratifies and confirms the qualifications established by YCIDA and this County in the Interest Rate Management Plan for the selection of the provider of the Swap Agreement, which

qualifications include, among other things, a rating for the provider of the Swap Agreement that is in one of the three highest rating categories of a nationally recognized credit rating agency.

**SECTION 2.** The Board of this County determines that the Swap Agreement is in the best financial interest of this County, that the Swap Provider possesses the qualifications required by law and the Interest Rate Management Plan for a provider of a qualified interest rate management agreement, and that the Swap Agreement shall be awarded at private sale by negotiation to the Swap Provider, as recommended by this County, consistent with the advice and counsel of the Financial Advisor.

**SECTION 3.** The Board hereby finds and declares the following:

(1) the notional amount of the Swap Agreement at all times shall not exceed the outstanding principal amount of the Swapped 2003B Bonds (i.e. \$8,375,000);

(2) the term of the Swap Agreement shall not exceed the latest maturity date of the Swapped 2003B Bonds;

(3) the Swap Agreement shall contain a provision requiring the allocable reduction or termination thereof if all or any portion the Swapped 2003B Bonds are no longer outstanding, as applicable;

(4) the maximum annual interest rate which shall be required to be paid by this County or this County under the Swap Agreement shall be six and twenty-five hundredths percent (6.25%), per annum, and the maximum annual interest rate on the Swapped 2003B Bonds shall remain at twenty-five percent (25%), per annum (as specified in the Guaranty Agreement);

(5) the maximum net payments by fiscal year due and payable by this County with respect to the Swapped 2003B Bonds (excluding principal of the Swapped 2003B Bonds), shall not exceed the aforesaid respective maximum interest rate for (i) periodic scheduled payments, not including any termination payments, due under the Swap Agreement and (ii) the interest on the Swapped 2003B Bonds;

(6) the source of payment of this County's obligations with respect to the Swap Agreement shall be general revenues;

(7) the Swap Agreement, in the form herein authorized and approved, contains provisions addressing the actions to be taken if the credit rating of the Swap Provider changes; and

(8) the periodic scheduled payments due under the Swap Agreement and any payments due in respect of principal of and interest on the Swapped 2003B Bonds, guaranteed by this County, shall be senior in right and priority of payment to any termination payments due under the Swap Agreement.

**SECTION 4.** The Board of this County does authorize and approve the Swap Agreement, which shall be substantially in the form (including an ISDA Master Agreement, related Schedule and Confirmation) attached hereto as Appendix B, with such changes therein as shall not be inconsistent with the Plan and as appropriate officers of YCIDA executing the Swap Agreement, being advised by YCEDC and the Financial Advisor, may approve, the execution of the Swap Agreement by such officer to constitute conclusive evidence of such approval. When so executed on behalf of YCIDA, a copy of the Swap Agreement shall be delivered to this County.

**SECTION 5.** The maximum payment obligations in the 2003B Enabling Ordinance and the Guaranty Agreement are hereby amended to insert a maximum rate on net payments (excluding principal) due on the Swapped 2003B Bonds of 25.0% per annum, plus a maximum rate on periodic scheduled payments (which exclude termination payments), of 6.25% per annum. Schedules following Appendix C hereto illustrate such maximum payments on the Swapped 2003B Bonds and the Swap Agreement, which supercede the schedules attached to or filed with the 2003B Enabling Ordinance and the Guaranty Agreement, which are hereby amended and supplemented accordingly.

**SECTION 6.** Promptly following the filing of appropriate proceedings regarding the Swap Agreement with the Department, as required by Section 8284 of the Act and authorized by this Ordinance, and subject to the receipt of a final, written finding from the Financial Advisor that the financial terms and conditions of the Swap Agreement, including the proposed final Confirmation, are fair and reasonable to this County and this County, such finding to be in form and substance satisfactory to the President or Vice President of the Board and legal counsel to this County, and the President or Vice President of the Board of this County shall execute on behalf of this County such instruments and documents as may be necessary or appropriate to enter into and secure the Swap Agreement under the terms hereof, his or her execution thereof to constitute conclusive evidence of such approval.

**SECTION 7.** In addition to the covenants previously made by this County in the 2003B Enabling Ordinance and the Guaranty Agreement, this County hereby covenants to do the following:

(a) To include the periodic scheduled amounts payable under the Swap Agreement for each fiscal year of this County in the budget of this County for that fiscal year; and

(b) To appropriate those amounts from the general revenues of this County for the payment of amounts due under the Swap Agreement.

**SECTION 8.** This County does hereby pledge its full faith, credit and taxing power for the budgeting, appropriation and payment of periodic scheduled payments due under and payable by it with respect to the Swap Agreement.

**SECTION 9.** This County does hereby covenant that the periodic scheduled payments due under the Swap Agreement, and the payments in respect of principal of and interest on the Swapped 2003B Bonds, shall be equally and ratably payable and secured.

**SECTION 10.** This County hereby covenants to include any termination payment or similar payment under the Swap Agreement which may become due and payable by this County in this County's then current budget at any time during a fiscal year or in a budget adopted in a future fiscal year.

**SECTION 11.** This County covenants to include in its annual financial statements information with respect to the Swap Agreement, including any information required pursuant to any Statement issued by the Governmental Accounting Standards Board.

**SECTION 12.** The prior advertisement of a public notice of intent to adopt this Ordinance in one or more newspapers of general circulation in this County is hereby ratified and confirmed, and the advertisement of a public notice of the adoption of this Ordinance within

15 days following its adoption, as required by the Act, is hereby authorized and directed. Proper officers of this County are hereby authorized and directed to arrange for the advertisement of such notices.

**SECTION 13.** The President or Vice President of the Board and the Chief Clerk, respectively, of this County are authorized and directed, as required, necessary and/or appropriate: (a) to file with the Department a certified copy of this Ordinance, including its appendices, and a copy of the proofs of publication of the required public notices of this Ordinance, (b) to pay or to cause to be paid to the Department any filing fees required in connection with the foregoing, and (c) to pay, or to authorize payment of, all other fees and expenses of this County incurred or to be incurred in connection with undertaking the Swap Agreement and implementing the Proposal, including fees and expenses of preparing, advertising and adopting this Ordinance.

**SECTION 14.** If applicable, as determined from the final details of the Proposal and the terms of the Swap Agreement, this County authorizes the purchase of guaranty insurance with respect to sums payable by YCIDA and this County under the Swap Agreement. Proper officers of this County are authorized and directed to take all required, necessary and/or appropriate action with respect to such insurance, as may be contemplated in the Proposal and the Swap Agreement, including the payment of a premium for such insurance, if applicable.

**SECTION 15.** Proper officers of this County are authorized and requested to execute and deliver the Supplemental Service Agreement, consistent with the terms of this Ordinance.

**SECTION 16.** Proper officers of this County are authorized and requested to take all other required, necessary and/or appropriate action, or to authorize all other required necessary or appropriate action to be taken, by or on behalf of this County, to implement the Swap Agreement, the Proposal and the approved Interest Rate Management Plan.

**SECTION 17.** Any reference in this Ordinance to an officer of this County or a member or officer of the Board of this County shall be deemed to refer to his or her duly qualified successor in office, if applicable.

**SECTION 18.** This Ordinance shall be effective for all purposes immediately upon its adoption, as permitted by the Act.

**SECTION 19.** In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Ordinance, it being the intent of this County that such remainder shall be and shall remain in full force and effect.

**SECTION 20.** This Ordinance shall be effective in accordance with applicable provisions of the Debt Act.

**DULY ENACTED**, by the Board of County Commissioners of this County, in  
lawful session duly assembled, this 21<sup>st</sup> day of July, 2004.

**COUNTY OF YORK, PENNSYLVANIA**

By: *Louis D. Chick*  
County Commissioner

By: *Ray E. Taylor*  
County Commissioner

By: *Steve Chronister*  
County Commissioner

ATTEST:

*Mickie Glatfelter*  
Asst. Chief Clerk

(SEAL)

(SEAL)

**APPENDIX A**

**INTEREST RATE MANAGEMENT PLAN**

1. Interest Rate Risk — The risk that a generally adverse move in variable rates increases the overall cost of borrowing or that credit concerns relating to the Authority or County have the same impact. The Authority, currently has exposure to variable interest rates on the 2003B Bonds which can be partially mitigated through the 2004 Swap.
2. Credit Risk— The risk that the swap counterparty will not perform pursuant to the contract's terms. Under the proposed structure, for example, if RBC defaults, the County would be exposed to an unhedged variable rate bond position ultimately resulting in the original interest rate risk, and a possible termination payment owed by the Authority and the County. RBC is the counterparty on a total of \$106,500,000 of swaps payable or guaranteed by the County. RBC's credit rating is AA-/Aa2/AA by Moody's Investor's Service, Standard & Poor's Corporation and Fitch Investors Service respectively at this time.
3. Termination Risk— The risk that a swap could be terminated (while valued in favor of or against the Authority and County) as a result of any of several events, which may include a ratings downgrade for the Authority/County or RBC, covenant violation by either party, bankruptcy of either party, swap payment default of either party, and other default or termination events as defined by the documents. This may result in possible termination payment owed by the Authority and the County. The proposed documents pertaining to the 2004 Swap provide for a termination event if the County's credit rating falls below BBB+/Baa1 (at RBC' option) or in the event RBC's credit rating falls below BBB+/Baa1(at the Authority's option). The County's credit rating is currently AA- by Standard & Poor's Corporation, two grades above the termination rating. The County's finances are sound based upon analyses conducted by the various insurers of its Bonds as well as analyses performed by Standard & Poor's in assigning underlying ratings to the County's General Obligation debt. RBC's credit ratings are AA-/Aa2/AA as previously discussed, the ratings are above the required ratings level for purposes of the Act.
4. Market Access Risk: The risk that the Authority/County is unable to access the debt market in the future. This risk is subject to overall general market conditions as well as the Authority's/County's credit. Given the County's current rating and financial condition, this risk is minimal.
5. Basis Risk — The risk of a mismatch between the monthly variable payments receivable from the swap contract and the interest actually payable monthly on the variable rate bonds being hedged. The Authority's/County's risk is that the variable swap payments received from RBC which will be based upon 100% of USD-LIBOR-BBA having a one-month designated maturity (a taxable rate index), will be less than the variable taxable interest rates actually owed on its variable rate bonds. Because the interest payable on the 2003B Bonds have historically mirrored, and are expected to mirror, the USD-LIBOR-BBA exactly, basis risk should be minimal on the 2004 Swap. However, basis risk could be substantial if the County's financial situation would dramatically worsen resulting in remarketing rates higher than USD-LIBOR-BBA rates thus causing a mismatch of payments and receipts.
6. Tax Risk — All issuers who issue tax-exempt variable rate debt, inherently accept risk stemming from changes in marginal income tax rates. A specific type is basis risk. A mismatch between changes in the rate or price on the Authority's/County's underlying variable rate bonds and the swap caused by a reduction or elimination in the benefits of the tax exemption for municipal bonds, e.g. a tax cut for individuals that results in an increase in the ratio of tax-exempt to taxable yields. This only exists if a percentage of a taxable index is used to hedge tax-exempt bonds. Because the 2003B Bonds are taxable obligations, there is no tax risk associated with the 2004 Swap.

7. Liquidity / Remarketing — The risk that the Authority (relying on the credit of the County) cannot secure a cost-effective renewal of a Letter or Line of Credit or suffers a failed remarketing with respect to the variable-rate bonds related to the 2004 Swap, or at the end of the term rate period on the GASB Bonds. Because the 2003B Bonds are already variable rate supported by a liquidity facility, this risk exists independently of the 2004 Swap.
8. Amortization Risk — The risk of the potential cost to the Authority/County of servicing debt or honoring swap obligations resulting from a mismatch of outstanding bonds and the notional amount of an outstanding swap. Amortization risk occurs to the extent bond and swap notional amounts become mismatched over the life of a transaction. The scheduled notional amounts of the 2004 Swap will be equal to all or an equivalent portion of the 2003 B Bonds. If the Authority prepays any of the 2003B Bonds, the County would be forced to terminate a matched portion of the 2004 Swap to satisfy the requirements of the Pennsylvania Local Government Unit Debt Act, which could be in a period of unfavorable market conditions.

Appendix A and C contains schedules of the estimated and maximum net scheduled periodic payments (a) due under the 2004 Swap, (b) all other indebtedness issued or guaranteed by the County and (c) due under all other swaps guaranteed by the County.

## VII. ONGOING MONITORING

The County and Authority's plan to monitor interest rate risk, basis risk, termination risk, credit risk, market access risk and other risks, including the valuation of the market and termination value of the 2004 Swap and other swaps payable by the County, is as follows:

The Authority/County will seek to maximize the benefits and minimize the risks it carries by managing its swap program as an integral piece of its overall debt and investment management plan. This will entail frequent monitoring of market conditions, by the Authority/County and its advisors for emergent opportunities and risks. Such management may require modifications of existing positions including, for example:

1. Early termination;
2. Shortening or lengthening the term;
3. Sale or purchase of options; or
4. Use of basis swaps.

The plan should consist of monitoring and documenting the following items on no less than an annual basis:

1. Maintaining a database of existing swaps including a description of all outstanding interest rate swap agreements, including bond series, type of swap, rates paid and received by the Authority/County, total notional amount, average life of each swap agreement, remaining term of each swap agreement.
2. Material changes to swap agreements
3. Termination exposure of each of the Authority's interest rate swap agreements entered into for the County's benefit
4. Credit rating of each swap counterparty and credit enhancer insuring swap payments, if any.
5. If applicable, information concerning any default by a swap counterparty to the Authority, including but not limited to the financial impact to the Authority and County, if any.
6. If applicable, information concerning any default by the Authority/County to a swap counterparty.
7. Assist in election to terminate in the event of termination event by RBC.

The County intends to employ the services of an independent swap monitoring advisor (the "Swap Monitor") to assist in developing, implementing and monitoring a valuation, analyses and reporting plan on its behalf.

**Appendix A**

**Current Debt Service on Outstanding Bonds**

Investment Management Advisory Group, Inc.

COUNTY OF YORK, PENNSYLVANIA

TOTAL

Annual Debt Service Payment Schedule (1)

CURRENT

FY Ending	2000 GO Bonds	2000A GASP Bonds	2001 GASP Bonds	2002 GO Bonds	2003 GASP Bonds	2003 GO Bonds	2003A YCIDA Bonds	2003B YCIDA Bonds	Annual Debt Service
2004	27,261	322,233	652,036	2,822,755	538,611	513,918	45,788	191,739	5,114,340
2005	220,613	1,117,145	1,632,272	3,326,310	1,077,221	1,027,835	91,577	383,477	8,876,449
2006	222,518	1,122,200	1,638,265	3,326,250	1,082,139	1,032,798	91,577	383,477	8,899,222
2007	218,985	1,126,645	1,648,344	3,328,125	1,081,973	1,032,713	91,577	383,477	8,911,839
2008	220,006	1,153,577	1,699,148	3,324,688	1,081,808	1,032,609	91,577	383,477	8,966,890
2009	220,455	1,179,222	1,753,244	3,325,625	1,081,643	1,032,488	561,577	383,477	9,537,730
2010	220,268	1,180,458	1,763,748	-	1,401,112	2,063,960	560,056	383,477	7,573,078
2011	-	1,185,953	1,993,078	-	1,404,966	2,048,298	557,620	383,477	7,573,392
2012	-	1,190,625	2,001,018	-	1,408,326	2,030,566	554,268	383,477	7,568,280
2013	-	1,194,474	2,012,117	-	1,401,355	2,022,435	-	758,477	7,388,858
2014	-	1,197,500	2,026,158	-	1,404,054	2,006,635	-	756,307	7,390,653
2015	-	1,199,703	2,042,925	-	1,401,340	1,988,560	-	758,449	7,390,976
2016	-	1,206,001	2,052,417	-	1,403,213	1,967,810	-	754,876	7,384,116
2017	-	1,211,311	2,064,634	-	1,404,591	1,949,935	-	755,216	7,385,687
2018	-	1,215,633	2,079,361	-	1,400,556	1,934,685	-	754,840	7,385,075
2019	-	1,218,968	2,096,379	-	1,401,108	1,916,935	-	753,549	7,386,939
2020	-	1,226,233	2,110,582	-	1,401,165	1,891,810	-	751,341	7,381,131
2021	-	1,227,428	2,131,751	-	1,395,809	1,879,060	-	748,218	7,382,267
2022	-	1,237,471	2,144,780	-	1,395,041	1,857,014	-	744,179	7,378,485
2023	-	1,241,280	2,169,452	-	1,398,694	1,821,375	-	744,225	7,375,025
2024	-	1,248,854	2,185,548	-	2,631,047	567,288	-	743,125	7,375,862
2025	-	1,250,193	2,212,855	-	2,601,936	569,988	-	740,881	7,375,852
2026	-	1,260,216	2,231,153	-	2,571,833	571,658	-	737,492	7,372,352
2027	-	1,263,839	2,255,336	-	2,545,657	572,388	-	737,959	7,375,179
2028	-	1,271,064	2,280,078	-	2,513,408	572,178	-	732,052	7,368,780
2029	-	1,281,725	2,300,271	-	2,480,169	575,794	-	-	6,637,959
2030	-	1,285,822	2,330,591	-	2,445,938	573,231	-	-	6,635,582
2031	-	-	3,642,225	-	2,420,552	574,800	-	-	6,637,377
2032	-	-	-	-	6,062,257	579,663	-	-	6,641,919
2033	-	-	-	-	6,063,492	578,419	-	-	6,641,911
2034	-	-	-	-	-	-	-	-	-
	1,350,105	31,815,771	57,149,766	19,453,753	57,901,013	38,786,640	2,645,616	15,230,544	224,333,206

(1) Current debt service assumes expected variable interest rates based on historical averages.  
 Assumes all existing swaps perform at expected historical averages.  
 Assumes all liquidity and remarketing costs are constant through the life of each transaction.

Investment Management Advisory Group, Inc.

COUNTY OF YORK, PENNSYLVANIA	CURRENT
General Obligation Bonds, Series of 2000	
<b>Semiannual Debt Service Payment Schedules</b>	

Date	Principal Maturity	Coupon	Interest 30/360 Day Basis	Debt Service	Annual Debt Service
6/1/2004			-	-	
12/1/2004			27,261.25	27,261.25	27,261.25
6/1/2005	170,000	4.600%	27,261.25	197,261.25	
12/1/2005			23,351.25	23,351.25	220,612.50
6/1/2006	180,000	4.650%	23,351.25	203,351.25	
12/1/2006			19,166.25	19,166.25	222,517.50
6/1/2007	185,000	4.700%	19,166.25	204,166.25	
12/1/2007			14,818.75	14,818.75	218,985.00
6/1/2008	195,000	4.750%	14,818.75	209,818.75	
12/1/2008			10,187.50	10,187.50	220,006.25
6/1/2009	205,000	4.800%	10,187.50	215,187.50	
12/1/2009			5,267.50	5,267.50	220,455.00
6/1/2010	215,000	4.900%	5,267.50	220,267.50	
12/1/2010			-	-	220,267.50
6/1/2011			-	-	
12/1/2011			-	-	-
6/1/2012			-	-	-
12/1/2012			-	-	-
6/1/2013			-	-	-
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12/1/2030			-	-	-
6/1/2031			-	-	-
12/1/2031			-	-	-
6/1/2032			-	-	-
12/1/2032			-	-	-
6/1/2033			-	-	-
12/1/2033			-	-	-
6/1/2034			-	-	-
12/1/2034			-	-	-
6/1/2035			-	-	-
	1,150,000		200,105.00	1,350,105.00	1,350,105.00

Investment Management Advisory Group, Inc.

COUNTY OF YORK, PENNSYLVANIA

Series A of 2000 (GASP)

Semiannual Debt Service Payment Schedules

CURRENT

Date	Principal Maturity	Coupon (1)	Liquidity @ 0.14% (2)	Remarketing @ 0.10% (2)	Interest	Debt Service	Annual Debt Service
6/1/2004					-	-	
12/1/2004					322,232.50	322,232.50	322,232.50
6/1/2005	480,000	3.050%			322,232.50	802,232.50	
12/1/2005					314,912.50	314,912.50	1,117,145.00
6/1/2006	500,000	3.050%			314,912.50	814,912.50	
12/1/2006					307,287.50	307,287.50	1,122,200.00
6/1/2007	520,000	3.050%			307,287.50	827,287.50	
12/1/2007					299,357.50	299,357.50	1,126,645.00
6/1/2008	540,000	3.050%			299,357.50	839,357.50	
12/1/2008			13,552.31	9,545.00	291,122.50	314,219.81	1,153,577.31
6/1/2009	560,000	3.050%	13,552.31	9,545.00	291,122.50	874,219.81	
12/1/2009			13,154.76	9,265.00	282,582.50	305,002.26	1,179,222.07
6/1/2010	580,000	3.050%	13,154.76	9,265.00	282,582.50	885,002.26	
12/1/2010			12,743.00	8,975.00	273,737.50	295,455.50	1,180,457.76
6/1/2011	605,000	3.050%	12,743.00	8,975.00	273,737.50	900,455.50	
12/1/2011			12,313.50	8,672.50	264,511.25	285,497.25	1,185,952.76
6/1/2012	630,000	3.050%	12,313.50	8,672.50	264,511.25	915,497.25	
12/1/2012			11,866.26	8,357.50	254,903.75	275,127.51	1,190,624.76
6/1/2013	655,000	3.050%	11,866.26	8,357.50	254,903.75	930,127.51	
12/1/2013			11,401.26	8,030.00	244,915.00	264,346.26	1,194,473.77
6/1/2014	680,000	3.050%	11,401.26	8,030.00	244,915.00	944,346.26	
12/1/2014			10,918.52	7,690.00	234,545.00	253,153.52	1,197,499.78
6/1/2015	705,000	3.050%	10,918.52	7,690.00	234,545.00	958,153.52	
12/1/2015			10,418.03	7,337.50	223,793.75	241,549.28	1,199,702.80
6/1/2016	735,000	3.050%	10,418.03	7,337.50	223,793.75	976,549.28	
12/1/2016			9,896.24	6,970.00	212,585.00	229,451.24	1,206,000.52
6/1/2017	765,000	3.050%	9,896.24	6,970.00	212,585.00	994,451.24	
12/1/2017			9,353.15	6,587.50	200,918.75	216,859.40	1,211,310.64
6/1/2018	795,000	3.050%	9,353.15	6,587.50	200,918.75	1,011,859.40	
12/1/2018			8,788.77	6,190.00	188,795.00	203,773.77	1,215,633.17
6/1/2019	825,000	3.050%	8,788.77	6,190.00	188,795.00	1,028,773.77	
12/1/2019			8,203.09	5,777.50	176,213.75	190,194.34	1,218,968.11
6/1/2020	860,000	3.050%	8,203.09	5,777.50	176,213.75	1,050,194.34	
12/1/2020			7,592.56	5,347.50	163,098.75	176,038.81	1,226,233.15
6/1/2021	890,000	3.050%	7,592.56	5,347.50	163,098.75	1,066,038.81	
12/1/2021			6,960.73	4,902.50	149,526.25	161,389.48	1,227,428.29
6/1/2022	930,000	3.050%	6,960.73	4,902.50	149,526.25	1,091,389.48	
12/1/2022			6,300.51	4,437.50	135,343.75	146,081.76	1,237,471.24
6/1/2023	965,000	3.050%	6,300.51	4,437.50	135,343.75	1,111,081.76	
12/1/2023			5,615.44	3,955.00	120,627.50	130,197.94	1,241,279.70
6/1/2024	1,005,000	3.050%	5,615.44	3,955.00	120,627.50	1,135,197.94	
12/1/2024			4,901.97	3,452.50	105,301.25	113,655.72	1,248,853.67
6/1/2025	1,040,000	3.050%	4,901.97	3,452.50	105,301.25	1,153,655.72	
12/1/2025			4,163.66	2,932.50	89,441.25	96,537.41	1,250,193.14
6/1/2026	1,085,000	3.050%	4,163.66	2,932.50	89,441.25	1,181,537.41	
12/1/2026			3,393.40	2,390.00	72,895.00	78,678.40	1,260,215.81
6/1/2027	1,125,000	3.050%	3,393.40	2,390.00	72,895.00	1,203,678.40	
12/1/2027			2,594.75	1,827.50	55,738.75	60,161.00	1,263,839.40
6/1/2028	1,170,000	3.050%	2,594.75	1,827.50	55,738.75	1,230,161.00	
12/1/2028			1,764.14	1,242.50	37,896.25	40,902.89	1,271,063.89
6/1/2029	1,220,000	3.050%	1,764.14	1,242.50	37,896.25	1,260,902.89	
12/1/2029			898.04	632.50	19,291.25	20,821.79	1,281,724.69
6/1/2030	1,265,000	3.050%	898.04	632.50	19,291.25	1,285,821.79	
12/1/2030			-	-	-	-	1,285,821.79
6/1/2031			-	-	-	-	
12/1/2031			-	-	-	-	
6/1/2032			-	-	-	-	
12/1/2032			-	-	-	-	
6/1/2033			-	-	-	-	
12/1/2033			-	-	-	-	
6/1/2034			-	-	-	-	
12/1/2034			-	-	-	-	
6/1/2035			-	-	-	-	
	21,130,000		353,588.19	249,035.00	10,083,147.50	31,815,770.69	31,815,770.69

(1) BMA 10 year average.

(2) Liquidity/remarketing eliminated during 5 year swap period. Thereafter, assumed to be level at the rates shown for the remainder of the transaction.

Investment Management Advisory Group, Inc.

COUNTY OF YORK, PENNSYLVANIA  
 Series of 2001 (GASP)  
**Semiannual Debt Service Payment Schedules** CURRENT

Date	Principal Maturity	Coupon (1)	Liquidity @ 0.17% (2)	Remarketing @ 0.10% (2)	Interest	Debt Service	Annual Debt Service
6/1/2004					-	-	
12/1/2004					652,036.00	652,036.00	652,036.00
6/1/2005	335,000	4.060%			652,036.00	987,036.00	
12/1/2005					645,235.50	645,235.50	1,632,271.50
6/1/2006	355,000	4.060%			645,235.50	1,000,235.50	
12/1/2006					638,029.00	638,029.00	1,638,264.50
6/1/2007	380,000	4.060%			638,029.00	1,018,029.00	
12/1/2007					630,315.00	630,315.00	1,648,344.00
6/1/2008	405,000	4.060%			630,315.00	1,035,315.00	
12/1/2008			26,417.27	15,322.50	622,093.50	663,833.27	1,699,148.27
6/1/2009	435,000	4.060%	26,417.27	15,322.50	622,093.50	1,098,833.27	
12/1/2009			26,042.28	15,105.00	613,263.00	654,410.28	1,753,243.55
6/1/2010	465,000	4.060%	26,042.28	15,105.00	613,263.00	1,119,410.28	
12/1/2010			25,641.43	14,872.50	603,823.50	644,337.43	1,763,747.71
6/1/2011	720,000	4.060%	25,641.43	14,872.50	603,823.50	1,364,337.43	
12/1/2011			25,020.76	14,512.50	589,207.50	628,740.76	1,993,078.19
6/1/2012	760,000	4.060%	25,020.76	14,512.50	589,207.50	1,388,740.76	
12/1/2012			24,365.61	14,132.50	573,779.50	612,277.61	2,001,018.37
6/1/2013	805,000	4.060%	24,365.61	14,132.50	573,779.50	1,417,277.61	
12/1/2013			23,671.66	13,730.00	557,438.00	594,839.66	2,012,117.27
6/1/2014	855,000	4.060%	23,671.66	13,730.00	557,438.00	1,449,839.66	
12/1/2014			22,934.62	13,302.50	540,081.50	576,318.62	2,026,158.28
6/1/2015	910,000	4.060%	22,934.62	13,302.50	540,081.50	1,486,318.62	
12/1/2015			22,150.16	12,847.50	521,608.50	556,606.16	2,042,924.78
6/1/2016	960,000	4.060%	22,150.16	12,847.50	521,608.50	1,516,606.16	
12/1/2016			21,322.60	12,367.50	502,120.50	535,810.60	2,052,416.76
6/1/2017	1,015,000	4.060%	21,322.60	12,367.50	502,120.50	1,550,810.60	
12/1/2017			20,447.63	11,860.00	481,516.00	513,823.63	2,064,634.23
6/1/2018	1,075,000	4.060%	20,447.63	11,860.00	481,516.00	1,588,823.63	
12/1/2018			19,520.93	11,322.50	459,693.50	490,536.93	2,079,360.56
6/1/2019	1,140,000	4.060%	19,520.93	11,322.50	459,693.50	1,630,536.93	
12/1/2019			18,538.21	10,752.50	436,551.50	465,842.21	2,096,379.14
6/1/2020	1,205,000	4.060%	18,538.21	10,752.50	436,551.50	1,670,842.21	
12/1/2020			17,499.45	10,150.00	412,090.00	439,739.45	2,110,581.65
6/1/2021	1,280,000	4.060%	17,499.45	10,150.00	412,090.00	1,719,739.45	
12/1/2021			16,396.03	9,510.00	386,106.00	412,012.03	2,131,751.48
6/1/2022	1,350,000	4.060%	16,396.03	9,510.00	386,106.00	1,762,012.03	
12/1/2022			15,232.28	8,835.00	358,701.00	382,768.28	2,144,780.31
6/1/2023	1,435,000	4.060%	15,232.28	8,835.00	358,701.00	1,817,768.28	
12/1/2023			13,995.25	8,117.50	329,570.50	351,683.25	2,169,451.52
6/1/2024	1,515,000	4.060%	13,995.25	8,117.50	329,570.50	1,866,683.25	
12/1/2024			12,689.25	7,360.00	298,816.00	318,865.25	2,185,548.50
6/1/2025	1,610,000	4.060%	12,689.25	7,360.00	298,816.00	1,928,865.25	
12/1/2025			11,301.37	6,555.00	266,133.00	283,989.37	2,212,854.62
6/1/2026	1,700,000	4.060%	11,301.37	6,555.00	266,133.00	1,983,989.37	
12/1/2026			9,835.90	5,705.00	231,623.00	247,163.90	2,231,153.26
6/1/2027	1,800,000	4.060%	9,835.90	5,705.00	231,623.00	2,047,163.90	
12/1/2027			8,284.22	4,805.00	195,083.00	208,172.22	2,255,336.12
6/1/2028	1,905,000	4.060%	8,284.22	4,805.00	195,083.00	2,113,172.22	
12/1/2028			6,642.03	3,852.50	156,411.50	166,906.03	2,280,078.25
6/1/2029	2,010,000	4.060%	6,642.03	3,852.50	156,411.50	2,176,906.03	
12/1/2029			4,909.33	2,847.50	115,608.50	123,365.33	2,300,271.36
6/1/2030	2,130,000	4.060%	4,909.33	2,847.50	115,608.50	2,253,365.33	
12/1/2030			3,073.18	1,782.50	72,369.50	77,225.18	2,330,590.51
6/1/2031	3,565,000	4.060%	3,073.18	1,782.50	72,369.50	3,642,225.18	
12/1/2031			-	-	-	-	3,642,225.18
6/1/2032			-	-	-	-	-
12/1/2032			-	-	-	-	-
6/1/2033			-	-	-	-	-
12/1/2033			-	-	-	-	-
6/1/2034			-	-	-	-	-
12/1/2034			-	-	-	-	-
6/1/2035			-	-	-	-	-
	32,120,000		791,862.85	459,295.00	23,778,608.00	57,149,765.85	57,149,765.85

(1) Swap rate effecting January 1, 2004.

(2) Liquidity/remarketing eliminated during 5 year swap period. Thereafter, assumed to be level at the rates shown for the remainder of the transaction.

Investment Management Advisory Group, Inc.

COUNTY OF YORK, PENNSYLVANIA  
 General Obligation, Series of 2002  
 Semiannual Debt Service Payment Schedules CURRENT

Date	Principal Maturity	Coupon (1)	Interest	Debt Service	Annual Debt Service
4/1/2004			-	-	-
10/1/2004	2,320,000	6.000%	502,755.00	2,822,755.00	2,822,755.00
4/1/2005			433,155.00	433,155.00	
10/1/2005	2,460,000	6.100%	433,155.00	2,893,155.00	3,326,310.00
4/1/2006			358,125.00	358,125.00	
10/1/2006	2,610,000	6.250%	358,125.00	2,968,125.00	3,326,250.00
4/1/2007			276,562.50	276,562.50	
10/1/2007	2,775,000	6.250%	276,562.50	3,051,562.50	3,328,125.00
4/1/2008			189,843.75	189,843.75	
10/1/2008	2,945,000	6.250%	189,843.75	3,134,843.75	3,324,687.50
4/1/2009			97,812.50	97,812.50	
10/1/2009	3,130,000	6.250%	97,812.50	3,227,812.50	3,325,625.00
4/1/2010			-	-	-
10/1/2010			-	-	-
4/1/2011			-	-	-
10/1/2011			-	-	-
4/1/2012			-	-	-
10/1/2012			-	-	-
4/1/2013			-	-	-
10/1/2013			-	-	-
4/1/2014			-	-	-
10/1/2014			-	-	-
4/1/2015			-	-	-
10/1/2015			-	-	-
4/1/2016			-	-	-
10/1/2016			-	-	-
4/1/2017			-	-	-
10/1/2017			-	-	-
4/1/2018			-	-	-
10/1/2018			-	-	-
4/1/2019			-	-	-
10/1/2019			-	-	-
4/1/2020			-	-	-
10/1/2020			-	-	-
4/1/2021			-	-	-
10/1/2021			-	-	-
4/1/2022			-	-	-
10/1/2022			-	-	-
4/1/2023			-	-	-
10/1/2023			-	-	-
4/1/2024			-	-	-
10/1/2024			-	-	-
4/1/2025			-	-	-
10/1/2025			-	-	-
4/1/2026			-	-	-
10/1/2026			-	-	-
4/1/2027			-	-	-
10/1/2027			-	-	-
4/1/2028			-	-	-
10/1/2028			-	-	-
4/1/2029			-	-	-
10/1/2029			-	-	-
4/1/2030			-	-	-
10/1/2030			-	-	-
4/1/2031			-	-	-
10/1/2031			-	-	-
4/1/2032			-	-	-
10/1/2032			-	-	-
4/1/2033			-	-	-
10/1/2033			-	-	-
4/1/2034			-	-	-
10/1/2034			-	-	-
4/1/2035			-	-	-
	16,240,000		3,213,752.50	19,453,752.50	19,453,752.50

Investment Management Advisory Group, Inc.

COUNTY OF YORK, PENNSYLVANIA

Series of 2003 (GASP)

Semiannual Debt Service Payment Schedules

CURRENT

Date	Principal Maturity	Coupon (1)	Liquidity @ 0.20%	Remarketing @ 0.10%	Interest	Debt Service	Annual Debt Service
6/1/2004							
12/1/2004			33,000.57	16,310.00	489,300.00	538,610.57	538,610.57
6/1/2005	-	3.000%	33,000.57	16,310.00	489,300.00	538,610.57	
12/1/2005			33,000.57	16,310.00	489,300.00	538,610.57	1,077,221.13
6/1/2006	5,000	3.000%	33,000.57	16,310.00	489,300.00	543,610.57	
12/1/2006			32,995.51	16,307.50	489,225.00	538,528.01	1,082,138.58
6/1/2007	5,000	3.000%	32,995.51	16,307.50	489,225.00	543,528.01	
12/1/2007			32,990.45	16,305.00	489,150.00	538,445.45	1,081,973.46
6/1/2008	5,000	3.000%	32,990.45	16,305.00	489,150.00	543,445.45	
12/1/2008			32,985.39	16,302.50	489,075.00	538,362.89	1,081,808.34
6/1/2009	5,000	3.000%	32,985.39	16,302.50	489,075.00	543,362.89	
12/1/2009			32,980.33	16,300.00	489,000.00	538,280.33	1,081,643.23
6/1/2010	330,000	3.000%	32,980.33	16,300.00	489,000.00	868,280.33	
12/1/2010			32,646.48	16,135.00	484,050.00	532,831.48	1,401,111.82
6/1/2011	345,000	3.000%	32,646.48	16,135.00	484,050.00	877,831.48	
12/1/2011			32,297.46	15,962.50	478,875.00	527,134.96	1,404,966.44
6/1/2012	360,000	3.000%	32,297.46	15,962.50	478,875.00	887,134.96	
12/1/2012			31,933.26	15,782.50	473,475.00	521,190.76	1,408,325.72
6/1/2013	365,000	3.000%	31,933.26	15,782.50	473,475.00	886,190.76	
12/1/2013			31,564.00	15,600.00	468,000.00	515,164.00	1,401,354.76
6/1/2014	380,000	3.000%	31,564.00	15,600.00	468,000.00	895,164.00	
12/1/2014			31,179.57	15,410.00	462,300.00	508,889.57	1,404,053.57
6/1/2015	390,000	3.000%	31,179.57	15,410.00	462,300.00	898,889.57	
12/1/2015			30,785.02	15,215.00	456,450.00	502,450.02	1,401,339.58
6/1/2016	405,000	3.000%	30,785.02	15,215.00	456,450.00	907,450.02	
12/1/2016			30,375.29	15,012.50	450,375.00	495,762.79	1,403,212.81
6/1/2017	420,000	3.000%	30,375.29	15,012.50	450,375.00	915,762.79	
12/1/2017			29,950.39	14,802.50	444,075.00	488,827.89	1,404,590.68
6/1/2018	430,000	3.000%	29,950.39	14,802.50	444,075.00	918,827.89	
12/1/2018			29,515.38	14,587.50	437,625.00	481,727.88	1,400,555.77
6/1/2019	445,000	3.000%	29,515.38	14,587.50	437,625.00	926,727.88	
12/1/2019			29,065.18	14,365.00	430,950.00	474,380.18	1,401,108.06
6/1/2020	460,000	3.000%	29,065.18	14,365.00	430,950.00	934,380.18	
12/1/2020			28,599.82	14,135.00	424,050.00	466,784.82	1,401,165.00
6/1/2021	470,000	3.000%	28,599.82	14,135.00	424,050.00	936,784.82	
12/1/2021			28,124.33	13,900.00	417,000.00	459,024.33	1,395,809.15
6/1/2022	485,000	3.000%	28,124.33	13,900.00	417,000.00	944,024.33	
12/1/2022			27,633.68	13,657.50	409,725.00	451,016.18	1,395,040.51
6/1/2023	505,000	3.000%	27,633.68	13,657.50	409,725.00	956,016.18	
12/1/2023			27,122.78	13,405.00	402,150.00	442,677.78	1,398,693.96
6/1/2024	1,775,000	3.000%	27,122.78	13,405.00	402,150.00	2,217,677.78	
12/1/2024			25,327.08	12,517.50	375,525.00	413,369.58	2,631,047.36
6/1/2025	1,805,000	3.000%	25,327.08	12,517.50	375,525.00	2,218,369.58	
12/1/2025			23,501.02	11,615.00	348,450.00	383,566.02	2,601,935.59
6/1/2026	1,835,000	3.000%	23,501.02	11,615.00	348,450.00	2,218,566.02	
12/1/2026			21,644.61	10,697.50	320,925.00	353,267.11	2,571,833.13
6/1/2027	1,870,000	3.000%	21,644.61	10,697.50	320,925.00	2,223,267.11	
12/1/2027			19,752.79	9,762.50	292,875.00	322,390.29	2,545,657.40
6/1/2028	1,900,000	3.000%	19,752.79	9,762.50	292,875.00	2,222,390.29	
12/1/2028			17,830.63	8,812.50	264,375.00	291,018.13	2,513,408.42
6/1/2029	1,930,000	3.000%	17,830.63	8,812.50	264,375.00	2,221,018.13	
12/1/2029			15,878.11	7,847.50	235,425.00	259,150.61	2,480,168.73
6/1/2030	1,960,000	3.000%	15,878.11	7,847.50	235,425.00	2,219,150.61	
12/1/2030			13,895.24	6,867.50	206,025.00	226,787.74	2,445,938.35
6/1/2031	2,000,000	3.000%	13,895.24	6,867.50	206,025.00	2,226,787.74	
12/1/2031			11,871.91	5,867.50	176,025.00	193,764.41	2,420,552.15
6/1/2032	5,770,000	3.000%	11,871.91	5,867.50	176,025.00	5,963,764.41	
12/1/2032			6,034.59	2,982.50	89,475.00	98,492.09	6,062,256.50
6/1/2033	5,965,000	3.000%	6,034.59	2,982.50	89,475.00	6,063,492.09	
12/1/2033			-	-	-	-	6,063,492.09
6/1/2034			-	-	-	-	
12/1/2034			-	-	-	-	
6/1/2035			-	-	-	-	
	32,620,000		1,548,962.83	765,550.00	22,966,500.00	57,901,012.83	57,901,012.83

(1) BMA 10 year average.

Liquidity and remarketing fees assumed to be constant for the life of the transaction.

Investment Management Advisory Group, Inc.

COUNTY OF YORK, PENNSYLVANIA	
Series of 2003 (GO)	
Semiannual Debt Service Payment Schedules	CURRENT

Date	Principal Maturity	Coupon	Interest	Debt Service	Annual Debt Service
6/1/2004			-	-	
12/1/2004			513,917.50	513,917.50	513,917.50
6/1/2005			513,917.50	513,917.50	
12/1/2005			513,917.50	513,917.50	1,027,835.00
6/1/2006	5,000	1.500%	513,917.50	518,917.50	
12/1/2006			513,880.00	513,880.00	1,032,797.50
6/1/2007	5,000	1.900%	513,880.00	518,880.00	
12/1/2007			513,832.50	513,832.50	1,032,712.50
6/1/2008	5,000	2.250%	513,832.50	518,832.50	
12/1/2008			513,776.25	513,776.25	1,032,608.75
6/1/2009	5,000	2.600%	513,776.25	518,776.25	
12/1/2009			513,711.25	513,711.25	1,032,487.50
6/1/2010	1,055,000	3.500%	513,711.25	1,568,711.25	
12/1/2010			495,248.75	495,248.75	2,063,960.00
6/1/2011	1,075,000	3.200%	495,248.75	1,570,248.75	
12/1/2011			478,048.75	478,048.75	2,048,297.50
6/1/2012	1,095,000	3.750%	478,048.75	1,573,048.75	
12/1/2012			457,517.50	457,517.50	2,030,566.25
6/1/2013	1,130,000	4.000%	457,517.50	1,587,517.50	
12/1/2013			434,917.50	434,917.50	2,022,435.00
6/1/2014	1,160,000	4.000%	434,917.50	1,594,917.50	
12/1/2014			411,717.50	411,717.50	2,006,635.00
6/1/2015	1,195,000	5.000%	411,717.50	1,606,717.50	
12/1/2015			381,842.50	381,842.50	1,988,560.00
6/1/2016	1,235,000	5.000%	381,842.50	1,616,842.50	
12/1/2016			350,967.50	350,967.50	1,967,810.00
6/1/2017	1,280,000	5.000%	350,967.50	1,630,967.50	
12/1/2017			318,967.50	318,967.50	1,949,935.00
6/1/2018	1,330,000	5.000%	318,967.50	1,648,967.50	
12/1/2018			285,717.50	285,717.50	1,934,685.00
6/1/2019	1,380,000	5.000%	285,717.50	1,665,717.50	
12/1/2019			251,217.50	251,217.50	1,916,935.00
6/1/2020	1,425,000	5.000%	251,217.50	1,676,217.50	
12/1/2020			215,592.50	215,592.50	1,891,810.00
6/1/2021	1,485,000	5.000%	215,592.50	1,700,592.50	
12/1/2021			178,467.50	178,467.50	1,879,060.00
6/1/2022	1,535,000	4.550%	178,467.50	1,713,467.50	
12/1/2022			143,546.25	143,546.25	1,857,013.75
6/1/2023	1,570,000	4.550%	143,546.25	1,713,546.25	
12/1/2023			107,828.75	107,828.75	1,821,375.00
6/1/2024	360,000	4.650%	107,828.75	467,828.75	
12/1/2024			99,458.75	99,458.75	567,287.50
6/1/2025	380,000	4.700%	99,458.75	479,458.75	
12/1/2025			90,528.75	90,528.75	569,987.50
6/1/2026	400,000	4.700%	90,528.75	490,528.75	
12/1/2026			81,128.75	81,128.75	571,657.50
6/1/2027	420,000	4.700%	81,128.75	501,128.75	
12/1/2027			71,258.75	71,258.75	572,387.50
6/1/2028	440,000	4.700%	71,258.75	511,258.75	
12/1/2028			60,918.75	60,918.75	572,177.50
6/1/2029	465,000	4.750%	60,918.75	525,918.75	
12/1/2029			49,875.00	49,875.00	575,793.75
6/1/2030	485,000	4.750%	49,875.00	534,875.00	
12/1/2030			38,356.25	38,356.25	573,231.25
6/1/2031	510,000	4.750%	38,356.25	548,356.25	
12/1/2031			26,243.75	26,243.75	574,600.00
6/1/2032	540,000	4.750%	26,243.75	566,243.75	
12/1/2032			13,418.75	13,418.75	579,662.50
6/1/2033	565,000	4.750%	13,418.75	578,418.75	
12/1/2033			-	-	578,418.75
6/1/2034			-	-	
12/1/2034			-	-	
6/1/2035			-	-	
	22,535,000		16,251,640.00	38,786,640.00	38,786,640.00

Investment Management Advisory Group, Inc.

COUNTY OF YORK, PENNSYLVANIA  
 Series of 2003A (YCIDA)  
 Semiannual Debt Service Payment Schedules CURRENT

Date	Principal Maturity	Coupon (1)	Liquidity @ 0.20%	Remarketing @ 0.125%	Interest	Debt Service	Annual Debt Service
6/1/2004	-	-	-	-	-	-	-
12/1/2004	-	4.250%	2,038.33	1,250.00	42,500.00	45,788.33	45,788.33
6/1/2005	-	-	2,038.33	1,250.00	42,500.00	45,788.33	-
12/1/2005	-	4.250%	2,038.33	1,250.00	42,500.00	45,788.33	91,576.67
6/1/2006	-	-	2,038.33	1,250.00	42,500.00	45,788.33	-
12/1/2006	-	4.250%	2,038.33	1,250.00	42,500.00	45,788.33	91,576.67
6/1/2007	-	-	2,038.33	1,250.00	42,500.00	45,788.33	-
12/1/2007	-	4.250%	2,038.33	1,250.00	42,500.00	45,788.33	91,576.67
6/1/2008	-	-	2,038.33	1,250.00	42,500.00	45,788.33	-
12/1/2008	-	4.250%	2,038.33	1,250.00	42,500.00	45,788.33	91,576.67
6/1/2009	-	-	2,038.33	1,250.00	42,500.00	45,788.33	-
12/1/2009	470,000	4.250%	2,038.33	1,250.00	42,500.00	515,788.33	561,576.67
6/1/2010	-	-	1,559.33	956.25	32,512.50	35,028.08	-
12/1/2010	490,000	4.250%	1,559.33	956.25	32,512.50	525,028.08	560,056.15
6/1/2011	-	-	1,059.93	650.00	22,100.00	23,809.93	-
12/1/2011	510,000	4.250%	1,059.93	650.00	22,100.00	533,809.93	557,619.87
6/1/2012	-	-	540.16	331.25	11,262.50	12,133.91	-
12/1/2012	530,000	4.250%	540.16	331.25	11,262.50	542,133.91	554,267.82
6/1/2013	-	-	-	-	-	-	-
12/1/2013	-	4.250%	-	-	-	-	-
6/1/2014	-	-	-	-	-	-	-
12/1/2014	-	4.250%	-	-	-	-	-
6/1/2015	-	-	-	-	-	-	-
12/1/2015	-	4.250%	-	-	-	-	-
6/1/2016	-	-	-	-	-	-	-
12/1/2016	-	4.250%	-	-	-	-	-
6/1/2017	-	-	-	-	-	-	-
12/1/2017	-	4.250%	-	-	-	-	-
6/1/2018	-	-	-	-	-	-	-
12/1/2018	-	4.250%	-	-	-	-	-
6/1/2019	-	-	-	-	-	-	-
12/1/2019	-	4.250%	-	-	-	-	-
6/1/2020	-	-	-	-	-	-	-
12/1/2020	-	4.250%	-	-	-	-	-
6/1/2021	-	-	-	-	-	-	-
12/1/2021	-	4.250%	-	-	-	-	-
6/1/2022	-	-	-	-	-	-	-
12/1/2022	-	4.250%	-	-	-	-	-
6/1/2023	-	-	-	-	-	-	-
12/1/2023	-	4.250%	-	-	-	-	-
6/1/2024	-	-	-	-	-	-	-
12/1/2024	-	4.250%	-	-	-	-	-
6/1/2025	-	-	-	-	-	-	-
12/1/2025	-	4.250%	-	-	-	-	-
6/1/2026	-	-	-	-	-	-	-
12/1/2026	-	4.250%	-	-	-	-	-
6/1/2027	-	-	-	-	-	-	-
12/1/2027	-	4.250%	-	-	-	-	-
6/1/2028	-	-	-	-	-	-	-
12/1/2028	-	4.250%	-	-	-	-	-
6/1/2029	-	-	-	-	-	-	-
12/1/2029	-	-	-	-	-	-	-
6/1/2030	-	-	-	-	-	-	-
12/1/2030	-	-	-	-	-	-	-
6/1/2031	-	-	-	-	-	-	-
12/1/2031	-	-	-	-	-	-	-
6/1/2032	-	-	-	-	-	-	-
12/1/2032	-	-	-	-	-	-	-
6/1/2033	-	-	-	-	-	-	-
12/1/2033	-	-	-	-	-	-	-
6/1/2034	-	-	-	-	-	-	-
12/1/2034	-	-	-	-	-	-	-
6/1/2035	-	-	-	-	-	-	-
	2,000,000		28,740.50	17,625.00	599,250.00	2,645,615.50	2,645,615.50

(1) Expected variable interest rates based on taxable average rates.  
 Liquidity and remarketing fees assumed to be constant for the life of the transaction.

Investment Management Advisory Group, Inc.

COUNTY OF YORK, PENNSYLVANIA

Series of 2003B (YCIDA)

Semiannual Debt Service Payment Schedules

CURRENT

Date	Principal Maturity	Coupon (1)	Liquidity @ 0.20%	Remarketing @ 0.125%	Interest	Debt Service	Annual Debt Service
6/1/2004							
12/1/2004	-	4.250%	8,535.52	5,234.38	177,968.75	191,738.65	191,738.65
6/1/2005	-		8,535.52	5,234.38	177,968.75	191,738.65	
12/1/2005		4.250%	8,535.52	5,234.38	177,968.75	191,738.65	383,477.29
6/1/2006	-		8,535.52	5,234.38	177,968.75	191,738.65	
12/1/2006		4.250%	8,535.52	5,234.38	177,968.75	191,738.65	383,477.29
6/1/2007	-		8,535.52	5,234.38	177,968.75	191,738.65	
12/1/2007		4.250%	8,535.52	5,234.38	177,968.75	191,738.65	383,477.29
6/1/2008	-		8,535.52	5,234.38	177,968.75	191,738.65	
12/1/2008		4.250%	8,535.52	5,234.38	177,968.75	191,738.65	383,477.29
6/1/2009	-		8,535.52	5,234.38	177,968.75	191,738.65	
12/1/2009		4.250%	8,535.52	5,234.38	177,968.75	191,738.65	383,477.29
6/1/2010	-		8,535.52	5,234.38	177,968.75	191,738.65	
12/1/2010		4.250%	8,535.52	5,234.38	177,968.75	191,738.65	383,477.29
6/1/2011	-		8,535.52	5,234.38	177,968.75	191,738.65	
12/1/2011		4.250%	8,535.52	5,234.38	177,968.75	191,738.65	383,477.29
6/1/2012	-		8,535.52	5,234.38	177,968.75	191,738.65	
12/1/2012		4.250%	8,535.52	5,234.38	177,968.75	191,738.65	383,477.29
6/1/2013	-		8,535.52	5,234.38	177,968.75	191,738.65	
12/1/2013	375,000	4.250%	8,535.52	5,234.38	177,968.75	566,738.65	758,477.29
6/1/2014	-		8,153.33	5,000.00	170,000.00	183,153.33	
12/1/2014	390,000	4.250%	8,153.33	5,000.00	170,000.00	573,153.33	756,306.67
6/1/2015	-		7,755.86	4,756.25	161,712.50	174,224.61	
12/1/2015	410,000	4.250%	7,755.86	4,756.25	161,712.50	584,224.61	758,449.22
6/1/2016	-		7,338.00	4,500.00	153,000.00	164,838.00	
12/1/2016	425,000	4.250%	7,338.00	4,500.00	153,000.00	589,838.00	754,676.00
6/1/2017	-		6,904.85	4,234.38	143,968.75	155,107.98	
12/1/2017	445,000	4.250%	6,904.85	4,234.38	143,968.75	600,107.98	755,215.96
6/1/2018	-		6,451.33	3,956.25	134,512.50	144,920.08	
12/1/2018	465,000	4.250%	6,451.33	3,956.25	134,512.50	609,920.08	754,840.15
6/1/2019	-		5,977.41	3,665.63	124,631.25	134,274.29	
12/1/2019	485,000	4.250%	5,977.41	3,665.63	124,631.25	619,274.29	753,548.58
6/1/2020	-		5,483.12	3,362.50	114,325.00	123,170.62	
12/1/2020	505,000	4.250%	5,483.12	3,362.50	114,325.00	628,170.62	751,341.23
6/1/2021	-		4,968.44	3,046.88	103,593.75	111,609.06	
12/1/2021	525,000	4.250%	4,968.44	3,046.88	103,593.75	636,609.06	748,218.13
6/1/2022	-		4,433.38	2,718.75	92,437.50	99,589.63	
12/1/2022	545,000	4.250%	4,433.38	2,718.75	92,437.50	644,589.63	744,179.25
6/1/2023	-		3,877.93	2,378.13	80,856.25	87,112.30	
12/1/2023	570,000	4.250%	3,877.93	2,378.13	80,856.25	657,112.30	744,224.61
6/1/2024	-		3,297.00	2,021.88	68,743.75	74,062.63	
12/1/2024	595,000	4.250%	3,297.00	2,021.88	68,743.75	669,062.63	743,125.26
6/1/2025	-		2,690.60	1,650.00	56,100.00	60,440.60	
12/1/2025	620,000	4.250%	2,690.60	1,650.00	56,100.00	680,440.60	740,881.20
6/1/2026	-		2,058.72	1,262.50	42,925.00	46,246.22	
12/1/2026	645,000	4.250%	2,058.72	1,262.50	42,925.00	691,246.22	737,492.43
6/1/2027	-		1,401.35	859.38	29,218.75	31,479.48	
12/1/2027	675,000	4.250%	1,401.35	859.38	29,218.75	706,479.48	737,958.96
6/1/2028	-		713.42	437.50	14,875.00	16,025.92	
12/1/2028	700,000	4.250%	713.42	437.50	14,875.00	716,025.92	732,051.83
6/1/2029	-		-	-	-	-	
12/1/2029	-		-	-	-	-	
6/1/2030	-		-	-	-	-	
12/1/2030	-		-	-	-	-	
6/1/2031	-		-	-	-	-	
12/1/2031	-		-	-	-	-	
6/1/2032	-		-	-	-	-	
12/1/2032	-		-	-	-	-	
6/1/2033	-		-	-	-	-	
12/1/2033	-		-	-	-	-	
6/1/2034	-		-	-	-	-	
12/1/2034	-		-	-	-	-	
6/1/2035	-		-	-	-	-	
	8,375,000		305,184.36	187,153.13	6,363,206.25	15,230,543.74	15,230,543.74

(1) Expected variable interest rates based on taxable average rates.  
Liquidity and remarketing fees assumed to be constant for the life of the transaction.

## **Appendix B**

### **Summary of Swap Fees Paid**

Neither the County or the Authority currently has any swaps in place. GASP has previously entered into other swaps as outlined in this document.

In connection with the proposed 2004 Swap, the County will pay a total advisory fees equal to 2 basis points on the weighted average combined swap notional value per year to Investment Management Advisory Group, Inc. ("IMAGE"). This fee will only be paid upon the closing of the transaction. This represents compensation for swap procurement assistance, including producing the interest rate management plan.

In addition, the County will pay total legal fees of \$27,000 to Rhoads and Sinon LLP for their services as Bond Counsel and Countess Gilbert Andrews, P.C. for their services as Solicitor to the Authority in connection with the 2004 Swap.

No other consulting, advisory, brokerage or similar fees have been paid for services contracted for by the County. The County may in future contract for services related to GASB reporting or future update to the interest rate management plan.

**York County Industrial Development Authority  
and the  
County of York, Pennsylvania**

**Interest Rate Management Plan**

**OVERVIEW**

In accordance with the requirements under Act 23 of 2003 amending the Pennsylvania Local Government Unit Debt Act ("LGUDA" or the "Act") this report shall serve as the Interest Rate Management Plan (the "Plan") of the York County Industrial Development Authority (the "Authority") and the County of York (the "County"). The Plan shall cover all Qualified Interest Rate Management Agreements ("QIRMAs"), including, but not limited to, the 2004 Swap (hereinafter defined) and all other interest rate swaps, caps, floors, swaptions and similar derivative instruments currently payable or guaranteed by the County (but not to agreements entered into by the Authority with respect to bonds or other obligations which are not payable by or guaranteed by the County).

This analysis has been performed with regard to a Qualified Interest Rate Management Agreement ("Swap") on which the County will guarantee certain sums payable by the Authority. The Authority, will enter into a floating to fixed rate swap (the "2004 Swap") that will relate to the Authority's outstanding \$8,375,000 Variable Rate Demand, County Guaranteed Economic Development Revenues Bonds (York County Economic Development Corporation Project), Series 2003B (Taxable) (the "2003B Bonds"). It is expected that the Authority will enter into the 2004 Swap with a declining notional amount which will mirror all or a portion of the principal amortization schedule on the 2003B Bonds, thus creating a "synthetic fixed rate" liability of the Authority and the County. Royal Bank of Canada ("RBC") is the intended provider of the 2004 Swap. The final termination date of the 2004 Swap will not be later than the final maturity date of the 2003B Bonds. The Authority or its advisors will receive an upfront payment from RBC as a result of entering into the 2004 Swap equal to certain costs of the transaction.

**I. Debt Outstanding & Proposed New Debt**

The County had total general obligation debt outstanding of \$136,170,000 as of July 1, 2004 consisting of \$39,925,000 of County General Obligation Bonds, \$85,870,000 of lease rental debt evidenced by outstanding bonds or notes of the General Authority of Southcentral Pennsylvania ("GASP") (as to which the County is the guarantor) and \$10,375,000 of lease rental debt evidence by outstanding bonds or notes of the Authority (as to which the County is the guarantor). A schedule of currently outstanding debt issues, expected annual debt service and, for variable rate debt, estimated and maximum annual debt service is shown in Appendix A. No new debt is proposed or associated with the 2004 Swap.

**II. Swaps Outstanding**

The County has not entered into any swaps allocable to its own general obligation bonds as of July 1, 2004.

The GASP has entered into three swaps that are currently outstanding. On June 29, 2000, and October 19, 2001, the GASP (on behalf of the County as obligor under a Loan Agreement (not constituting County

indebtedness) and a Guaranty Agreement (constituting County lease rental debt), both dated as of June 1, 2000 issued its County Guaranteed Revenue Bonds, Series A of 2000 (the "Series 2000A Bonds") and its County Guaranteed Revenue Bonds, Series of 2001 (the "Series 2001 Bonds"), respectively, in the aggregate principal amounts of \$22,035,000 (\$21,130,000 of which remain outstanding) and \$32,435,000 (\$32,120,000 of which remain outstanding), respectively (collectively the "GASB Bonds"). The GASB Bonds were issued as floating rate bonds with weekly interest rate resets, carried AMBAC insurance and were further secured by Standby Bond Purchase Agreements issued by First Union/Wachovia for the Series 2000A Bonds and JP Morgan/Chase for the Series 2001 Bonds (the "Liquidity Facilities"). On or about June 27, 2003, the GASP entered into a forward starting, fixed-for-floating BMA interest rate swap with the RBC with respect to the Series 2001 Bonds, under the terms of which GASP (and the County under the Loan Agreement and Guaranty Agreement) pay a fixed rate of 4.06% and receives a variable rate payment based on the Bond Market Association (BMA) Index beginning on January 1, 2004 (the "2001 GASB Swap").

GASP (and the County) 1) converted both the Series 2000A Bonds and the Series 2000B Bonds from a weekly floating rate mode to a term rate mode with a fixed rate for a period ending December 1, 2008, 2) using proceeds of the remarketing at a premium interest rate to redeem a portion of the Series 2000A Bonds and Series 2000B Bonds, 3) terminated the Liquidity Facilities and Remarketing Agreements associated with the GASB Bonds during the term rate period, and 4) simultaneously executed floating (100% of BMA)-for-fixed (4.06%) interest rate swaps to synthetically convert each series of the GASB Bonds *back* to floating rate obligations for the same 5-year period. The 2001 GASB Swap, i.e. the forward starting fixed (4.06%)-for-floating (100% BMA) swap for the Series 2001 Bonds, remained in place as originally contemplated (i.e. Series 2001 Bonds remain as "synthetic fixed rate" obligations).

A schedule listing the notional amounts outstanding of each previously executed qualified interest rate management agreement which is in effect and payable or guaranteed by the County is shown in Appendix B.

### **III. Swap Fees Paid or Payable**

A schedule of all consulting, advisory, brokerage or similar fees to be paid by the Authority, RBC or any other party in connection with the 2004 Swap, is shown in Appendix B.

### **IV. Scheduled Periodic Payments under 2004 Swap**

A schedule of estimated and maximum periodic scheduled annual payments payable by the Authority and the County, and to be received from the 2004 Swap counterparty under the 2004 Swap in each year during the term of the 2004 Swap, is shown in Appendix C.

### **V. Risk Analysis — Proposed 2004 Swap**

The following is an analysis of the interest rate risk, basis risk, termination risk, credit risk, market-access risk and other risks of (1) entering into the 2004 Swap, (2) the net payments due for all debt outstanding, and (3) all other swaps payable or guaranteed by the Authority and County, including schedules of the estimated and maximum scheduled periodic payments which would be due under the 2004 Swap:

*Risks*

**Appendix C**  
**Swap Expected and Maximum Debt Service**

Investment Management Advisory Group, Inc.

COUNTY OF YORK, PENNSYLVANIA

Series of 2003B (YCIDA)

EXPECTED

Semiannual Debt Service Payment Schedules

Date	Principal Maturity	Coupon (1)	Liquidity @ 0.20% (2)	Remarketing @ 0.125% (2)	Interest	Variable Rate Rec'd on Swap (1)	Interest on Rec'd. on Swap	Fixed Rate Paid on Swap (3)	Interest on Paid. on Swap	Debt Service	Annual Debt Service
6/1/2004											
12/1/2004		4.250%	8,535.52	5,234.38	177,968.75	4.250%	(177,968.75)	6.000%	251,250.00	265,019.90	265,019.90
6/1/2005			8,535.52	5,234.38	177,968.75		(177,968.75)		251,250.00	265,019.90	530,039.79
12/1/2005		4.250%	8,535.52	5,234.38	177,968.75	4.250%	(177,968.75)	6.000%	251,250.00	265,019.90	530,039.79
6/1/2006			8,535.52	5,234.38	177,968.75		(177,968.75)		251,250.00	265,019.90	530,039.79
12/1/2006		4.250%	8,535.52	5,234.38	177,968.75	4.250%	(177,968.75)	6.000%	251,250.00	265,019.90	530,039.79
6/1/2007			8,535.52	5,234.38	177,968.75		(177,968.75)		251,250.00	265,019.90	530,039.79
12/1/2007		4.250%	8,535.52	5,234.38	177,968.75	4.250%	(177,968.75)	6.000%	251,250.00	265,019.90	530,039.79
6/1/2008			8,535.52	5,234.38	177,968.75		(177,968.75)		251,250.00	265,019.90	530,039.79
12/1/2008		4.250%	8,535.52	5,234.38	177,968.75	4.250%	(177,968.75)	6.000%	251,250.00	265,019.90	530,039.79
6/1/2009			8,535.52	5,234.38	177,968.75		(177,968.75)		251,250.00	265,019.90	530,039.79
12/1/2009		4.250%	8,535.52	5,234.38	177,968.75	4.250%	(177,968.75)	6.000%	251,250.00	265,019.90	530,039.79
6/1/2010			8,535.52	5,234.38	177,968.75		(177,968.75)		251,250.00	265,019.90	530,039.79
12/1/2010		4.250%	8,535.52	5,234.38	177,968.75	4.250%	(177,968.75)	6.000%	251,250.00	265,019.90	530,039.79
6/1/2011			8,535.52	5,234.38	177,968.75		(177,968.75)		251,250.00	265,019.90	530,039.79
12/1/2011		4.250%	8,535.52	5,234.38	177,968.75	4.250%	(177,968.75)	6.000%	251,250.00	265,019.90	530,039.79
6/1/2012			8,535.52	5,234.38	177,968.75		(177,968.75)		251,250.00	265,019.90	530,039.79
12/1/2012		4.250%	8,535.52	5,234.38	177,968.75	4.250%	(177,968.75)	6.000%	251,250.00	265,019.90	530,039.79
6/1/2013			8,535.52	5,234.38	177,968.75		(177,968.75)		251,250.00	265,019.90	530,039.79
12/1/2013	375,000	4.250%	8,535.52	5,234.38	177,968.75	4.250%	(177,968.75)	6.000%	240,000.00	253,153.33	896,306.67
6/1/2014			8,153.33	5,000.00	170,000.00		(170,000.00)		240,000.00	643,153.33	896,306.67
12/1/2014	390,000	4.250%	8,153.33	5,000.00	170,000.00	4.250%	(170,000.00)	6.000%	240,000.00	643,153.33	896,306.67
6/1/2015			7,755.86	4,756.25	161,712.50		(161,712.50)		228,300.00	650,812.11	891,624.22
12/1/2015	410,000	4.250%	7,755.86	4,756.25	161,712.50	4.250%	(161,712.50)	6.000%	228,300.00	650,812.11	891,624.22
6/1/2016			7,338.00	4,500.00	153,000.00		(153,000.00)		216,000.00	652,838.00	880,676.00
12/1/2016	425,000	4.250%	7,338.00	4,500.00	153,000.00	4.250%	(153,000.00)	6.000%	216,000.00	652,838.00	880,676.00
6/1/2017			6,904.85	4,234.38	143,968.75		(143,968.75)		203,250.00	659,389.23	873,778.46
12/1/2017	445,000	4.250%	6,904.85	4,234.38	143,968.75	4.250%	(143,968.75)	6.000%	203,250.00	659,389.23	873,778.46
6/1/2018			6,451.33	3,956.25	134,512.50		(134,512.50)		189,900.00	665,307.58	865,615.15
12/1/2018	465,000	4.250%	6,451.33	3,956.25	134,512.50	4.250%	(134,512.50)	6.000%	189,900.00	665,307.58	865,615.15
6/1/2019			5,977.41	3,665.63	124,631.25		(124,631.25)		175,950.00	670,583.04	856,186.08
12/1/2019	485,000	4.250%	5,977.41	3,665.63	124,631.25	4.250%	(124,631.25)	6.000%	175,950.00	670,583.04	856,186.08
6/1/2020			5,483.12	3,362.50	114,325.00		(114,325.00)		161,400.00	675,245.62	845,491.23
12/1/2020	505,000	4.250%	5,483.12	3,362.50	114,325.00	4.250%	(114,325.00)	6.000%	161,400.00	675,245.62	845,491.23
6/1/2021			4,968.44	3,046.88	103,593.75		(103,593.75)		146,250.00	679,265.31	833,530.63
12/1/2021	525,000	4.250%	4,968.44	3,046.88	103,593.75	4.250%	(103,593.75)	6.000%	146,250.00	679,265.31	833,530.63
6/1/2022			4,433.38	2,718.75	92,437.50		(92,437.50)		130,500.00	682,652.13	820,304.25
12/1/2022	545,000	4.250%	4,433.38	2,718.75	92,437.50	4.250%	(92,437.50)	6.000%	130,500.00	682,652.13	820,304.25
6/1/2023			3,877.93	2,378.13	80,856.25		(80,856.25)		114,150.00	685,812.11	810,812.11
12/1/2023	570,000	4.250%	3,877.93	2,378.13	80,856.25	4.250%	(80,856.25)	6.000%	114,150.00	685,812.11	810,812.11
6/1/2024			3,297.00	2,021.88	68,743.75		(68,743.75)		97,050.00	689,368.88	799,737.76
12/1/2024	595,000	4.250%	3,297.00	2,021.88	68,743.75	4.250%	(68,743.75)	6.000%	97,050.00	689,368.88	799,737.76
6/1/2025			2,690.60	1,650.00	56,100.00		(56,100.00)		79,200.00	693,540.60	787,081.20
12/1/2025	620,000	4.250%	2,690.60	1,650.00	56,100.00	4.250%	(56,100.00)	6.000%	79,200.00	693,540.60	787,081.20
6/1/2026			2,058.72	1,262.50	42,925.00		(42,925.00)		60,800.00	708,921.22	772,842.43
12/1/2026	645,000	4.250%	2,058.72	1,262.50	42,925.00	4.250%	(42,925.00)	6.000%	60,800.00	708,921.22	772,842.43
6/1/2027			1,401.35	859.38	29,218.75		(29,218.75)		41,250.00	718,510.73	762,021.46
12/1/2027	675,000	4.250%	1,401.35	859.38	29,218.75	4.250%	(29,218.75)	6.000%	41,250.00	718,510.73	762,021.46
6/1/2028			713.42	437.50	14,875.00		(14,875.00)		21,000.00	722,150.92	744,301.83
12/1/2028	700,000	4.250%	713.42	437.50	14,875.00	4.250%	(14,875.00)	6.000%	21,000.00	722,150.92	744,301.83
6/1/2029			-	-	-		-		-	-	-
12/1/2029			-	-	-		-		-	-	-
6/1/2030			-	-	-		-		-	-	-
12/1/2030			-	-	-		-		-	-	-
6/1/2031			-	-	-		-		-	-	-
12/1/2031			-	-	-		-		-	-	-
6/1/2032			-	-	-		-		-	-	-
12/1/2032			-	-	-		-		-	-	-
6/1/2033			-	-	-		-		-	-	-
12/1/2033			-	-	-		-		-	-	-
6/1/2034			-	-	-		-		-	-	-
12/1/2034			-	-	-		-		-	-	-
6/1/2035			-	-	-		-		-	-	-
	8,375,000		305,184.36	187,153.13	6,363,206.25		(6,363,206.25)		8,983,350.00	17,850,687.49	17,850,687.49

(1) Expected variable interest rates based on historical average taxable rates and a perfect correlation between variable swap payment and receipt.  
 (2) Expected liquidity and remarketing costs, assumed to be constant for the life of the swap.  
 (3) Expected fixed rate on the swap payment.

Investment Management Advisory Group, Inc.

COUNTY OF YORK, PENNSYLVANIA

TOTAL

Annual Debt Service Payment Schedule (1)

EXPECTED

FY Ending	2000 GO Bonds	2000A GASP Bonds	2001 GASP Bonds	2002 GO Bonds	2003 GASP Bonds	2003 GO Bonds	2003A YCIDA Bonds	2003B YCIDA Bonds	Annual Debt Service
2004	27,261	322,233	652,036	2,822,755	538,611	513,918	45,788	265,020	5,187,621
2005	220,613	1,117,145	1,632,272	3,326,310	1,077,221	1,027,835	91,577	530,040	9,023,012
2006	222,518	1,122,200	1,638,265	3,326,250	1,082,139	1,032,798	91,577	530,040	9,045,785
2007	218,985	1,126,845	1,648,344	3,328,125	1,081,973	1,032,713	91,577	530,040	9,058,401
2008	220,006	1,153,577	1,699,148	3,324,688	1,081,806	1,032,809	91,577	530,040	9,133,453
2009	220,455	1,179,222	1,753,244	3,325,625	1,081,643	1,032,488	561,577	530,040	9,684,293
2010	220,268	1,180,458	1,763,748	-	1,401,112	2,063,960	560,056	530,040	7,719,641
2011	-	1,185,953	1,993,078	-	1,404,966	2,048,298	557,620	530,040	7,719,955
2012	-	1,190,625	2,001,018	-	1,408,326	2,030,566	554,268	530,040	7,714,843
2013	-	1,194,474	2,012,117	-	1,401,355	2,022,435	-	905,040	7,535,421
2014	-	1,197,500	2,026,158	-	1,404,054	2,006,635	-	896,307	7,530,653
2015	-	1,199,703	2,042,925	-	1,401,340	1,988,560	-	891,624	7,524,151
2016	-	1,206,001	2,052,417	-	1,403,213	1,967,810	-	880,676	7,510,116
2017	-	1,211,311	2,064,634	-	1,404,591	1,949,935	-	873,778	7,504,249
2018	-	1,215,633	2,079,361	-	1,400,556	1,934,685	-	865,615	7,495,850
2019	-	1,218,968	2,096,379	-	1,401,108	1,916,935	-	856,186	7,489,576
2020	-	1,226,233	2,110,582	-	1,401,165	1,891,810	-	845,491	7,475,281
2021	-	1,227,428	2,131,751	-	1,395,809	1,879,060	-	833,531	7,467,580
2022	-	1,237,471	2,144,780	-	1,395,041	1,857,014	-	820,304	7,454,610
2023	-	1,241,280	2,169,452	-	1,398,694	1,821,375	-	810,812	7,441,612
2024	-	1,248,854	2,185,548	-	2,631,047	567,288	-	799,738	7,432,475
2025	-	1,250,193	2,212,855	-	2,601,936	569,988	-	787,081	7,422,052
2026	-	1,260,216	2,231,153	-	2,571,833	571,858	-	772,842	7,407,702
2027	-	1,263,839	2,255,336	-	2,545,657	572,388	-	762,021	7,399,242
2028	-	1,271,064	2,280,078	-	2,513,408	572,178	-	744,302	7,381,030
2029	-	1,281,725	2,300,271	-	2,480,169	575,794	-	-	6,637,959
2030	-	1,285,822	2,330,591	-	2,445,938	573,231	-	-	6,635,582
2031	-	-	3,642,225	-	2,420,552	574,600	-	-	6,637,377
2032	-	-	-	-	6,062,257	579,663	-	-	6,641,919
2033	-	-	-	-	6,063,492	578,419	-	-	6,641,911
2034	-	-	-	-	-	-	-	-	-
	1,350,105	31,815,771	57,149,766	19,453,753	57,901,013	38,786,640	2,645,616	17,850,687	226,953,350

(1) Expected debt service assumes expected variable interest rates based on historical averages, constant liquidity and remarketing costs and expected correlation of variable swap payments and receipts. See Appendix A for Current Debt Service on outstanding issues.

Investment Management Advisory Group, Inc.

COUNTY OF YORK, PENNSYLVANIA

Series of 2002B (Y/C/D/A)

Semiannual Debt Service Payment Schedules

MAXIMUM

Date	Principal Maturity	Coupon (1)	Liquidity @ 0.20% (2)	Remarketing @ 0.125% (2)	Interest	Variable Rate Rec'd on Swap (1)	Interest on Rec'd. on Swap	Fixed Rate Paid on Swap (3)	Interest on Paid. on Swap	Debt Service	Annual Debt Service
6/1/2004											
12/1/2004		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	1,144,394.90
6/1/2005			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
12/1/2005		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
6/1/2006			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
12/1/2006		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
6/1/2007			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
12/1/2007		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
6/1/2008			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
12/1/2008		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
6/1/2009			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
12/1/2009		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
6/1/2010			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
12/1/2010		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
6/1/2011			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
12/1/2011		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
6/1/2012			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
12/1/2012		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
6/1/2013			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
12/1/2013	375,000	25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,519,394.90	2,663,789.79
6/1/2014			8,153.33	5,000.00	1,000,000.00		(170,000.00)		250,000.00	1,093,153.33	
12/1/2014	390,000	25.000%	8,153.33	5,000.00	1,000,000.00	4.250%	(170,000.00)	6.250%	237,812.50	1,039,862.11	2,576,306.67
6/1/2015			7,755.86	4,756.25	951,250.00		(161,712.50)		237,812.50	1,449,862.11	
12/1/2015	410,000	25.000%	7,755.86	4,756.25	951,250.00	4.250%	(161,712.50)	6.250%	225,000.00	983,838.00	2,489,724.22
6/1/2016			7,338.00	4,500.00	900,000.00		(153,000.00)		225,000.00	1,408,838.00	
12/1/2016	425,000	25.000%	7,338.00	4,500.00	900,000.00	4.250%	(153,000.00)	6.250%	211,718.75	925,764.23	2,392,676.00
6/1/2017			6,904.85	4,234.38	846,875.00		(143,968.75)		211,718.75	1,370,764.23	
12/1/2017	445,000	25.000%	6,904.85	4,234.38	846,875.00	4.250%	(143,968.75)	6.250%	197,812.50	864,957.58	2,296,528.46
6/1/2018			6,451.33	3,956.25	791,250.00		(134,512.50)		197,812.50	1,329,957.58	
12/1/2018	465,000	25.000%	6,451.33	3,956.25	791,250.00	4.250%	(134,512.50)	6.250%	183,281.25	801,418.04	2,194,915.15
6/1/2019			5,977.41	3,665.63	733,125.00		(124,631.25)		183,281.25	1,286,418.04	
12/1/2019	485,000	25.000%	5,977.41	3,665.63	733,125.00	4.250%	(124,631.25)	6.250%	168,125.00	735,145.62	2,087,836.08
6/1/2020			5,483.12	3,362.50	672,500.00		(114,325.00)		168,125.00	1,240,145.62	
12/1/2020	505,000	25.000%	5,483.12	3,362.50	672,500.00	4.250%	(114,325.00)	6.250%	152,343.75	666,140.31	1,975,291.23
6/1/2021			4,968.44	3,046.88	609,375.00		(103,593.75)		152,343.75	1,191,140.31	
12/1/2021	525,000	25.000%	4,968.44	3,046.88	609,375.00	4.250%	(103,593.75)	6.250%	135,937.50	594,402.13	1,857,280.63
6/1/2022			4,433.38	2,718.75	543,750.00		(92,437.50)		135,937.50	1,139,402.13	
12/1/2022	545,000	25.000%	4,433.38	2,718.75	543,750.00	4.250%	(92,437.50)	6.250%	118,906.25	519,931.05	1,733,804.25
6/1/2023			3,877.93	2,378.13	475,625.00		(80,856.25)		118,906.25	1,069,931.05	
12/1/2023	570,000	25.000%	3,877.93	2,378.13	475,625.00	4.250%	(80,856.25)	6.250%	101,093.75	442,043.88	1,609,862.11
6/1/2024			3,297.00	2,021.88	404,375.00		(68,743.75)		101,093.75	1,037,043.88	
12/1/2024	595,000	25.000%	3,297.00	2,021.88	404,375.00	4.250%	(68,743.75)	6.250%	82,500.00	360,740.60	1,479,087.76
6/1/2025			2,690.60	1,650.00	330,000.00		(56,100.00)		82,500.00	980,740.60	
12/1/2025	620,000	25.000%	2,690.60	1,650.00	330,000.00	4.250%	(56,100.00)	6.250%	63,125.00	276,021.22	1,341,481.20
6/1/2026			2,058.72	1,262.50	252,500.00		(42,925.00)		63,125.00	921,021.22	
12/1/2026	645,000	25.000%	2,058.72	1,262.50	252,500.00	4.250%	(42,925.00)	6.250%	42,968.75	187,885.73	1,197,042.43
6/1/2027			1,401.35	859.38	171,875.00		(29,218.75)		42,968.75	862,885.73	
12/1/2027	675,000	25.000%	1,401.35	859.38	171,875.00	4.250%	(29,218.75)	6.250%	21,875.00	95,650.92	1,050,771.46
6/1/2028			713.42	437.50	87,500.00		(14,875.00)		21,875.00	795,650.92	
12/1/2028	700,000	25.000%	713.42	437.50	87,500.00	4.250%	(14,875.00)	6.250%	-	-	891,301.83
6/1/2029			-	-	-		-		-	-	
12/1/2029			-	-	-		-		-	-	
6/1/2030			-	-	-		-		-	-	
12/1/2030			-	-	-		-		-	-	
6/1/2031			-	-	-		-		-	-	
12/1/2031			-	-	-		-		-	-	
6/1/2032			-	-	-		-		-	-	
12/1/2032			-	-	-		-		-	-	
6/1/2033			-	-	-		-		-	-	
12/1/2033			-	-	-		-		-	-	
6/1/2034			-	-	-		-		-	-	
12/1/2034			-	-	-		-		-	-	
6/1/2035			-	-	-		-		-	-	
	8,375,000		305,184.36	187,153.13	37,430,625.00		(6,363,206.25)		9,357,656.25	49,292,412.49	49,292,412.49

(1) Assumes maximum interest rate on the Bonds due to negative issuer specific occurrence and historical average taxable interest rate receipt creating significant basis differential.  
 (2) Expected liquidity and remarketing costs, assumed to be constant for the life of the swap.  
 (3) Assumes maximum fixed rate on the swap payment per Swap Resolution.

Investment Management Advisory Group, Inc.

COUNTY OF YORK, PENNSYLVANIA

TOTAL

Annual Debt Service Payment Schedule (1)

MAXIMUM

FY Ending	2000 GO Bonds	2000A GASP Bonds	2001 GASP Bonds	2002 GO Bonds	2003 GASP Bonds	2003 GO Bonds	2003A YCIDA Bonds	2003B YCIDA Bonds	Annual Debt Service
2004	27,261	1,584,750	2,409,000	2,822,755	2,495,811	513,918	153,288	1,144,395	11,151,178
2005	220,613	3,613,500	5,127,875	3,326,310	4,991,621	1,027,835	306,577	2,288,790	20,903,120
2006	222,518	3,560,000	5,096,125	3,326,250	4,996,239	1,032,798	306,577	2,288,790	20,829,295
2007	218,985	3,503,500	5,066,000	3,328,125	4,995,473	1,032,713	306,577	2,288,790	20,740,162
2008	220,006	3,467,097	5,073,865	3,324,688	4,994,708	1,032,609	306,577	2,288,790	20,708,339
2009	220,455	3,427,017	5,082,012	3,325,625	4,993,943	1,032,488	776,577	2,288,790	21,146,908
2010	220,268	3,360,138	5,043,286	-	5,293,312	2,063,960	724,531	2,288,790	18,994,284
2011	-	3,294,829	5,207,797	-	5,256,666	2,048,298	669,420	2,288,790	18,765,800
2012	-	3,225,710	5,134,781	-	5,217,726	2,030,566	611,243	2,288,790	18,508,816
2013	-	3,152,780	5,060,275	-	5,167,255	2,022,435	-	2,663,790	18,066,534
2014	-	3,076,040	4,983,514	-	5,125,254	2,006,635	-	2,576,307	17,767,749
2015	-	2,995,489	4,903,735	-	5,076,340	1,988,560	-	2,489,724	17,453,848
2016	-	2,915,747	4,810,938	-	5,030,513	1,967,810	-	2,392,676	17,117,683
2017	-	2,831,432	4,715,123	-	4,982,391	1,949,935	-	2,296,528	16,775,409
2018	-	2,742,544	4,615,526	-	4,927,356	1,934,685	-	2,194,915	16,415,026
2019	-	2,649,084	4,511,384	-	4,875,408	1,916,935	-	2,087,836	16,040,648
2020	-	2,555,671	4,397,315	-	4,821,165	1,891,810	-	1,975,291	15,641,252
2021	-	2,452,303	4,282,555	-	4,760,009	1,879,060	-	1,857,281	15,231,209
2022	-	2,353,601	4,151,723	-	4,701,941	1,857,014	-	1,733,804	14,798,063
2023	-	2,244,183	4,024,055	-	4,646,194	1,821,375	-	1,609,862	14,345,670
2024	-	2,134,050	3,878,787	-	5,741,747	567,288	-	1,479,088	13,800,960
2025	-	2,013,201	3,735,156	-	5,497,836	569,988	-	1,341,481	13,157,661
2026	-	1,896,255	3,572,397	-	5,249,333	571,658	-	1,197,042	12,486,685
2027	-	1,767,831	3,405,130	-	5,000,857	572,388	-	1,050,771	11,796,977
2028	-	1,637,929	3,227,209	-	4,742,408	572,178	-	891,302	11,071,025
2029	-	1,505,787	3,033,251	-	4,479,369	575,794	-	-	9,594,201
2030	-	1,361,406	2,837,113	-	4,211,738	573,231	-	-	8,963,488
2031	-	-	3,837,231	-	3,948,752	574,600	-	-	8,360,563
2032	-	-	-	-	7,124,257	579,663	-	-	7,703,919
2033	-	-	-	-	6,421,392	578,419	-	-	6,999,811
2034	-	-	-	-	-	-	-	-	-
	1,350,105	71,321,873	121,223,158	19,453,753	149,767,013	38,786,640	4,161,366	49,292,412	455,356,319

(1) Maximum debt service assumes maximum variable interest rates on all variable rate transactions. In addition, assumes constant liquidity and remarketing costs and negative correlation of variable swap payments and receipts due to issuer specific occurrence. See Appendix A for Current Debt Service on outstanding issues.

**APPENDIX B**

**SUBSTANTIAL FORM OF INTEREST RATE MANAGEMENT AGREEMENT**

**(including Draft ISDA Master Agreement, Schedule(s) and Confirmation)**

(Multicurrency--Cross Border)

# ISDA<sup>®</sup>

International Swap Dealers Association, Inc.

## MASTER AGREEMENT

dated as of •

{SWAP PROVIDER} and •

have entered and/or anticipate entering into one or more transactions (each a "Transaction") that are or will be governed by this Master Agreement, which includes the schedule (the "Schedule"), and the documents and other confirming evidence (each a "Confirmation") exchanged between the parties confirming those Transactions.

Accordingly, the parties agree as follows:--

### 1. Interpretation

- (a) **Definitions.** The terms defined in Section 14 and in the Schedule will have the meanings therein specified for the purpose of this Master Agreement.
- (b) **Inconsistency.** In the event of any inconsistency between the provisions of the Schedule and the other provisions of this Master Agreement, the Schedule will prevail. In the event of any inconsistency between the provisions of any Confirmation and this Master Agreement (including the Schedule), such Confirmation will prevail for the purpose of the relevant Transaction.
- (c) **Single Agreement.** All Transactions are entered into in reliance on the fact that this Master Agreement and all Confirmations form a single agreement between the parties (collectively referred to as this "Agreement"), and the parties would not otherwise enter into any Transactions.

### 2. Obligations

- (a) **General Conditions.**
  - (i) Each party will make each payment or delivery specified in each Confirmation to be made by it, subject to the other provisions of this Agreement.
  - (ii) Payments under this Agreement will be made on the due date for value on that date in the place of the account specified in the relevant Confirmation or otherwise pursuant to this Agreement, in freely transferable funds and in the manner customary for payments in the required currency. Where settlement is by delivery (that is, other than by payment), such delivery will be made for receipt on the due date in the manner customary for the relevant obligation unless otherwise specified in the relevant Confirmation or elsewhere in this Agreement.
  - (iii) Each obligation of each party under Section 2(a)(i) is subject to (1) the condition precedent that no Event of Default or Potential Event of Default with respect to the other party has occurred and is continuing, (2) the condition precedent that no Early Termination Date in respect of the relevant Transaction has occurred or been effectively designated and (3) each other applicable condition precedent specified in this Agreement.

(b) **Change of Account.** Either party may change its account for receiving a payment or delivery by giving notice to the other party at least five Local Business Days prior to the scheduled date for the payment or delivery to which such change applies unless such other party gives timely notice of a reasonable objection to such change.

(c) **Netting.** If on any date amounts would otherwise be payable:--

- (i) in the same currency; and
- (ii) in respect of the same Transaction,

by each party to the other, then, on such date, each party's obligation to make payment of any such amount will be automatically satisfied and discharged and, if the aggregate amount that would otherwise have been payable by one party exceeds the aggregate amount that would otherwise have been payable by the other party, replaced by an obligation upon the party by whom the larger aggregate amount would have been payable to pay to the other party the excess of the larger aggregate amount over the smaller aggregate amount.

The parties may elect in respect of two or more Transactions that a net amount will be determined in respect of all amounts payable on the same date in the same currency in respect of such Transactions, regardless of whether such amounts are payable in respect of the same Transaction. The election may be made in the Schedule or a Confirmation by specifying that subparagraph (ii) above will not apply to the Transactions identified as being subject to the election, together with the starting date (in which case subparagraph (ii) above will not, or will cease to, apply to such Transactions from such date). This election may be made separately for different groups of Transactions and will apply separately to each pairing of Offices through which the parties make and receive payments or deliveries.

(d) **Deduction or Withholding for Tax.**

(i) **Gross-Up.** All payments under this Agreement will be made without any deduction or withholding for or on account of any Tax unless such deduction or withholding is required by any applicable law, as modified by the practice of any relevant governmental revenue authority, then in effect. If a party is so required to deduct or withhold, then that party ("X") will:-

- (1) promptly notify the other party ("Y") of such requirement;
- (2) pay to the relevant authorities the full amount required to be deducted or withheld (including the full amount required to be deducted or withheld from any additional amount paid by X to Y under this Section 2(d)) promptly upon the earlier of determining that such deduction or withholding is required or receiving notice that such amount has been assessed against Y;
- (3) promptly forward to Y an official receipt (or a certified copy), or other documentation reasonably acceptable to Y, evidencing such payment to such authorities; and
- (4) if such Tax is an Indemnifiable Tax, pay to Y, in addition to the payment to which Y is otherwise entitled under this Agreement, such additional amount as is necessary to ensure that the net amount actually received by Y (free and clear of Indemnifiable Taxes, whether assessed against X or Y) will equal the full amount Y would have received had no such deduction or withholding been required. However, X will not be required to pay any additional amount to Y to the extent that it would not be required to be paid but for:--

(A) the failure by Y to comply with or perform any agreement contained in Section 4(a)(i), 4(a)(iii) or 4(d); or

(B) the failure of a representation made by Y pursuant to Section 3(f) to be accurate and true unless such failure would not have occurred but for (I) any action taken by a taxing authority, or brought in a court of competent jurisdiction, on or after the date on which a Transaction is entered into (regardless of whether such action is taken or brought with respect to a party to this Agreement) or (II) a Change in Tax Law.

organized, managed and controlled, or considered to have its seat, or in which a branch or office through which it is acting for the purpose of this Agreement is located ("Stamp Tax Jurisdiction") and will indemnify the other party against any Stamp Tax levied or imposed upon the other party or in respect of the other party's execution or performance of this Agreement by any such Stamp Tax Jurisdiction which is not also a Stamp Tax Jurisdiction with respect to the other party.

## 5. Events of Default and Termination Events

(a) **Events of Default.** The occurrence at any time with respect to a party or, if applicable, any Credit Support Provider of such party or any Specified Entity of such party of any of the following events constitutes an event of default (an "Event of Default") with respect to such party:-

(i) **Failure to Pay or Deliver.** Failure by the party to make, when due, any payment under this Agreement or delivery under Section 2(a)(i) or 2(e) required to be made by it if such failure is not remedied on or before the third Local Business Day after notice of such failure is given to the party;

(ii) **Breach of Agreement.** Failure by the party to comply with or perform any agreement or obligation (other than an obligation to make any payment under this Agreement or delivery under Section 2(a)(i) or 2(e) or to give notice of a Termination Event or any agreement or obligation under Section 4(a)(i), 4(a)(iii) or 4(d)) to be complied with or performed by the party in accordance with this Agreement if such failure is not remedied on or before the thirtieth day after notice of such failure is given to the party;

(iii) **Credit Support Default.**

(1) Failure by the party or any Credit Support Provider of such party to comply with or perform any agreement or obligation to be complied with or performed by it in accordance with any Credit Support Document if such failure is continuing after any applicable grace period has elapsed;

(2) the expiration or termination of such Credit Support Document or the failing or ceasing of such Credit Support Document to be in full force and effect for the purpose of this Agreement (in either case other than in accordance with its terms) prior to the satisfaction of all obligations of such party under each Transaction to which such Credit Support Document relates without the written consent of the other party; or

(3) the party or such Credit Support Provider disaffirms, disowns, repudiates or rejects, in whole or in part, or challenges the validity of, such Credit Support Document;

(iv) **Misrepresentation.** A representation (other than a representation under Section 3(e) or (f)) made or repeated or deemed to have been made or repeated by the party or any Credit Support Provider of such party in this Agreement or any Credit Support Document proves to have been incorrect or misleading in any material respect when made or repeated or deemed to have been made or repeated;

(v) **Default under Specified Transaction.** The party, any Credit Support Provider of such party or any applicable Specified Entity of such party (1) defaults under a Specified Transaction and, after giving effect to any applicable notice requirement or grace period, there occurs a liquidation of, an acceleration of obligations under, or an early termination of, that Specified Transaction, (2) defaults, after giving effect to any applicable notice requirement or grace period, in making any payment or delivery due on the last payment delivery or exchange date of, or any payment on early termination of, a Specified Transaction (or such default continues for at least three Local Business Days if there is no applicable notice requirement or grace period) or (3) disaffirms, disclaims, repudiates or rejects, in whole or in part, a Specified Transaction (or such action is taken by any person or entity appointed or empowered to operate it or act on its behalf);

(vi) **Cross Default.** If "Cross Default" is specified in the Schedule as applying to the party, the occurrence or existence of (1) a default, event of default or other similar condition or event (however

described) in respect of such party, any Credit Support Provider of such party or any applicable Specified Entity of such party under one or more agreements or instruments relating to Specified Indebtedness of any of them (individually or collectively) in an aggregate amount of not less than the applicable Threshold Amount (as specified in the Schedule) which has resulted in such Specified Indebtedness becoming, or becoming capable at such time of being declared, due and payable under such agreements or instruments, before it would otherwise have been due and payable or (2) a default by such party, such Credit Support Provider or such Specified Entity (individually or collectively) in making one or more payments on the due date thereof in an aggregate amount of not less than the applicable Threshold Amount under such agreements or instruments (after giving effect to any applicable notice requirement or grace period);

(vii) **Bankruptcy.** The party, any Credit Support Provider of such party or any applicable Specified Entity of such party:-

(1) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (2) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due; (3) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (4) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (A) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (B) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof; (5) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (6) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (7) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter; (8) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (1) to (7) (inclusive); or (9) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts; or

(viii) **Merger Without Assumption.** The party or any Credit Support Provider of such party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer:-

- (1) the resulting, surviving or transferee entity fails to assume all the obligations of such party or such Credit Support Provider under this Agreement or any Credit Support Document to which it or its predecessor was a party by operation of law or pursuant to an agreement reasonably satisfactory to the other party to this Agreement; or
- (2) the benefits of any Credit Support Document fail to extend (without the consent of the other party) to the performance by such resulting, surviving or transferee entity of its obligations under this Agreement.

(b) **Termination Events.** The occurrence at any time with respect to a party or, if applicable, any Credit Support Provider of such party or any Specified Entity of such party of any event specified below constitutes an Illegality if the event is specified in (i) below, a Tax Event if the event is specified in (ii) below or a Tax Event Upon Merger if the event is specified in (iii) below, and, if specified to be applicable, a Credit Event

Upon Merger if the event is specified pursuant to (iv) below or an Additional Termination Event if the event is specified pursuant to (v) below:--

(i) **Illegality.** Due to the adoption of, or any change in, any applicable law after the date on which a Transaction is entered into, or due to the promulgation of, or any change in, the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law after such date, it becomes unlawful (other than as a result of a breach by the party of Section 4(b)) for such party (which will be the Affected Party):-

(1) to perform any absolute or contingent obligation to make a payment or delivery or to receive a payment or delivery in respect of such Transaction or to comply with any other material provision of this Agreement relating to such Transaction; or

(2) to perform, or for any Credit Support Provider of such party to perform, any contingent or other obligation which the party (or such Credit Support Provider) has under any Credit Support Document relating to such Transaction;

(ii) **Tax Event.** Due to (x) any action taken by a taxing authority, or brought in a court of competent jurisdiction, on or after the date on which a Transaction is entered into (regardless of whether such action is taken or brought with respect to a party to this Agreement) or (y) a Change in Tax Law, the party (which will be the Affected Party) will, or there is a substantial likelihood that it will, on the next succeeding Scheduled Payment Date (1) be required to pay to the other party an additional amount in respect of an Indemnifiable Tax under Section 2(d)(i)(4) (except in respect of interest under Section 2(e), 6(d)(ii) or 6(e)) or (2) receive a payment from which an amount is required to be deducted or withheld for or on account of a Tax (except in respect of interest under Section 2(e), 6(d)(ii) or 6(e)) and no additional amount is required to be paid in respect of such Tax under Section 2(d)(i)(4) (other than by reason of Section 2(d)(i)(4)(A) or (B));

(iii) **Tax Event Upon Merger.** The party (the "Burdened Party") on the next succeeding Scheduled Payment Date will either (1) be required to pay an additional amount in respect of an Indemnifiable Tax under Section 2(d)(i)(4) (except in respect of interest under Section 2(e), 6(d)(ii) or 6(e)) or (2) receive a payment from which an amount has been deducted or withheld for or on account of any Indemnifiable Tax in respect of which the other party is not required to pay an additional amount (other than by reason of Section 2(d)(i)(4)(A) or (B)), in either case as a result of a party consolidating or amalgamating with, or merging with or into, or transferring all or substantially all its assets to, another entity (which will be the Affected Party) where such action does not constitute an event described in Section 5(a)(viii);

(iv) **Credit Event Upon Merger.** If "Credit Event Upon Merger" is specified in the Schedule as applying to the party, such party ("X"), any Credit Support Provider of X or any applicable Specified Entity of X consolidates or amalgamates with, or merges with or into, or transfers all or substantially all its assets to, another entity and such action does not constitute an event described in Section 5(a)(viii) but the creditworthiness of the resulting, surviving or transferee entity is materially weaker than that of X, such Credit Support Provider or such Specified Entity, as the case may be, immediately prior to such action (and, in such event, X or its successor or transferee, as appropriate, will be the Affected Party); or

(v) **Additional Termination Event.** If any "Additional Termination Event" is specified in the Schedule or any Confirmation as applying, the occurrence of such event (and, in such event, the Affected Party or Affected Parties shall be as specified for such Additional Termination Event in the Schedule or such Confirmation).

(c) **Event of Default and Illegality.** If an event or circumstance which would otherwise constitute or give rise to an Event of Default also constitutes an Illegality, it will be treated as an Illegality and will not constitute an Event of Default.

## 6. Early Termination

(a) **Right to Terminate Following Event of Default.** If at any time an Event of Default with respect to a party (the "Defaulting Party") has occurred and is then continuing, the other party (the "Non-defaulting Party") may, by not more than 20 days notice to the Defaulting Party specifying the relevant Event of Default, designate a day not earlier than the day such notice is effective as an Early Termination Date in respect of all outstanding Transactions. If, however, "Automatic Early Termination" is specified in the Schedule as applying to a party, then an Early Termination Date in respect of all outstanding Transactions will occur immediately upon the occurrence with respect to such party of an Event of Default specified in Section 5(a)(vii)( 1), (3), (5), (6) or, to the extent analogous thereto, (8), and as of the time immediately preceding the institution of the relevant proceeding or the presentation of the relevant petition upon the occurrence with respect to such party of an Event of Default specified in Section 5(a)(vii)(4) or, to the extent analogous thereto, (8).

### (b) **Right to Terminate Following Termination Event.**

(i) **Notice.** If a Termination Event occurs, an Affected Party will, promptly upon becoming aware of it, notify the other party, specifying the nature of that Termination Event and each Affected Transaction and will also give such other information about that Termination Event as The other party may reasonably require.

(ii) **Transfer to Avoid Termination Event.** If either an Illegality under Section 5(b)(i)(1) or a Tax Event occurs and there is only one Affected Party, or if a Tax Event Upon Merger occurs and the Burdened Party is the Affected Party, the Affected Party will, as a condition to its right to designate an Early Termination Date under Section 6(b)(iv), use all reasonable efforts (which will not require such party to incur a loss, excluding immaterial, incidental expenses) to transfer within 20 days after it gives notice under Section 6(b)(i) all its rights and obligations under this Agreement in respect of the Affected Transactions to another of its Offices or Affiliates so that such Termination Event ceases to exist.

If the Affected Party is not able to make such a transfer it will give notice to the other party to that effect within such 20 day period, whereupon the other party may effect such a transfer within 30 days after the notice is given under Section 6(b)(i).

Any such transfer by a party under this Section 6(b)(ii) will be subject to and conditional upon the prior written consent of the other party, which consent will not be withheld if such other party's policies in effect at such time would permit it to enter into transactions with the transferee on the terms proposed.

(iii) **Two Affected Parties.** If an Illegality under Section 5(b)(i)(1) or a Tax Event occurs and there are two Affected Parties, each party will use all reasonable efforts to reach agreement within 30 days after notice thereof is given under Section 6(b)(i) on action to avoid that Termination Event.

### (iv) **Right to Terminate.** If:--

(1) a transfer under Section 6(b)(ii) or an agreement under Section 6(b)(iii), as the case may be, has not been effected with respect to all Affected Transactions within 30 days after an Affected Party gives notice under Section 6(b)(i); or

(2) an Illegality under Section 5(b)(i)(2), a Credit Event Upon Merger or an Additional Termination Event occurs, or a Tax Event Upon Merger occurs and the Burdened Party is not the Affected Party,

either party in the case of an Illegality, the Burdened Party in the case of a Tax Event Upon Merger, any Affected Party in the case of a Tax Event or an Additional Termination Event if there is more than one Affected Party, or the party which is not the Affected Party in the case of a Credit Event Upon Merger or an Additional Termination Event if there is only one Affected Party may, by not more than 20 days notice to the other party and provided that the relevant Termination Event is then

continuing, designate a day not earlier than the day such notice is effective as an Early Termination Date in respect of all Affected Transactions.

(c) ***Effect of Designation.***

(i) If notice designating an Early Termination Date is given under Section 6(a) or (b), the Early Termination Date will occur on the date so designated, whether or not the relevant Event of Default or Termination Event is then continuing.

(ii) Upon The occurrence or effective designation of an Early Termination Date, no further payments or deliveries under Section 2(a)(i) or 2(e) in respect of the Terminated Transactions will be required to be made, but without prejudice to the other provisions of this Agreement. The amount, if any, payable in respect of an Early Termination Date shall be determined pursuant to Section 6(e).

(d) ***Calculations.***

(i) ***Statement.*** On or as soon as reasonably practicable following the occurrence of an Early Termination Date, each party will make the calculations on its part, if any, contemplated by Section 6(e) and will provide to the other party a statement (1) showing, in reasonable detail, such calculations (including all relevant quotations and specifying any amount payable under Section 6(e)) and (2) giving details of the relevant account to which any amount payable to it is to be paid. In the absence of written confirmation from the source of a quotation obtained in determining a Market Quotation, the records of the party obtaining such quotation will be conclusive evidence of the existence and accuracy of such quotation.

(ii) ***Payment Date.*** An amount calculated as being due in respect of any Early Termination Date under Section 6(e) will be payable on the day that notice of the amount payable is effective (in the case of an Early Termination Date which is designated or occurs as a result of an Event of Default) and on the day which is two Local Business Days after the day on which notice of the amount payable is effective (in the case of an Early Termination Date which is designated as a result of a Termination Event). Such amount will be paid together with (to the extent permitted under applicable law) interest thereon (before as well as after judgment) in the Termination Currency, from (and including) the relevant Early Termination Date to (but excluding) the date such amount is paid, at the Applicable Rate. Such interest will be calculated on the basis of daily compounding and the actual number of days elapsed.

(e) ***Payments on Early Termination.*** If an Early Termination Date occurs, the following provisions shall apply based on the parties' election in the Schedule of a payment measure, either "Market Quotation" or "Loss", and a payment method, either the "First Method" or the "Second Method". If the parties fail to designate a payment measure or payment method in the Schedule, it will be deemed that "Market Quotation" or the "Second Method", as the case may be, shall apply. The amount, if any, payable in respect of an Early Termination Date and determined pursuant to this Section will be subject to any Set-off.

(i) ***Events of Default.*** If the Early Termination Date results from an Event of Default:-

(1) ***First Method and Market Quotation.*** If the First Method and Market Quotation apply, the Defaulting Party will pay to the Non-defaulting Party the excess, if a positive number, of (A) the sum of the Settlement Amount (determined by the Non-defaulting Party) in respect of the Terminated Transactions and the Termination Currency Equivalent of the Unpaid Amounts owing to the Non-defaulting Party over (B) The Termination Currency Equivalent of the Unpaid Amounts owing to the Defaulting Party.

(2) ***First Method and Loss.*** If the First Method and Loss apply, the Defaulting Party will pay to the Non-defaulting Party, if a positive number, the Non-defaulting Party's Loss in respect of this Agreement.

(3) ***Second Method and Market Quotation.*** If the Second Method and Market Quotation apply, an amount will be payable equal to (A) The sum of the Settlement Amount (determined by the

Non-defaulting Party) in respect of the Terminated Transactions and the Termination Currency Equivalent of the Unpaid Amounts owing to the Non-defaulting Party less (B) the Termination Currency Equivalent of the Unpaid Amounts owing to the Defaulting Party. If that amount is a positive number, the Defaulting Party will pay it to the Non-defaulting Party; if it is a negative number, the Non-defaulting Party will pay the absolute value of that amount to the Defaulting Party.

(4) *Second Method and Loss.* If the Second Method and Loss apply, an amount will be payable equal to the Non-defaulting Party's Loss in respect of this Agreement. If that amount is a positive number, the Defaulting Party will pay it to the Non-defaulting Party; if it is a negative number, the Non-defaulting Party will pay the absolute value of that amount to the Defaulting Party.

(ii) **Termination Events.** If the Early Termination Date results from a Termination Event:-

(1) *One Affected Party.* If there is one Affected Party, the amount payable will be determined in accordance with Section 6(e)(i)(3), if Market Quotation applies, or Section 6(e)(i)(4), if Loss applies, except that, in either case, references to the Defaulting Party and to the Non-defaulting Party will be deemed to be references to the Affected Party and the party which is not the Affected Party, respectively, and, if Loss applies and fewer than all the Transactions are being terminated, Loss shall be calculated in respect of all Terminated Transactions.

(2) *Two Affected Parties.* If there are two Affected Parties:-

(A) if Market Quotation applies, each party will determine a Settlement Amount in respect of the Terminated Transactions, and an amount will be payable equal to (I) the sum of (a) one-half of the difference between the Settlement Amount of the party with the higher Settlement Amount ("X") and the Settlement Amount of the party with the lower Settlement Amount ("Y") and (b) the Termination Currency Equivalent of the Unpaid Amounts owing to X less (II) the Termination Currency Equivalent of the Unpaid Amounts owing to Y; and

(B) if Loss applies, each party will determine its Loss in respect of this Agreement (or, if fewer than all the Transactions are being terminated, in respect of all Terminated Transactions) and an amount will be payable equal to one-half of the difference between the Loss of the party with the bigger Loss ("X") and the Loss of the party with the lower Loss ("Y").

If the amount payable is a positive number, Y will pay it to X, if it is a negative number, X will pay the absolute value of that amount to Y.

(iii) **Adjustment for Bankruptcy.** In circumstances where an Early Termination Date occurs because "Automatic Early Termination" applies in respect of a party, the amount determined under this Section 6(e) will be subject to such adjustments as are appropriate and permitted by law to reflect any payments or deliveries made by one party to the other under this Agreement (and retained by such other party) during the period from the relevant Early Termination Date to the date for payment determined under Section 6(d)(ii).

(iv) **Pre-Estimate.** The parties agree that if Market Quotation applies an amount recoverable under this Section 6(e) is a reasonable pre-estimate of loss and not a penalty. Such amount is payable for the loss of bargain and the loss of protection against future risks and except as otherwise provided in this Agreement neither party will be entitled to recover any additional damages as a consequence of such losses.

## 7. Transfer

Subject to Section 6(b)(ii), neither this Agreement nor any interest or obligation in or under this Agreement may be transferred (whether by way of security or otherwise) by either party without the prior written consent of the other party, except that:-

- (a) a party may make such a transfer of this Agreement pursuant to a consolidation or amalgamation with, or merger with or into, or transfer of all or substantially all its assets to, another entity (but without prejudice to any other right or remedy under this Agreement); and
- (b) a party may make such a transfer of all or any part of its interest in any amount payable to it from a Defaulting Party under Section 6(e).

Any purported transfer that is not in compliance with this Section will be void.

## 8. Contractual Currency

- (a) **Payment in the Contractual Currency.** Each payment under this Agreement will be made in the relevant currency specified in this Agreement for that payment (the "Contractual Currency"). To the extent permitted by applicable law, any obligation to make payments under this Agreement in the Contractual Currency will not be discharged or satisfied by any tender in any currency other than the Contractual Currency, except to the extent such tender results in the actual receipt by the party to which payment is owed, acting in a reasonable manner and in good faith in converting the currency so tendered into the Contractual Currency, of the full amount in the Contractual Currency of all amounts payable in respect of this Agreement. If for any reason the amount in the Contractual Currency so received falls short of the amount in the Contractual Currency payable in respect of this Agreement, the party required to make the payment will, to the extent permitted by applicable law, immediately pay such additional amount in the Contractual Currency as may be necessary to compensate for the shortfall. If for any reason the amount in the Contractual Currency so received exceeds The amount in the Contractual Currency payable in respect of this Agreement, the party receiving the payment will refund promptly the amount of such excess.
- (b) **Judgments.** To the extent permitted by applicable law, if any judgment or order expressed in a currency other than the Contractual Currency is rendered (i) for the payment of any amount owing in respect of this Agreement, (ii) for the payment of any amount relating to any early termination in respect of this Agreement or (iii) in respect of a judgment or order of another court for the payment of any amount described in (i) or (ii) above, the party seeking recovery, after recovery in full of the aggregate amount to which such party is entitled pursuant to the judgment or order, will be entitled to receive immediately from the other party the amount of any shortfall of the Contractual Currency received by such party as a consequence of sums paid in such other currency and will refund promptly to the other party any excess of the Contractual Currency received by such party as a consequence of sums paid in such other currency if such shortfall or such excess arises or results from any variation between the rate of exchange at which the Contractual Currency is converted into the currency of the judgment or order for the purposes of such judgment or order and the rate of exchange at which such party is able, acting in a reasonable manner and in good faith in converting the currency received into the Contractual Currency, to purchase the Contractual Currency with the amount of the currency of the judgment or order actually received by such party. The term "rate of exchange" includes, without limitation, any premiums and costs of exchange payable in connection with the purchase of or conversion into the Contractual Currency.
- (c) **Separate Indemnities.** To the extent permitted by applicable law, these indemnities constitute separate and independent obligations from the other obligations in this Agreement, will be enforceable as separate and independent causes of action, will apply notwithstanding any indulgence granted by the party to which any payment is owed and will not be affected by judgment being obtained or claim or proof being made for any other sums payable in respect of this Agreement.
- (d) **Evidence of Loss.** For the purpose of this Section 8, it will be sufficient for a party to demonstrate that it would have suffered a loss had an actual exchange or purchase been made.

## 9. Miscellaneous

- (a) **Entire Agreement.** This Agreement constitutes the entire agreement and understanding of the parties with respect to its subject matter and supersedes all oral communication and prior writings with respect thereto.
- (b) **Amendments.** No amendment, modification or waiver in respect of this Agreement will be effective unless in writing (including a writing evidenced by a facsimile transmission) and executed by each of the parties or confirmed by an exchange of telexes or electronic messages on an electronic messaging system.
- (c) **Survival of Obligations.** Without prejudice to Sections 2(a)(iii) and 6(c)(ii), the obligations of the parties under this Agreement will survive the termination of any Transaction.
- (d) **Remedies Cumulative.** Except as provided in this Agreement, the rights, powers, remedies and privileges provided in this Agreement are cumulative and not exclusive of any rights, powers, remedies and privileges provided by law.
- (e) **Counterparts and Confirmations.**
- (i) This Agreement (and each amendment, modification and waiver in respect of it) may be executed and delivered in counterparts (including by facsimile transmission), each of which will be deemed an original.
  - (ii) The parties intend that they are legally bound by the terms of each Transaction from the moment they agree to those terms (whether orally or otherwise). A Confirmation shall be entered into as soon as practicable and may be executed and delivered in counterparts (including by facsimile transmission) or be created by an exchange of telexes or by an exchange of electronic messages on an electronic messaging system, which in each case will be sufficient for all purposes to evidence a binding supplement to this Agreement. The parties will specify therein or through another effective means that any such counterpart, telex or electronic message constitutes a Confirmation.
- (f) **No Waiver of Rights.** A failure or delay in exercising any right, power or privilege in respect of this Agreement will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or further exercise, of that right, power or privilege or the exercise of any other right, power or privilege.
- (g) **Headings.** The headings used in this Agreement are for convenience of reference only and are not to affect the construction of or to be taken into consideration in interpreting this Agreement.

## 10. Offices; Multibranch Parties

- (a) If Section 10(a) is specified in the Schedule as applying, each party that enters into a Transaction through an Office other than its head or home office represents to the other party that, notwithstanding the place of booking office or jurisdiction of incorporation or organization of such party, the obligations of such party are the same as if it had entered into the Transaction through its head or home office. This representation will be deemed to be repeated by such party on each date on which a Transaction is entered into.
- (b) Neither party may change the Office through which it makes and receives payments or deliveries for the purpose of a Transaction without the prior written consent of the other party.
- (c) If a party is specified as a Multibranch Party in the Schedule, such Multibranch Party may make and receive payments or deliveries under any Transaction through any Office listed in the Schedule, and the Office through which it makes and receives payments or deliveries with respect to a Transaction will be specified in the relevant Confirmation.

## 11. Expenses

A Defaulting Party will, on demand, indemnify and hold harmless the other party for and against all reasonable out-of-pocket expenses, including legal fees and Stamp Tax, incurred by such other party by reason of the enforcement and protection of its rights under this Agreement or any Credit Support Document.

to which the Defaulting Party is a party or by reason of the early termination of any Transaction, including, but not limited to, costs of collection.

## 12. Notices

(a) **Effectiveness.** Any notice or other communication in respect of this Agreement may be given in any manner set forth below (except that a notice or other communication under Section 5 or 6 may not be given by facsimile transmission or electronic messaging system) to the address or number or in accordance with the electronic messaging system details provided (see the Schedule) and will be deemed effective as indicated:-

- (i) if in writing, and delivered in person or by courier, on the date it is delivered;
- (ii) if sent by telex, on the date the recipient's answerback is received;
- (iii) if sent by facsimile transmission, on the date that transmission is received by a responsible employee of the recipient in legible form (it being agreed that the burden of proving receipt will be on the sender and will not be met by a transmission report generated by the sender's facsimile machine);
- (iv) if sent by certified or registered mail (airmail, if overseas) or the equivalent (return receipt requested), on the date that mail is delivered or its delivery is attempted; or
- (v) if sent by electronic messaging system, on the date that electronic message is received,

unless the date of that delivery (or attempted delivery) or that receipt, as applicable, is not a Local Business Day or that communication is delivered (or attempted) or received, as applicable, after the close of business on a Local Business Day, in which case that communication shall be deemed given and effective on the first following day that is a Local Business Day.

(b) **Change of Addresses.** Either party may by notice to the other change the address, telex or facsimile number or electronic messaging system details at which notices or other communications are to be given to it.

## 13. Governing Law and Jurisdiction

(a) **Governing Law.** This Agreement will be governed by and construed in accordance with the law specified in the Schedule.

(b) **Jurisdiction.** With respect to any suit, action or proceedings relating to this Agreement ("Proceedings"), each party irrevocably:-

- (i) submits to the jurisdiction of the English courts, if this Agreement is expressed to be governed by English law, or to the non-exclusive jurisdiction of the courts of the State of New York and the United States District Court located in the Borough of Manhattan in New York City, if this Agreement is expressed to be governed by the laws of the State of New York; and
- (ii) waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have any jurisdiction over such party.

Nothing in this Agreement precludes either party from bringing Proceedings in any other jurisdiction (outside, if this Agreement is expressed to be governed by English law, the Contracting States, as defined in Section 1(3) of the Civil Jurisdiction and Judgments Act 1982 or any modification, extension or re-enactment thereof for the time being in force) nor will the bringing of Proceedings in any one or more jurisdictions preclude the bringing of Proceedings in any other jurisdiction.

(c) **Service of Process.** Each party irrevocably appoints the Process Agent (if any) specified opposite its name in the Schedule to receive, for it and on its behalf, service of process in any Proceedings. If for any

reason any party's Process Agent is unable to act as such, such party will promptly notify the other party and within 30 days appoint a substitute process agent acceptable to the other party. The parties irrevocably consent to service of process given in the manner provided for notices in Section 12. Nothing in this Agreement will affect the right of either party to serve process in any other manner permitted by law.

(d) **Waiver of Immunities.** Each party irrevocably waives, to the fullest extent permitted by applicable law, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from (i) suit, (ii) jurisdiction of any court, (iii) relief by way of injunction, order for specific performance or for recovery of property, (iv) attachment of its assets (whether before or after judgment) and (v) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any Proceedings in the courts of any jurisdiction and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any such immunity in any Proceedings.

#### 14. Definitions

As used in this Agreement:--

**"Additional Termination Event"** has the meaning specified in Section 5(b).

**"Affected Party"** has the meaning specified in Section 5(b).

**"Affected Transactions"** means (a) with respect to any Termination Event consisting of an Illegality, Tax Event or Tax Event Upon Merger, all Transactions affected by the occurrence of such Termination Event and (b) with respect to any other Termination Event, all Transactions.

**"Affiliate"** means, subject to the Schedule, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, "control" of any entity or person means ownership of a majority of the voting power of the entity or person.

**"Applicable Rate"** means:--

(a) in respect of obligations payable or deliverable (or which would have been but for Section 2(a)(iii)) by a Defaulting Party, the Default Rate;

(b) in respect of an obligation to pay an amount under Section 6(e) of either party from and after the date (determined in accordance with Section 6(d)(ii)) on which that amount is payable, the Default Rate;

(c) in respect of all other obligations payable or deliverable (or which would have been but for Section 2(a)(iii)) by a Non-defaulting Party, The Non-default Rate; and

(d) in all other cases, the Termination Rate.

**"Burdened Party"** has the meaning specified in Section 5(b).

**"Change in Tax Law"** means the enactment, promulgation, execution or ratification of, or any change in or amendment to, any law (or in the application or official interpretation of any law) that occurs on or after the date on which the relevant Transaction is entered into.

**"consent"** includes a consent, approval, action, authorization, exemption, notice, filing, registration or exchange control consent.

**"Credit Event Upon Merger"** has the meaning specified in Section 5(b).

**"Credit Support Document"** means any agreement or instrument that is specified as such in this Agreement.

**"Credit Support Provider"** has the meaning specified in the Schedule.

**"Default Rate"** means a rate per annum equal to the cost (without proof or evidence of any actual cost) to the relevant payee (as certified by it) if it were to fund or of funding the relevant amount plus 1 % per annum.

**"Defaulting Party"** has the meaning specified in Section 6(a).

**"Early Termination Date"** means the date determined in accordance with Section 6(a) or 6(b)(iv).

**"Event of Default"** has the meaning specified in Section 5(a) and, if applicable, in the Schedule.

**"Illegality"** has the meaning specified in Section 5(b).

**"Indemnifiable Tax"** means any Tax other than a Tax that would not be imposed in respect of a payment under this Agreement but for a present or former connection between the jurisdiction of the government or taxation authority imposing such Tax and the recipient of such payment or a person related to such recipient (including, without limitation, a connection arising from such recipient or related person being or having been a citizen or resident of such jurisdiction, or being or having been organized, present or engaged in a trade or business in such jurisdiction, or having or having had a permanent establishment or fixed place of business in such jurisdiction, but excluding a connection arising solely from such recipient or related person having executed, delivered, performed its obligations or received a payment under, or enforced, this Agreement or a Credit Support Document).

**"law"** includes any treaty, law, rule or regulation (as modified, in the case of tax matters, by the practice of any relevant governmental revenue authority) and **"lawful"** and **"unlawful"** will be construed accordingly.

**"Local Business Day"** means, subject to the Schedule, a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) (a) in relation to any obligation under Section 2(a)(i), in the place(s) specified in the relevant Confirmation or, if not so specified, as otherwise agreed by the parties in writing or determined pursuant to provisions contained, or incorporated by reference, in this Agreement, (b) in relation to any other payment, in the place where the relevant account is located and, if different, in the principal financial center, if any, of the currency of such payment, (c) in relation to any notice or other communication, including notice contemplated under Section 5(a)(i), in the city specified in the address for notice provided by the recipient and, in the case of a notice contemplated by Section 2(b), in the place where the relevant new account is to be located and (d) in relation to Section 5(a)(v)(2), in the relevant locations for performance with respect to such Specified Transaction.

**"Loss"** means, with respect to this Agreement or one or more Terminated Transactions, as the case may be, and a party, the Termination Currency Equivalent of an amount that party reasonably determines in good faith to be its total losses and costs (or gain, in which case expressed as a negative number) in connection with this Agreement or that Terminated Transaction or group of Terminated Transactions, as the case may be, including any loss of bargain, cost of funding or, at the election of such party but without duplication, loss or cost incurred as a result of its terminating, liquidating, obtaining or reestablishing any hedge or related trading position (or any gain resulting from any of them). Loss includes losses and costs (or gains) in respect of any payment or delivery required to have been made (assuming satisfaction of each applicable condition precedent) on or before the relevant Early Termination Date and not made, except, so as to avoid duplication, if Section 6(e)(i)(1) or (3) or 6(e)(ii)(2)(A) applies. Loss does not include a party's legal fees and out-of-pocket expenses referred to under Section 11. A party will determine its Loss as of the relevant Early Termination Date, or, if that is not reasonably practicable, as of The earliest date thereafter as is reasonably practicable. A party may (but need not) determine its Loss by reference to quotations of relevant rates or prices from one or more leading dealers in the relevant markets.

**"Market Quotation"** means, with respect to one or more Terminated Transactions and a party making the determination, an amount determined on the basis of quotations from Reference Market-makers. Each quotation will be for an amount, if any, that would be paid to such party (expressed as a negative number) or by such party (expressed as a positive number) in consideration of an agreement between such party (taking into account any existing Credit Support Document with respect to the obligations of such party) and the quoting Reference Market-maker to enter into a transaction (the "Replacement Transaction") that would have the effect of preserving for such party the economic equivalent of any payment or delivery (whether the underlying obligation was absolute or contingent and assuming the satisfaction of each applicable condition precedent) by the parties under Section 2(a)(i) in respect of such Terminated Transaction or group of Terminated Transactions that would, but for the occurrence of the relevant Early Termination Date, have

been required after that date. For this purpose, Unpaid Amounts in respect of the Terminated Transaction or group of Terminated Transactions are to be excluded but, without limitation, any payment or delivery that would, but for the relevant Early Termination Date, have been required (assuming satisfaction of each applicable condition precedent) after that Early Termination Date is to be included. The Replacement Transaction would be subject to such documentation as such party and the Reference Market-maker may, in good faith, agree. The party making the determination (or its agent) will request each Reference Market-maker to provide its quotation to the extent reasonably practicable as of the same day and time (without regard to different time zones) on or as soon as reasonably practicable after the relevant Early Termination Date. The day and time as of which those quotations are to be obtained will be selected in good faith by the party obliged to make a determination under Section 6(e), and, if each party is so obliged, after consultation with the other. If more than three quotations are provided, the Market Quotation will be the arithmetic mean of the quotations, without regard to the quotations having the biggest and lowest values. If exactly three such quotations are provided, the Market Quotation will be the quotation remaining after disregarding the highest and lowest quotations. For this purpose, if more than one quotation has the same highest value or lowest value, then one of such quotations shall be disregarded. If fewer than three quotations are provided, it will be deemed that the Market Quotation in respect of such Terminated Transaction or group of Terminated Transactions cannot be determined.

**"Non-default Rate"** means a rate per annum equal to the cost (without proof or evidence of any actual cost) to the Non-defaulting Party (as certified by it) if it were to fund the relevant amount.

**"Non-defaulting Party"** has the meaning specified in Section 6(a).

**"Office"** means a branch or office of a party, which may be such party's head or home office.

**"Potential Event of Default"** means any event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default.

**"Reference Market-makers"** means four leading dealers in the relevant market selected by the party determining a Market Quotation in good faith (a) from among dealers of the biggest credit standing which satisfy all the criteria that such party applies generally at the time in deciding whether to offer or to make an extension of credit and (b) to the extent practicable, from among such dealers having an office in the same city.

**"Relevant Jurisdiction"** means, with respect to a party, the jurisdictions (a) in which the party is incorporated, organized, managed and controlled or considered to have its seat, (b) where an Office through which the party is acting for purposes of this Agreement is located, (c) in which the party executes this Agreement and (d) in relation to any payment, from or through which such payment is made.

**"Scheduled Payment Date"** means a date on which a payment or delivery is to be made under Section 2(a)(i) with respect to a Transaction.

**"Set-off"** means set-off, offset, combination of accounts, right of retention or withholding or similar right or requirement to which the payer of an amount under Section 6 is entitled or subject (whether arising under this Agreement, another contract, applicable law or otherwise) that is exercised by, or imposed on, such payer.

**"Settlement Amount"** means, with respect to a party and any Early Termination Date, The sum of:-

(a) the Termination Currency Equivalent of the Market Quotations (whether positive or negative) for each Terminated Transaction or group of Terminated Transactions for which a Market Quotation is determined;  
and

(b) such party's Loss (whether positive or negative and without reference to any Unpaid Amounts) for each Terminated Transaction or group of Terminated Transactions for which a Market Quotation cannot be determined or would not (in the reasonable belief of the party making the determination) produce a commercially reasonable result.

**"Specified Entity"** has the meaning specified in the Schedule.

(ii) **Liability.** If:--

- (1) X is required by any applicable law, as modified by the practice of any relevant governmental revenue authority, to make any deduction or withholding in respect of which X would not be required to pay an additional amount to Y under Section 2(d)(i)(4);
- (2) X does not so deduct or withhold; and
- (3) a liability resulting from such Tax is assessed directly against X,

then, except to the extent Y has satisfied or then satisfies the liability resulting from such Tax, Y will promptly pay to X the amount of such liability (including any related liability for interest, but including any related liability for penalties only if Y has failed to comply with or perform any agreement contained in Section 4(a)(i), 4(a)(iii) or 4(d)).

(e) **Default Interest; Other Amounts.** Prior to the occurrence or effective designation of an Early Termination Date in respect of the relevant Transaction, a party that defaults in the performance of any payment obligation will, to the extent permitted by law and subject to Section 6(c), be required to pay interest (before as well as after judgment) on the overdue amount to the other party on demand in the same currency as such overdue amount, for the period from (and including) the original due date for payment to (but excluding) the date of actual payment, at the Default Rate. Such interest will be calculated on the basis of daily compounding and the actual number of days elapsed. If, prior to the occurrence or effective designation of an Early Termination Date in respect of the relevant Transaction, a party defaults in the performance of any obligation required to be settled by delivery, it will compensate the other party on demand if and to the extent provided for in the relevant Confirmation or elsewhere in this Agreement.

### 3. Representations

Each party represents to the other party (which representations will be deemed to be repeated by each party on each date on which a Transaction is entered into and, in the case of the representations in Section 3(f), at all times until the termination of this Agreement) that:--

(a) **Basic Representations.**

(i) **Status.** It is duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation and, if relevant under such laws, in good standing;

(ii) **Powers.** It has the power to execute this Agreement and any other documentation relating to this Agreement to which it is a party, to deliver this Agreement and any other documentation relating to this Agreement that it is required by this Agreement to deliver and to perform its obligations under this Agreement and any obligations it has under any Credit Support Document to which it is a party and has taken all necessary action to authorize such execution, delivery and performance;

(iii) **No Violation or Conflict.** Such execution, delivery and performance do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgment of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets;

(iv) **Consents.** All governmental and other consents that are required to have been obtained by it with respect to this Agreement or any Credit Support Document to which it is a party have been obtained and are in full force and effect and all conditions of any such consents have been complied with; and

(v) **Obligations Binding.** Its obligations under this Agreement and any Credit Support Document to which it is a party constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)).

(b) **Absence of Certain Events.** No Event of Default or Potential Event of Default or, to its knowledge, Termination Event with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement or any Credit Support Document to which it is a party.

(c) **Absence of Litigation.** There is not pending or, to its knowledge, threatened against it or any of its Affiliates any action, suit or proceeding at law or in equity or before any court, tribunal, governmental body, agency or official or any arbitrator that is likely to affect the legality, validity or enforceability against it of this Agreement or any Credit Support Document to which it is a party or its ability to perform its obligations under this Agreement or such Credit Support Document.

(d) **Accuracy of Specified Information.** All applicable information that is furnished in writing by or on behalf of it to the other party and is identified for the purpose of this Section 3(d) in the Schedule is, as of the date of the information, true, accurate and complete in every material respect.

(e) **Payer Tax Representation.** Each representation specified in the Schedule as being made by it for the purpose of this Section 3(e) is accurate and true.

(f) **Payee Tax Representations.** Each representation specified in the Schedule as being made by it for the purpose of this Section 3(f) is accurate and true.

#### 4. Agreements

Each party agrees with the other that, so long as either party has or may have any obligation under this Agreement or under any Credit Support Document to which it is a party:--

(a) **Furnish Specified Information.** It will deliver to the other party or, in certain cases under subparagraph (iii) below, to such government or taxing authority as the other party reasonably directs:--

(i) any forms, documents or certificates relating to taxation specified in the Schedule or any Confirmation;

(ii) any other documents specified in the Schedule or any Confirmation, and

(iii) upon reasonable demand by such other party, any form or document that may be required or reasonably requested in writing in order to allow such other party or its Credit Support Provider to make a payment under this Agreement or any applicable Credit Support Document without any deduction or withholding for or on account of any Tax or with such deduction or withholding at a reduced rate (so long as the completion, execution or submission of such form or document would not materially prejudice the legal or commercial position of the party in receipt of such demand), with any such form or document to be accurate and completed in a manner reasonably satisfactory to such other party and to be executed and to be delivered with any reasonably required certification,

in each case by the date specified in the Schedule or such Confirmation or, if none is specified, as soon as reasonably practicable.

(b) **Maintain Authorizations.** It will use all reasonable efforts to maintain in full force and effect all consents of any governmental or other authority that are required to be obtained by it with respect to this Agreement or any Credit Support Document to which it is a party and will use all reasonable efforts to obtain any that may become necessary in the future.

(c) **Comply with Laws.** It will comply in all material respects with all applicable laws and orders to which it may be subject if failure so to comply would materially impair its ability to perform its obligations under this Agreement or any Credit Support Document to which it is a party.

(d) **Tax Agreement.** It will give notice of any failure of a representation made by it under Section 3(f) to be accurate and true promptly upon learning of such failure.

(e) **Payment of Stamp Tax.** Subject to Section 11, it will pay any Stamp Tax levied or imposed upon it or in respect of its execution or performance of this Agreement by a jurisdiction in which it is incorporated,

**"Specified Indebtedness"** means, subject to the Schedule, any obligation (whether present or future, contingent or otherwise, as principal or surety or otherwise) in respect of borrowed money.

**"Specified Transaction"** means, subject to the Schedule, (a) any transaction (including an agreement with respect thereto) now existing or hereafter entered into between one party to this Agreement (or any Credit Support Provider of such party or any applicable Specified Entity of such party) and the other party to this Agreement (or any Credit Support Provider of such other party or any applicable Specified Entity of such other party) which is a rate swap transaction, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of these transactions), (b) any combination of these transactions and (c) any other transaction identified as a Specified Transaction in this Agreement or the relevant confirmation.

**"Stamp Tax"** means any stamp, registration, documentation or similar tax.

**"Tax"** means any present or future tax, levy, impost, duty, charge, assessment or fee of any nature (including interest, penalties and additions thereto) that is imposed by any government or other taxing authority in respect of any payment under this Agreement other than a stamp, registration, documentation or similar tax.

**"Tax Event"** has the meaning specified in Section 5(b).

**"Tax Event Upon Merger"** has the meaning specified in Section 5(b).

**"Terminated Transactions"** means with respect to any Early Termination Date (a) if resulting from a Termination Event, all Affected Transactions and (b) if resulting from an Event of Default, all Transactions (in either case) in effect immediately before the effectiveness of the notice designating that Early Termination Date (or, if "Automatic Early Termination" applies, immediately before that Early Termination Date).

**"Termination Currency"** has the meaning specified in the Schedule.

**"Termination Currency Equivalent"** means, in respect of any amount denominated in the Termination Currency, such Termination Currency amount and, in respect of any amount denominated in a currency other than the Termination Currency (the "Other Currency"), the amount in the Termination Currency determined by the party making the relevant determination as being required to purchase such amount of such Other Currency as at the relevant Early Termination Date, or, if the relevant Market Quotation or Loss (as the case may be), is determined as of a later date, that later date, with the Termination Currency at the rate equal to the spot exchange rate of the foreign exchange agent (selected as provided below) for the purchase of such Other Currency with the Termination Currency at or about 11:00 a.m. (in the city in which such foreign exchange agent is located) on such date as would be customary for the determination of such a rate for the purchase of such Other Currency for value on the relevant Early Termination Date or that later date. The foreign exchange agent will, if only one party is obliged to make a determination under Section 6(e), be selected in good faith by that party and otherwise will be agreed by the parties.

**"Termination Event"** means an Illegality, a Tax Event or a Tax Event Upon Merger or, if specified to be applicable, a Credit Event Upon Merger or an Additional Termination Event.

**"Termination Rate"** means a rate per annum equal to the arithmetic mean of the cost (without proof or evidence of any actual cost) to each party (as certified by such party) if it were to fund or of funding such amounts.

**"Unpaid Amounts"** owing to any party means, with respect to an Early Termination Date, the aggregate of (a) in respect of all Terminated Transactions, the amounts that became payable (or that would have become payable but for Section 2(a)(iii)) to such party under Section 2(a)(i) on or prior to such Early Termination Date and which remain unpaid as at such Early Termination Date and (b) in respect of each Terminated Transaction, for each obligation under Section 2(a)(i) which was (or would have been but for Section 2(a)(iii)) required to be settled by delivery to such party on or prior to such Early Termination Date and which has not been so settled as at such Early Termination Date, an amount equal to the fair market

value of that which was (or would have been) required to be delivered as of the originally scheduled date for delivery, in each case together with (to the extent permitted under applicable law) interest, in the currency of such amounts, from (and including) the date such amounts or obligations were or would have been required to have been paid or performed to (but excluding) such Early Termination Date, at the Applicable Rate. Such amounts of interest will be calculated on the basis of daily compounding and the actual number of days elapsed. The fair market value of any obligation referred to in clause (b) above shall be reasonably determined by the party obliged to make the determination under Section 6(e) or, if each party is so obliged, it shall be the average of the Termination Currency Equivalents of the fair market values reasonably determined by both parties.

IN WITNESS WHEREOF the parties have executed this document on the respective dates specified below with effect from the date specified on the first page of this document.

**{SWAP PROVIDER}**

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

•  
By: \_\_\_\_\_  
Name:  
Title:  
Date:

DRAFT (July 8, 2004)  
Subject to change, legal review, credit conditions and credit approval

ISDA  
International Swaps and Derivatives Association, Inc.

SCHEDULE  
to the  
1992 Master Agreement

dated as of [•]

between

Royal Bank of Canada  
("Party A")

and

York County Industrial Development Authority  
("Party B")

**Part 1. Termination Provisions.**

(a) **"Specified Entity"** means in relation to Party A for the purpose of:-

Section 5(a)(v),	None
Section 5(a)(vi),	None
Section 5(a)(vii),	None
Section 5(b)(iv),	None

in relation to Party B for the purpose of:-

Section 5(a)(v),	None
Section 5(a)(vi),	None
Section 5(a)(vii),	None
Section 5(b)(iv),	None

(b) **"Specified Transaction"** will have the meaning specified in Section 14 of this Agreement.

(c) The **"Cross Default"** provisions of Section 5(a)(vi) will apply to Party A and will apply to Party B.

If such provisions apply:-

The "." at the end of the definition of **"Specified Indebtedness"** in Section 14 of this Agreement shall be deleted and replaced by the following: ", except that with respect to Party A, such term shall not include obligations in respect of deposits received in the ordinary course of Party A's banking business, if any, and (ii) with respect to Party B, such term shall only include obligations payable from the general taxing power of the Credit Support Provider of Party B."

**"Threshold Amount"** means in relation to each of Party A, 1% of its shareholders' equity (as disclosed in its most recent financial statements) or the equivalent in any other currency and in relation to the Credit Support Provider of Party B, USD [ 10,000,000 ].

- (d) The "**Credit Event Upon Merger**" provisions of Section 5(b)(iv) will apply to Party A and will apply to Party B.
- (e) The "**Automatic Early Termination**" provision of Section 6(a) will not apply to Party A and will not apply to Party B.
- (f) **Payments on Early Termination.** For the purpose of Section 6(e) of this Agreement:-
- (i) Market Quotation will apply.
  - (ii) The Second Method will apply.
- (g) "**Termination Currency**" means United States Dollars.
- (h) **Additional Termination Event** will apply. The following shall constitute an Additional Termination Event:-
1. Either:
    - (a) the reduction of the long-term unsecured, unsubordinated debt rate of Party A or the reduction of the underlying, unenhanced general obligation rating of the Credit Support Provider of Party B below a rating of:
      - (i) [BBB+] by Standard & Poor's Rating Service ("S&P"); or
      - (ii) [Baa1] by Moody's Investors Service Inc. ("Moody's"); or
    - (b) the cessation by either S&P or Moody's (together referred to herein as the "Rating Agencies" to issue ratings in respect of the long-term unsecured, unsubordinated debt of Party A or the failure of Party B to have a rating issued by at least one of the Rating Agencies with respect to the underlying, unenhanced general obligation rating of Party B.

The party whose rating is so reduced or who ceases to be so rated shall be the Affected Party for purposes of this Additional Termination Event.

In the event that one or both of the Rating Agencies cease providing rating services generally, or cease providing rating services in regard to long-term unsecured, unsubordinated debt specifically, the parties hereto shall mutually agree upon one or more alternate rating agencies and shall designate the rating level by such rating agency or agencies for the purposes of this provision.

Or:

An Additional Termination Event shall occur on the date when all of Party B's Related Bonds (as such term is defined in a Confirmation) are no longer outstanding. In such event, Party A and Party B shall be the Affected Parties for purposes of this Additional Termination Event.

2. **Election by Party B to Terminate Without Cause** -- In accordance with Pennsylvania law, Party B may at will and without cause by not more than 20 days notice to Party A specifying election to terminate without cause, designate a day not earlier than the day such notice is effective as an Early Termination Date in respect of an outstanding Transactions, or as an Early Termination Date in respect of part of a Transaction through reduction of the notional amount; provided, however, that any such partial reduction will be subject to a minimum notional reduction of USD 1,000,000 and limited to no more than one (1) reduction per calendar year. In such event, Party A and Party B shall be the Affected Parties for purposes of this Additional Termination Event. Party B may not optionally terminate this Transaction unless Party B also provides evidence reasonably satisfactory to Party A that Party B has or will have on the termination date available funds, without regard to the Swap

Insurance Policy with which to pay any amount due to Party A as a result of such termination. Early termination is not permitted by Party A except for the Events of Default and Termination Events specified in Part 1(h) of this Agreement.

## **Part 2. Tax Representations.**

- (a) **Payer Representations.** For the purpose of Section 3(e) of this Agreement, Party A will make the following representation and Party B will make the following representation:

It is not required by any applicable law, as modified by the practice of any relevant governmental revenue authority, of any Relevant Jurisdiction to make any deduction or withholding for or on account of any Tax from any payment (other than interest under Section 2(e), 6(d)(ii) or 6(e) of this Agreement) to be made by it to the other party under this Agreement. In making this representation, it may rely on (i) the accuracy of any representations made by the other party pursuant to Section 3(f) of this Agreement, (ii) the satisfaction of the agreement contained in Section 4(a)(i) or 4(a)(iii) of this Agreement and the accuracy and effectiveness of any document provided by the other party pursuant to Section 4(a)(i) or 4(a)(iii) of this Agreement and (iii) the satisfaction of the agreement of the other party contained in Section 4(d) of this Agreement, provided that it shall not be a breach of this representation where reliance is placed on clause (ii) and the other party does not deliver a form or document under Section 4(a)(iii) by reason of material prejudice to its legal or commercial position.

- (b) **Payee Representations.**

(i) Party A. For the purpose of Section 3(f) of this Agreement, Party A makes the representations specified below:

- (A) It is a bank organized under the laws of Canada and (ii) it is a foreign corporation for U.S. federal tax purposes.
- (B) In respect of a Transaction the income from which is attributable to its New York office, each payment received or to be received by it in connection with this Agreement will be effectively connected with its conduct of a trade or business in the United States.
- (C) In every other case, (i) each payment received or to be received by it will be received by a foreign person or a non-U.S. branch of a foreign person and (ii) no part of any payments received or to be received by it in connection with this Agreement is attributable to a trade or business carried on by it in the United States.

(ii) Party B. For the purpose of Section 3(f) of this Agreement, Party B makes the representations specified below:

- (A) It is a [political subdivision existing under the laws of the Commonwealth of Pennsylvania and political subdivision of the Commonwealth of Pennsylvania] for U.S. federal tax purposes.

## **Part 3. Agreement to Deliver Documents.**

For the purpose of Sections 4(a)(i) and (ii) of this Agreement, each party agrees to deliver the following documents, as applicable:-

- (a) Tax forms, documents or certificates to be delivered are:-

Party required to deliver document	Form/Document/Certificate	Date by which to be delivered
Party A	With respect to any payments described in Part 2(b)(i)(B) of this Schedule, U.S. Internal Revenue Service Form W-8ECI (or any successor of such Form), completed accurately and in a manner reasonably acceptable to Party B	(1) Before the first payment date under this Agreement (2) before December 31 of each third succeeding calendar year, (3) promptly upon the earlier of reasonable demand by Party B and learning that any such Form is required, (4) prior to the expiration or obsolescence of any previously delivered Form, and (5) promptly upon the information on any such previously delivered Form becoming inaccurate or incorrect
Party A	With respect to any payments described in Part 2(b)(i)(C) of this Schedule, U.S. Internal Revenue Service Form W-8BEN (or any successor of such Form), completed accurately and in a manner reasonably acceptable to Party B	(1) Before the first payment date under this Agreement (2) before December 31 of each third succeeding calendar year, (3) promptly upon the earlier of reasonable demand by Party B and learning that any such Form is required, (4) prior to the expiration or obsolescence of any previously delivered Form, and (5) promptly upon the information on any such previously delivered Form becoming inaccurate or incorrect
Party B	U.S. Internal Revenue Service Form W-9 (or any successor of such Form), completed accurately and in a manner reasonably acceptable to Party A	1) Before the first payment date under this Agreement (2) before December 31 of each third succeeding calendar year, (3) promptly upon the earlier of reasonable demand by Party A and learning that any such Form is required, (4) prior to the expiration or obsolescence of any previously delivered Form, and (5) promptly upon the information on any such previously delivered Form becoming inaccurate or incorrect
Party A and Party B	Any other form or document, accurately completed and in a manner reasonably satisfactory to the other party, that may be required or reasonably requested in writing in order to allow the other party to make a payment under this Agreement, including any Credit Support Document, without any deduction or	Promptly upon request of other party.

<b>Party required to deliver document</b>	<b>Form/Document/Certificate</b>	<b>Date by which to be delivered</b>
	withholding for or on account of any Tax or with such deduction at a reduced rate.	

(b) Other documents to be delivered are:-

<b>Party required to deliver document</b>	<b>Form/Document/Certificate</b>	<b>Date by which to be delivered</b>	<b>Covered by Section 3(d) representation</b>
Party A	Power of Attorney and Certificate of Incumbency	Upon execution of this Agreement, and, if requested, each Confirmation	Yes
Party A	Copy of extract of resolutions with respect to execution of agreements	Upon execution of this Agreement	Yes
Party B	Copies of the incorporating documents (or other equivalent or analogous rules) of Party B certified as the date hereof as true and in full force and effect	Upon execution of this Agreement	Yes
Party B	Certified copies of all resolutions required to authorize the signing, delivery and performance of this Agreement by Party B and appointing and empowering individuals with specimens of their respective signatures for and on behalf of Party B to sign and deliver this Agreement and sign under seal or otherwise and deliver all agreements, documents and instruments, and give all instructions, in connection herewith	Upon execution of this Agreement, and, if requested, each Confirmation	Yes
Party A	Opinion of internal counsel of Party A	Upon execution of this Agreement	No
Party B	Opinion of legal advisors to Party B substantially in the form attached hereto and satisfactory to Party A	Upon execution of this Agreement	No
Party B	Certified copy of filing document to Pennsylvania Department of Community and Economic Development	Deliverable upon the execution of this Agreement	Yes

**Part 4. Miscellaneous.**

(a) **Address for Notices.** For the purpose of Section 12(a) of this Agreement:-

Address for notices or communications to Party A with respect to this Agreement shall be given to it at the following address:

Address:                      Royal Bank of Canada  
                                      2<sup>nd</sup> Floor  
                                      Royal Bank Plaza

200 Bay Street  
Toronto, Ontario  
CANADA M5J 2W7

Attention: Managing Director, Global Middle Office

Facsimile No.: (416) 842-4334

Unless otherwise provided herein, address for notices or communications to Party A relating to a particular Swap Transaction concluded with its **Toronto** office, shall be given to it at the following address:

<b>Swap Transaction</b>
Royal Bank of Canada 5 <sup>th</sup> Floor, North Tower Royal Bank Plaza 200 Bay Street Toronto, Ontario CANADA M5J 2W7
Attention: Manager, Capital Market Products Operations
Facsimile No.: (416) 842-4303 or (416) 842-4304

Address for notices or communications to Party A relating to a particular Swap Transaction concluded with its **New York** Office, shall be given to it at the following address:-

<b>Swap Transaction</b>
Royal Bank of Canada New York Branch One Liberty Plaza, 2 <sup>nd</sup> Floor 165 Broadway New York, New York 10006-1404 U.S.A
Attention: RBC DS Global Markets Capital Markets Group
Telex: 420464 Answerback: RBOC
Facsimile No.: 212-428-3018

Address for notices or communications to Party B with respect to this Agreement and any Transactions shall be given to it at the following address:

Address: [please advise]

Attention:  
Facsimile:  
Telephone:

(b) **Process Agent.** For the purpose of Section 13(c) of this Agreement:-

Party A appoints as its Process Agent - None

Party B appoints as its Process Agent - None

- (c) **Offices.** The provisions of Section 10(a) will apply to Party A and Party B; provided, however, that without in any way limiting the effect of the foregoing, each party agrees to deal first with the Office of the other party specified in the Confirmation rather than such party's head or home office with respect to resolving any default that results solely from wire transfer difficulties or an error or omission of an administrative or operational nature. Notwithstanding the foregoing, a party (the "Owed Party") may seek payment from the head or home office of the other party (the "Owing Party") with respect to this Agreement in the event that an amount payable to the Owed Party by the Owing Party pursuant to this Agreement as a result of the designation of an Early Termination Date has not been paid in full when due.
- (d) **Multibranch Party.** For the purpose of Section 10(c) of this Agreement:-  
  
Party A is a Multibranch Party and may act through its Toronto and New York offices.  
  
Party B is not a Multibranch Party.
- (e) **Calculation Agent.** The Calculation Agent is Party A unless otherwise specified in a Confirmation in relation to the relevant Transaction. With respect to Section 5(a)(ii) of the Agreement, if a party hereto is designated as the Calculation Agent for any Transaction, then Section 5(a)(ii) shall not include any failure by that party to comply with its obligations as Calculation Agent and the sole remedy of the other party for such failure shall be the right, upon notice to the Calculation Agent, to designate itself or a third party as a replacement Calculation Agent.
- (e) **Credit Support Document.** Details of any Credit Support Document:- [The Loan Agreement between Party B and the York County Economic Development Commission dated as of December 1, 2003 as may be amended, restated, supplemented and modified from time to time. (the "Loan Agreement") and the County Guaranty (as such is defined in the Loan Agreement) and amended, restated supplemented and modified from time to time (the "County Guaranty").
- (f) **Credit Support Provider.** Credit Support Provider means in relation to Party B:- The County of York, Pennsylvania
- (h) **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the State of New York, except that the capacity of Party B to enter into this Agreement or any transaction hereunder shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.
- (i) **Netting of Payments.** Subparagraph (ii) of Section 2(c) of this Agreement will apply to all Transactions.
- (j) **"Affiliate"** will have the meaning specified in Section 14 of this Agreement. Section 3(c) is hereby amended by deletion of the phrase "or any of its Affiliates" in lines 1 and 2 thereof.

## Part 5. Other Provisions.

1. **Definitions.** This Agreement, each Confirmation, and each Transaction are subject to the 1992 ISDA U.S. Municipal Counterparty Definitions (the "1992 Muni Definitions") and the 2000 ISDA Definitions (the "2000 Definitions" and, together with the 1992 Muni Definitions, the "Definitions"), in each case as published by the International Swaps and Derivatives Association, Inc., and will be governed in all respects by the provisions set forth in the Definitions with references to "Swap Transaction" therein being a reference to "Transaction" for purposes of this Agreement. The provisions of the Definitions are incorporated by reference in, and made part of, this Agreement as if set forth in full in this Agreement and each Confirmation. In the event of any inconsistency between

(i) (A) the provisions of this Schedule and the Master Agreement of which it is a part; and (B) the Definitions, the provisions set forth in this Schedule will prevail; and (ii) in the event of any inconsistency between (A) the provisions of a Confirmation, and (B) any of this Schedule, the Master Agreement or the Definitions, the provisions set forth in the Confirmation will prevail.

2. **Illegality.** For purposes of Section 5(b)(i), the obligation of Party A to comply with any official directive issued or given by any government agency or authority with competent jurisdiction which has the result referred to in Section 5(b)(i) will be deemed to be an "Illegality".
3. **Payments on Early Termination - Events of Default - Second Method.**

Section 6 of this Agreement is amended by the inclusion of the following Section 6(f):

"(f) Conditions to Certain Payments. Notwithstanding the provisions of Section 6(e)(i)(3) and (4), as applicable, if the amount referred to therein is a positive number, the Defaulting Party will pay such amount to the Non-defaulting Party, and if the amount referred to therein is a negative number, the Non-defaulting Party shall have no obligation to pay any amount thereunder to the Defaulting Party unless and until the conditions set forth in (i) and (ii) below have been satisfied at which time there shall arise an obligation of the Non-defaulting Party to pay to the Defaulting Party an amount equal to the absolute value of such negative number less any and all amounts which the Defaulting Party may be obligated to pay under Section 11:

- (i) the Non-defaulting Party shall have received confirmation satisfactory to it in its sole discretion (which may include an unqualified opinion of its counsel) that (x) no further payments or deliveries under Section 2(a)(i) or 2(e) in respect of Terminated Transactions will be required to be made in accordance with Section 6(c)(ii) and (y) each Specified Transaction shall have terminated pursuant to its specified termination date or through the exercise by a party of a right to terminate and all obligations owing under each such Specified Transaction shall have been fully and finally performed; and
- (ii) all obligations (contingent or absolute, matured or unmatured) of the Defaulting Party and any Affiliate of the Defaulting Party to make any payment or delivery to the Non-defaulting Party or any Affiliate of the Non-defaulting Party shall have been fully and finally performed."

4. **Execution.** Section 9(e)(ii) of this Agreement is deleted and replaced in its entirety with the following provision:

"(ii) Execution of Transactions. The parties intend that they are legally bound by the terms of each Transaction from the moment they agree to those terms (whether orally or otherwise). A Confirmation shall be entered into as soon as practicable and may be executed and delivered in counterparts (including by facsimile transmission) or be created by exchange of electronic messages on an electronic messaging system, facsimile transmissions or other delivery, which in each case will be sufficient for all purposes to evidence a binding supplement to this Agreement. With respect to Confirmations created by an exchange of electronic messages, facsimile transmissions or other delivery, only those terms which match and are contained in the messages sent by both parties will form the Confirmation of the Transaction. Where a Transaction is confirmed by means of electronic messaging system (including, without limitation, circumstances where such electronic message is printed and faxed or otherwise delivered by one party to the other party) such confirmation will constitute a 'Confirmation' as referred to in this Agreement even where not so specified in the Confirmation. The location, branch or office of each party to which payment or delivery is required under the terms of a Transaction shall be deemed to be an "Office" for purposes of Section 10 of the Agreement even where the Confirmation does not expressly identify such location, branch or office as an "Office".

5. **Service of Process.** With respect to the provisions of Section 13(c) of the Agreement, the reference therein to Section 12 to the contrary notwithstanding, no consent is given by either party to service of process by telex, facsimile transmission or electronic messaging system.
6. **Equivalency Clause.** For the purpose of disclosure pursuant to the Interest Act (Canada), if a rate of interest payable under the Agreement (the "Agreement Interest Rate") is calculated on a basis other than a full calendar year, then an equivalent rate of interest calculated on a basis of a full calendar year (the "Equivalent Interest Rate") must also be disclosed. In such circumstances, the Equivalent Interest Rate may be determined by multiplying the Agreement Interest Rate by a fraction, the numerator of which is the actual number of days in the calendar year in which the Equivalent Interest Rate is to be ascertained and the denominator of which is the number of days comprising the basis on which the Agreement Interest Rate is calculated.
7. **Set-Off.** Section 6 of this Agreement is amended by adding the following Section as Section 6(g):
  - "(g) **Set-Off.** Any Amount (the "Early Termination Amount") payable to one party (the "Payee") by the other party (the "Payer") under Section 6(e), in circumstances where there is a Defaulting Party or one Affected Party in the case where a Termination Event under Section 5(b)(iv) has occurred, will, at the option of the party ("X") other than the Defaulting Party or the Affected Party (and without prior notice to the Defaulting Party or the Affected Party), be reduced by its set-off against any amount(s) (the "Other Agreement Amount") payable (whether at such time or in the future or upon the occurrence of a contingency) by the Payee to the Payer (irrespective of the currency, place of payment or booking office of the obligation) under any other agreement(s) or undertaking(s) issued or executed by one party to, or in favour of, the other party (and the Other Agreement Amount will be discharged promptly and in all respects to the extent it is so set-off). X will give notice to the other party of any set-off effected under this Section 6(f). For this purpose, either the Early Termination Amount or the Other Agreement Amount (or the relevant portion of such amounts) may be converted by X into the currency in which the other is denominated at the rate of exchange at which such party is able, acting in a reasonable manner and in good faith, to purchase the relevant amount of such currency. If an obligation is unascertained, X may in good faith estimate that obligation and set-off in respect of the estimate, subject to the relevant party accounting to the other when the obligation is ascertained. Nothing in this Section 6(f) shall be effective to create a charge or other security interest. This Section 6(f) shall be without prejudice and in addition to any right of set-off, combination of accounts, lien or other right to which either party is at any time otherwise entitled (whether by operation of law, contract or otherwise)."
8. **Relationship Between Parties.** Each party will be deemed to represent to the other party on the date on which it enters into a Transaction that (absent a written agreement between the parties that expressly imposes affirmative obligations to the contrary for the Transaction):
  - (a) **Non Reliance.** It is acting for its own account, and it has made its own independent decisions to enter into that Transaction and as to whether that Transaction is appropriate or proper for it based upon its own judgment and upon advice from such advisors as it has deemed necessary. It is not relying on any communication (written or oral) of the other party as investment advice or as a recommendation to enter into that Transaction; it being understood that information and explanations related to the terms and conditions of a Transaction shall not be considered investment advice or a recommendation to enter into that Transaction. No communication (written or oral) received from the other party shall be deemed to be an assurance or guarantee as to the expected results of that Transaction. It has not made any representation, nor is it relying on any communication (written or oral) of the other party, with respect to whether, how, when or in what manner a derivative transaction will be hedged; it being understood that this representation expressly supersedes any communication (written or oral) which may have occurred between the parties with respect to whether, how, when or in what manner a derivative transaction may be hedged.

- (b) **Assessment and Understanding.** It is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks of that Transaction. It is also capable of assuming and assumes, the risks of that Transaction.
- (c) **Status of Parties.** The other party is not acting as a fiduciary for or as an advisor to it in respect of that Transaction.

9. **Electronic Signatures.** Party A confirms, and Party B acknowledges, that Party A uses a computer-based system to execute certain Confirmations and that each such Confirmation executed by Party A by means of an electronically-produced signature shall have the same legal effect as if such signature had been manually written on such Confirmation and that each such Confirmation shall be deemed to have been signed for the purposes of any statute or rule of law that requires such Confirmation to be signed. The parties acknowledge that in any legal proceedings between them respecting or in any way relating to this Agreement, each party expressly waives any right to raise any defence or waiver of liability based upon the execution of a Confirmation by Party A by means of an electronically-produced signature. This provision shall apply to all Confirmations outstanding as of the date hereof and executed by Party A by means of an electronically-produced signature, and to all Confirmations in respect of Transactions entered into between Party A and Party B after the date hereof.

10. **Consent to Recording.** The parties agree that each may electronically record all telephonic conversations between their trading and marketing personnel and that any such tape recordings may be submitted in evidence in any Proceedings relating to the Agreement. In the event of any dispute between the parties as to the terms of any Transaction governed by this Agreement, the parties may use the electronic recordings as the preferred evidence of the terms of the Transaction, notwithstanding the existence of any writing to the contrary.

11. **Representations, Warranties and Acknowledgments Relating to Status as "Eligible Contract Participant".** Each party represents and warrants to the other party that:

(i) it is an "eligible contract participant" within the meaning of Commodities Futures Modernization Act of 2000 (the "Act"); and

(ii) it has entered into this Agreement (including each Transaction evidenced hereby) in conjunction with its line of business (including financial intermediation services) or the financing of its business.

In addition, each party acknowledges and agrees that (A) this Agreement and each Transaction constitutes a "swap agreement" within the meaning of the Act; (B) neither this Agreement or any Transaction is one of a fungible class of agreements that are standardized as to their material economic terms, within the meaning of the Act, and the material economic terms of each Transaction are subject to individual negotiation; and (C) the creditworthiness of the other party was or will be a material consideration in entering into or determining the terms of this Agreement and each Transaction, including pricing, cost or credit enhancement terms of the Agreement or Transaction, within the meaning of the Act.

12. **Waiver of Jury Trial.** Each party hereto irrevocably waives any and all right to trial by jury in any suit, action or proceeding arising out of or relating to this Agreement or any Transaction hereunder.

13. **Party B Covenants.** [Party B covenants as follows:

- a. Party B obligations under this Agreement will be paid from Party B general revenues.

b. Party B will make all payments required by this Agreement and covenants with Party A that: (1) Party B will include the periodic scheduled amounts payable under this Agreement for each fiscal year in its budget for that fiscal year; (2) Party B will appropriate from its general revenues amounts due under this Agreement; and (3) Party B will pledge its full faith, credit and taxing power for the budgeting, appropriation and payment of periodic scheduled payments due under this Agreement.

c. The following will be equally and ratably payable and secured under Party B's covenants to budget funds, appropriate funds, and pledge Party B's full faith, credit and taxing power: (i) periodic scheduled payments due under this Agreement; and (ii) the debt service due on the Related Bonds.

d. Periodic scheduled payments due under this Agreement and debt service due on the Related Bonds, will be senior in right and priority of payment to termination payments due under this Agreement. Termination payments due under this Agreement will be subordinate to periodic scheduled payments due under this Agreement and debt service due on the Related Bonds.]

14. **Jurisdiction.** Section 13(b) of this Agreement is deleted and replaced in its entirety with the following provisions:

With respect to any suit, action or proceedings relating to this Agreement (the "Proceedings"), each party irrevocably:

(i) submits to the exclusive jurisdiction of the Courts of the Commonwealth of Pennsylvania and the United States District Court located in the [Middle/Eastern] District of Pennsylvania; and

(ii) waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have any jurisdiction over such party.

(iii) Nothing in the Agreement precludes either party from bringing Proceedings in any other jurisdiction to enforce any judgment obtained in any Proceedings referred to in the preceding sentence, nor will the bringing of such enforcement Proceedings in any one or more jurisdictions preclude the bringing of enforcement Proceedings in any other Jurisdiction.

15. **Immunity.** Section 3 of this Agreement is hereby amended by the additional of the following subsection "(g)" thereto:--

"(g) **Immunity.** Party A represents that it is not entitled to claim immunity on the grounds of sovereignty or other similar grounds with respect to itself or its revenues or assets (irrespective of their use or intended use) from (i) suit, (ii) jurisdiction of any court, (iii) relief by way of injunction, order for specific performance or for recovery of property, (iv) attachment of its assets (whether before or after judgment) or (v) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be made subject to in any Proceeding (as defined in Section 13(b)) in the courts of any jurisdiction and no such immunity (whether or not claimed) may be attributed to such party or its revenues or assets. Party B represents that although Party B, as an instrumentality of the Commonwealth of Pennsylvania, is entitled to immunity on the grounds of sovereignty in certain situations, Proceedings may be brought against Party B for contract claims including, but not limited to, payment obligations under this Agreement, in such courts and tribunals in which such Proceedings may be brought against Party B, and Party B is not entitled to claim immunity on the grounds of sovereignty or other similar grounds with respect to such claims."

**Royal Bank of Canada**

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

Name:

Title:

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

Name:

Title:

**York County Industrial Development Authority**

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

Name:

Title:

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

Name:

Title:

**DRAFT (7-8-04) – Short-Form Confirmation (Preliminary; subject to review and change)**

**Use of Short-Form Confirmation requires an executed ISDA Agreement**

Fax # please advise

[Trade Date]

**YORK COUNTY INDUSTRIAL DEVELOPMENT  
AUTHORITY**

Please advise

\_\_\_\_\_, PA \_\_\_\_\_

USA

Re: **SWAP Transaction MATURING [01 DEC 2028] FOR USD [8,375,000.00]**

(Our Ref. No. **XXXXXXXX / XXXXXXXX**)

Dear Sir or Madam:

The purpose of this letter is to set forth the terms and conditions of the transaction entered into between us on the Trade Date specified below (the "Transaction"). This letter agreement constitutes a "Confirmation" as referred to in the International Swaps and Derivatives Association, Inc. Master Agreement specified below.

The definitions and provisions contained in the 2000 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. are incorporated in this Confirmation. In the event of any inconsistency between those definitions and this Confirmation, this Confirmation shall govern.

1. This Confirmation supplements, forms part of, and is subject to, the ISDA Master Agreement dated as of [TBD], as amended and supplemented from time to time (the "Agreement") between you and us. All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

2. The terms of the particular Swap Transaction to which this Confirmation relates are as follows:-

Notional Amount: USD [8,375,000.00]

Trade Date: [TBD]

Effective Date: [TBD]

Termination Date: [01 Dec 2028]

**Subject to adjustment in accordance with the Modified Following Business Day Convention.**

**Fixed Amounts:**

Fixed Notional Amount: USD [8,375,000.00] (see Cashflow attached)

Fixed Rate Payer: YORK COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

Fixed Rate Payer Payment Dates: [Semi-annually] commencing on [01 Dec 2004] subject to adjustment in accordance with the Modified Following Business Day Convention.

Fixed Rate: [TBD] percent

Fixed Rate Day Count Fraction: 30/360

Business Day: New York

Fee: Not applicable.

**Floating Amounts:**

Floating Notional Amount: USD [8,375,000.00] (see Cashflow attached)

Floating Rate Payer: ROYAL BANK OF CANADA

Spread 0.00000 percent

Floating Rate Payer Payment Dates: [Monthly] commencing on [TBD] subject to adjustment in accordance with the Modified Following Business Day Convention.

Floating Rate for initial Calculation Period:	<b>To Be Advised</b>
Floating Rate Option:	<b>USD-LIBOR-BBA</b>
Floating Rate:	<b>100% of Floating Rate Option</b>
Designated Maturity:	<b>1MONTH</b>
Floating Rate Day Count Fraction:	<b>Actual/360</b>
Reset Dates:	<b>The first day of each Calculation Period or Compounding Period, if Compounding is applicable.</b>
Business Day:	<b>New York</b>
Compounding:	<b>Not applicable</b>
Fee:	<b>Not applicable.</b>

### 3 Account Details

Payments to	<b>ROYAL BANK OF CANADA</b>	<b>JPMORGAN CHASE BANK, NEW YORK</b>
		<b>CHASUS33</b>
		<b>A/C ROYAL BANK OF CANADA, TORONTO</b>
		<b>Account #: 001-1-153004</b>
		<b>BENEFICIARY SWIFT ID: ROYCCAT3IMM</b>
Payments to	<b>YORK COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY</b>	<b>Please advise</b>

**4. Offices:**

(a) The Office of **YORK COUNTY INDUSTRIAL DEVELOPMENT AUHTORITY** for the Transaction is:

**Please Advise**  
\_\_\_\_\_, Pa \_\_\_\_\_  
USA,

(b) The Office of **ROYAL BANK OF CANADA** for the Transaction is:

**5TH FL N TWR ROYAL BANK PLAZA  
TOR, ON  
CANADA, M5J 2W7**

**5. Other.**

(a) **THIRD PARTY PAYMENTS**

Promptly after execution of this Confirmation by both parties and upon receipt of an invoice from the respective third parties specified below, Royal Bank of Canada ("Party A") will pay on behalf of York County Industrial Development Authority ("Party B") up-front costs relating to this Transaction in an aggregate amount not to exceed [\$TBD.00] (USD) payable to [details to be provided]. These payments are reflected in, and have increased, the Fixed Rate payable by Party B hereunder.

Party B hereby acknowledges and agrees that, immediately upon the making of the USD payments (referred to as "Payment") as described in the immediately preceding paragraph under this Transaction, in accordance with the above USD payment instructions, Party A shall have fully and finally completed its obligations under this Transaction in respect of such Payment and shall have no further obligations or liabilities to Party B under this Transaction or to any other person or entity in regard thereto.

Party B further acknowledges and agrees that it will indemnify and save harmless Party A from and against any and all liability, loss, harm, damage, cost or expense, including reasonable legal fees, which Party A may suffer, incur or sustain as a result to any suit, claim or demand brought or commenced against Party A arising out of the making of the Payment under this Transaction in accordance with the above direction.

(b) **MAXIMUM INTEREST RATE**

The maximum interest rate (the "Maximum Interest Rate") payable by Party B with respect to the

Transaction for periodic scheduled payments pursuant to this Transaction, not including termination payments, will not exceed [6.25]% per annum.

The maximum net scheduled payments by fiscal year by Party B pursuant to this Transaction: (i) will not exceed the Maximum Interest Rate for periodic scheduled payments pursuant to this Transaction, not including any termination payments; and (ii) will not exceed the maximum interest rate payable on the Related Bonds, which maximum rate is [please advise]% per annum.

(c) RELATED BONDS

For purposes of this Transaction "Related Bonds" shall mean Party B's [Variable Rate Demand County Guaranteed Economic Development Revenue Bonds (Industrial Plaza of York Project), Series 2003A (Taxable) and Variable Rate Demand County Guaranteed Economic Development Revenue Bonds (York County Economic Development Corporation Project), Series 2003B (Taxable)].

This Confirmation may be executed and delivered in counterparts (including by facsimile transmission) or be created by an exchange of telexes or by an exchange of electronic messages on an electronic messaging system, which in each case upon your confirmation in the manner prescribed hereunder, will be deemed for all purposes to be a legally binding transaction.

Please confirm that the foregoing correctly sets forth the terms of our agreement by signing in the space provided below and returning same to us by facsimile transmission, or send to us within two (2) Business Days a letter by facsimile transmission or telex or electronic messaging system similar to this letter which sets forth the material terms of the foregoing Transaction to which this Confirmation relates and which indicates your agreement to those terms.

RBC confirms, and the Counterparty acknowledges, that this Confirmation has been executed by RBC by means of a computer-based system and that such execution shall have the same legal effect as if a signature had been manually written on such Confirmation and that each such Confirmation shall be deemed to have been signed by RBC for the purposes of any statute or rule of law that requires such Confirmation to be signed. The parties acknowledge that in any legal proceedings between them respecting or in any way relating to this Confirmation, each party expressly waives any right to raise any defence or waiver of liability based upon the execution of this Confirmation by RBC by means of an electronically-produced signature.

Telephone No.: 416 842-5106

Facsimile No : 416 842-4902

Yours sincerely,

For and on behalf of

**ROYAL BANK OF CANADA**

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

Authorized signature

Confirmed as of the date first written:

For and on behalf of

**YORK COUNTY INDUSTRIAL  
DEVELOPMENT AUTHORITY**

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

Authorized signature

**YORK COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY pays USD Fixed to ROYAL  
BANK OF CANADA**

(Our Ref. No. XXXXXXXX / XXXXXXXXXX)

Calc Date	Period Begin	Period End	Days	Interest Date	Principal Date	Payment Amount	Interest Rate	Spread Rate	Notional Outstanding
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**ROYAL BANK OF CANADA pays USD Float to YORK COUNTY INDUSTRIAL  
 DEVELOPMENT AUTHORITY**  
 (Our Ref. No. XXXXXXXX / XXXXXXXX)

Calc Date	Period Begin	Period End	Days	Interest Date	Principal Date	Payment Amount	Interest Rate	Spread Rate	Notional Outstanding
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**APPENDIX C**

**AMENDED MAXIMUM PAYMENTS ON SWAPPED 2003B BONDS BASED ON 25%  
MAXIMUM INTEREST RATE AND SWAP AGREEMENT BASED ON 6.25%  
MAXIMUM INTEREST RATE**

Investment Management Advisory Group, Inc.  
 COUNTY OF YORK, PENNSYLVANIA  
 Series of 2003B (YCIDA)  
 Semiannual Debt Service Payment Schedules

MAXIMUM

Date	Principal Maturity	Coupon (1)	Liquidity @ 0.20% (2)	Remarketing @ 0.125% (2)	Interest	Variable Rate Rec'd on Swap (1)	Interest on Rec'd. on Swap	Fixed Rate Paid on Swap (3)	Interest on Paid. on Swap	Debt Service	Annual Debt Service
6/1/2004		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	1,144,394.90
12/1/2004			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
6/1/2005		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
12/1/2005			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
6/1/2006		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
12/1/2006			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
6/1/2007		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
12/1/2007			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
6/1/2008		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
12/1/2008			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
6/1/2009		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
12/1/2009			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
6/1/2010		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
12/1/2010			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
6/1/2011		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
12/1/2011			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
6/1/2012		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
12/1/2012			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
6/1/2013	375,000	25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,863,789.79
12/1/2013			8,153.33	5,000.00	1,000,000.00		(170,000.00)		250,000.00	1,093,153.33	
6/1/2014	390,000	25.000%	8,153.33	5,000.00	1,000,000.00	4.250%	(170,000.00)	6.250%	237,812.50	1,039,862.11	2,576,308.67
12/1/2014			7,755.86	4,756.25	951,250.00		(161,712.50)		237,812.50	1,039,862.11	
6/1/2015	410,000	25.000%	7,755.86	4,756.25	951,250.00	4.250%	(161,712.50)	6.250%	225,000.00	963,838.00	2,489,724.22
12/1/2015			7,338.00	4,500.00	900,000.00		(153,000.00)		225,000.00	963,838.00	
6/1/2016	425,000	25.000%	7,338.00	4,500.00	900,000.00	4.250%	(153,000.00)	6.250%	211,718.75	1,408,838.00	2,382,876.00
12/1/2016			6,904.85	4,234.38	846,875.00		(143,968.75)		211,718.75	1,408,838.00	
6/1/2017	445,000	25.000%	6,904.85	4,234.38	846,875.00	4.250%	(143,968.75)	6.250%	197,812.50	1,370,764.23	2,296,528.46
12/1/2017			6,451.33	3,956.25	791,250.00		(134,512.50)		197,812.50	1,370,764.23	
6/1/2018	465,000	25.000%	6,451.33	3,956.25	791,250.00	4.250%	(134,512.50)	6.250%	183,281.25	1,329,957.58	2,194,915.15
12/1/2018			5,977.41	3,665.63	733,125.00		(124,631.25)		183,281.25	1,329,957.58	
6/1/2019	485,000	25.000%	5,977.41	3,665.63	733,125.00	4.250%	(124,631.25)	6.250%	168,125.00	1,286,418.04	2,087,836.08
12/1/2019			5,483.12	3,362.50	672,500.00		(114,325.00)		168,125.00	1,286,418.04	
6/1/2020	505,000	25.000%	5,483.12	3,362.50	672,500.00	4.250%	(114,325.00)	6.250%	152,343.75	1,240,145.62	1,975,291.23
12/1/2020			4,988.44	3,046.88	609,375.00		(103,593.75)		152,343.75	1,240,145.62	
6/1/2021	525,000	25.000%	4,988.44	3,046.88	609,375.00	4.250%	(103,593.75)	6.250%	135,937.50	1,191,140.31	1,857,280.63
12/1/2021			4,433.38	2,718.75	543,750.00		(92,437.50)		135,937.50	1,191,140.31	
6/1/2022	545,000	25.000%	4,433.38	2,718.75	543,750.00	4.250%	(92,437.50)	6.250%	118,906.25	1,139,402.13	1,733,804.25
12/1/2022			3,877.83	2,378.13	475,625.00		(80,856.25)		118,906.25	1,139,402.13	
6/1/2023	570,000	25.000%	3,877.83	2,378.13	475,625.00	4.250%	(80,856.25)	6.250%	101,093.75	1,089,931.05	1,609,862.11
12/1/2023			3,297.00	2,021.88	404,375.00		(68,743.75)		101,093.75	1,089,931.05	
6/1/2024	595,000	25.000%	3,297.00	2,021.88	404,375.00	4.250%	(68,743.75)	6.250%	82,500.00	1,037,043.88	1,479,087.76
12/1/2024			2,690.80	1,650.00	330,000.00		(56,100.00)		82,500.00	1,037,043.88	
6/1/2025	620,000	25.000%	2,690.80	1,650.00	330,000.00	4.250%	(56,100.00)	6.250%	63,125.00	980,740.60	1,341,481.20
12/1/2025			2,058.72	1,262.50	252,500.00		(42,925.00)		63,125.00	980,740.60	
6/1/2026	645,000	25.000%	2,058.72	1,262.50	252,500.00	4.250%	(42,925.00)	6.250%	42,968.75	921,021.22	1,197,042.43
12/1/2026			1,401.35	859.38	171,875.00		(29,218.75)		42,968.75	921,021.22	
6/1/2027	675,000	25.000%	1,401.35	859.38	171,875.00	4.250%	(29,218.75)	6.250%	21,875.00	862,885.73	1,050,771.48
12/1/2027			713.42	437.50	87,500.00		(14,875.00)		21,875.00	862,885.73	
6/1/2028	700,000	25.000%	713.42	437.50	87,500.00	4.250%	(14,875.00)	6.250%	21,875.00	795,650.92	891,301.83
12/1/2028			-	-	-		-		-	795,650.92	
6/1/2029			-	-	-		-		-	-	
12/1/2029			-	-	-		-		-	-	
6/1/2030			-	-	-		-		-	-	
12/1/2030			-	-	-		-		-	-	
6/1/2031			-	-	-		-		-	-	
12/1/2031			-	-	-		-		-	-	
6/1/2032			-	-	-		-		-	-	
12/1/2032			-	-	-		-		-	-	
6/1/2033			-	-	-		-		-	-	
12/1/2033			-	-	-		-		-	-	
6/1/2034			-	-	-		-		-	-	
12/1/2034			-	-	-		-		-	-	
6/1/2035			-	-	-		-		-	-	
	8,375,000		305,184.38	187,153.13	37,430,625.00		(6,363,206.25)		9,357,656.25	49,292,412.49	49,292,412.46

(1) Assumes maximum interest rate on the Bonds due to negative issuer specific occurrence and historical average taxable interest rate receipt creating significant basis differential.  
 (2) Expected liquidity and remarketing costs, assumed to be constant for the life of the swap.  
 (3) Assumes maximum fixed rate on the swap payment per Swap Resolution

**CERTIFICATE**

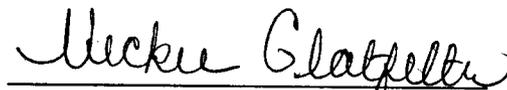
I, the undersigned, Chief Clerk of the County of York, Pennsylvania (the "County"), certify that: the foregoing is a true and correct copy of an Ordinance which duly was enacted by affirmative vote of a majority of all members of the Board of County Commissioners (the "Board") of the County, in accordance with law, at a meeting duly held on July 21, 2004, at which meeting a quorum was present; said Ordinance has been certified and recorded by me, as Chief Clerk of the County, in the book provided for the purpose of such recording; said Ordinance, upon enactment, as aforesaid, was assigned Ordinance No. 2004-5; the total number of members of the Board is three (3); the vote of the members of the Board, upon enactment of said Ordinance, the yeas and nays having been called, duly was recorded by me, as Chief Clerk, as follows:

Lori O. Mitrick	-	Yea
Douglas E. Kilgore	-	Yea
Steve Chronister	-	Yea

said Ordinance has been advertised, as required by law, in a newspaper of general circulation in the County; and said Ordinance has not been amended, altered or repealed, as of the date of this Certificate.

I further certify that the Board met the advance notice and public comment requirements of the Sunshine Act, 65 Pa.C.S. Ch. 7, by advertising said meeting, by posting prominently a notice of said meeting at the public building in which said meeting was held, and by providing a reasonable opportunity for public comment at said meeting, all in accordance with such Sunshine Act.

IN WITNESS WHEREOF, I set my hand and affix the official seal of the County, this 21<sup>st</sup> day of July, 2004.

  
Asst. Chief Clerk

(SEAL)

**Proof of Publication  
State of Pennsylvania  
County of York**

AD # 1525586

Copy of Advertisement Attached Here

**THE YORK DISPATCH / YORK SUNDAY NEWS and YORK DAILY RECORD** are the names of the daily newspapers of general circulation published continuously for more than the last six months by York Newspaper Company, at its principal place of business, which is 1891 Loucks Road, York, PA 17404.

The printed copy of the advertisement hereto attached is a true copy, exactly as printed and published, of an advertisement printed in the regular issues of the said **The York Dispatch/York Sunday News and York Daily Record** published on the following dates, viz:

07/09/2004

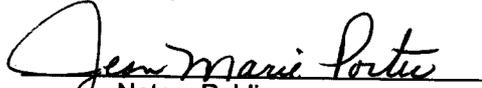
**COMMONWEALTH OF PENNSYLVANIA  
COUNTY OF YORK**

**SS**

Before me, a Notary Public, personally came Tamara J. Krebs, who being duly sworn deposes and says that she is the Classified Advertising Director of York Newspaper Co., and has personal knowledge of the publication of the advertisement mentioned in the foregoing statement as to the time, place and character of publications are true, and that the affiant is not interested in the subject matter of the above mentioned advertisement.

Sworn and subscribed to before me this

09 day of July 2004

  
Notary Public



Notarial Seal  
Jean Marie Porter, Notary Public  
York Twp., York County  
My Commission Expires Mar. 20, 2005  
Member, Pennsylvania Association of Notaries

Estate of \_\_\_\_\_

Dollars

100

The charge for the publication of above mentioned advertisement and the expense of above affidavit.

Advertisement Cost	\$ 419.00
Affidavit Fee	\$ 8.00
Total Cost	\$ 427.00

**Proof of Publication  
State of Pennsylvania  
County of York**

AD # 1530490

Copy of Advertisement Attached Here

**THE YORK DISPATCH / YORK SUNDAY NEWS and YORK  
DAILY RECORD** are the names of the daily newspapers of general circulation

published continuously for more than the last six months by York Newspaper Company, at its principal place of business, which is 1891 Loucks Road, York, PA 17404.

The printed copy of the advertisement hereto attached is a true copy, exactly as printed and published, of an advertisement printed in the regular issues of the said **The York Dispatch/York Sunday News and York Daily Record** published on the following dates, viz:

7/26/2004

**COMMONWEALTH OF PENNSYLVANIA  
COUNTY OF YORK**

**SS**

Before me, a Notary Public, personally came Tamara J. Krebs who being duly sworn deposes and says that she is the Classified Advertising Director of York Newspaper Co., and has personal knowledge of the publication of the advertisement mentioned in the foregoing statement as to the time, place and character of publications are true, and that the affiant is not interested in the subject matter of the above mentioned advertisement.

Sworn and subscribed to before me this

6/ day of July 2004

*Jean Marie Porter*  
Notary Public

*Tamara J. Krebs*

Notarial Seal  
Jean Marie Porter, Notary Public  
York Twp., York County  
My Commission Expires Mar. 20, 2005  
Member, Pennsylvania Association of Notaries

Estate of \_\_\_\_\_

Dollars

100

The charge for the publication of above mentioned advertisement and the expense of above affidavit.

Advertisement Cost \$ 465.00

Affidavit Fee \$ 8.00

Total Cost \$ 473.00

Investment Management Advisory Group, Inc.  
 COUNTY OF YORK, PENNSYLVANIA  
 Series of 2003B (YCIDA)  
 Semiannual Debt Service Payment Schedules

MAXIMUM

Date	Principal Maturity	Coupon (1)	Liquidity @ 0.20% (2)	Remarketing @ 0.125% (2)	Interest	Variable Rate Rec'd on Swap (1)	Interest on Rec'd. on Swap	Fixed Rate Paid on Swap (3)	Interest on Paid on Swap	Debt Service	Annual Debt Service
6/1/2004											
12/1/2004		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	1,144,394.90
6/1/2005			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
12/1/2005		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
6/1/2006			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
12/1/2006		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
6/1/2007			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
12/1/2007		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
6/1/2008			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
12/1/2008		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
6/1/2009			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
12/1/2009		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
6/1/2010			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
12/1/2010		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
6/1/2011			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
12/1/2011		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
6/1/2012			8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
12/1/2012		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,288,789.79
6/1/2013	375,000		8,535.52	5,234.38	1,046,875.00		(177,968.75)		261,718.75	1,144,394.90	
12/1/2013		25.000%	8,535.52	5,234.38	1,046,875.00	4.250%	(177,968.75)	6.250%	261,718.75	1,144,394.90	2,063,789.79
6/1/2014			8,153.33	5,000.00	1,000,000.00		(170,000.00)		250,000.00	1,093,153.33	
12/1/2014	390,000	25.000%	8,153.33	5,000.00	1,000,000.00	4.250%	(170,000.00)	6.250%	250,000.00	1,483,153.33	2,576,306.67
6/1/2015			7,755.86	4,756.25	951,250.00		(161,712.50)		237,812.50	1,039,862.11	
12/1/2015	410,000	25.000%	7,755.86	4,756.25	951,250.00	4.250%	(161,712.50)	6.250%	237,812.50	1,449,862.11	2,489,724.22
6/1/2016			7,338.00	4,500.00	900,000.00		(153,000.00)		225,000.00	983,838.00	
12/1/2016	425,000	25.000%	7,338.00	4,500.00	900,000.00	4.250%	(153,000.00)	6.250%	225,000.00	1,408,838.00	2,392,676.00
6/1/2017			6,904.85	4,234.38	846,875.00		(143,968.75)		211,718.75	925,784.23	
12/1/2017	445,000	25.000%	6,904.85	4,234.38	846,875.00	4.250%	(143,968.75)	6.250%	211,718.75	1,370,784.23	2,296,528.46
6/1/2018			6,451.33	3,956.25	791,250.00		(134,512.50)		197,812.50	864,957.58	
12/1/2018	465,000	25.000%	6,451.33	3,956.25	791,250.00	4.250%	(134,512.50)	6.250%	197,812.50	1,329,957.58	2,194,915.15
6/1/2019			5,977.41	3,685.63	733,125.00		(124,631.25)		183,261.25	801,418.04	
12/1/2019	485,000	25.000%	5,977.41	3,685.63	733,125.00	4.250%	(124,631.25)	6.250%	183,261.25	1,286,418.04	2,067,836.08
6/1/2020			5,483.12	3,362.50	672,500.00		(114,325.00)		168,125.00	735,145.82	
12/1/2020	505,000	25.000%	5,483.12	3,362.50	672,500.00	4.250%	(114,325.00)	6.250%	168,125.00	1,240,145.82	1,975,291.23
6/1/2021			4,988.44	3,048.88	609,375.00		(103,593.75)		152,343.75	666,140.31	
12/1/2021	525,000	25.000%	4,988.44	3,048.88	609,375.00	4.250%	(103,593.75)	6.250%	152,343.75	1,191,140.31	1,857,280.63
6/1/2022			4,433.38	2,718.75	543,750.00		(92,437.50)		135,937.50	594,402.13	
12/1/2022	545,000	25.000%	4,433.38	2,718.75	543,750.00	4.250%	(92,437.50)	6.250%	135,937.50	1,139,402.13	1,733,804.25
6/1/2023			3,877.93	2,378.13	475,625.00		(80,856.25)		118,906.25	519,931.05	
12/1/2023	570,000	25.000%	3,877.93	2,378.13	475,625.00	4.250%	(80,856.25)	6.250%	118,906.25	1,089,931.05	1,609,862.11
6/1/2024			3,297.00	2,021.88	404,375.00		(68,743.75)		101,083.75	442,943.88	
12/1/2024	595,000	25.000%	3,297.00	2,021.88	404,375.00	4.250%	(68,743.75)	6.250%	101,083.75	1,037,043.88	1,479,087.76
6/1/2025			2,690.60	1,650.00	330,000.00		(56,100.00)		82,500.00	360,740.60	
12/1/2025	620,000	25.000%	2,690.60	1,650.00	330,000.00	4.250%	(56,100.00)	6.250%	82,500.00	990,740.60	1,341,481.20
6/1/2026			2,058.72	1,262.50	252,500.00		(42,925.00)		63,125.00	276,021.22	
12/1/2026	645,000	25.000%	2,058.72	1,262.50	252,500.00	4.250%	(42,925.00)	6.250%	63,125.00	821,021.22	1,197,042.43
6/1/2027			1,401.35	859.38	171,875.00		(29,218.75)		42,968.75	187,885.73	
12/1/2027	675,000	25.000%	1,401.35	859.38	171,875.00	4.250%	(29,218.75)	6.250%	42,968.75	862,885.73	1,050,771.46
6/1/2028			713.42	437.50	87,500.00		(14,875.00)		21,875.00	95,650.92	
12/1/2028	700,000	25.000%	713.42	437.50	87,500.00	4.250%	(14,875.00)	6.250%	21,875.00	795,650.92	891,301.83
6/1/2029			-	-	-		-		-	-	
6/1/2030			-	-	-		-		-	-	
12/1/2030			-	-	-		-		-	-	
6/1/2031			-	-	-		-		-	-	
12/1/2031			-	-	-		-		-	-	
6/1/2032			-	-	-		-		-	-	
12/1/2032			-	-	-		-		-	-	
6/1/2033			-	-	-		-		-	-	
12/1/2033			-	-	-		-		-	-	
6/1/2034			-	-	-		-		-	-	
12/1/2034			-	-	-		-		-	-	
6/1/2035			-	-	-		-		-	-	
	8,375,000		305,184.36	187,153.13	37,430,625.00		(6,383,206.25)		9,357,656.25	49,292,412.49	49,292,412.49

(1) Assumes maximum interest rate on the Bonds due to negative issuer specific occurrence and historical average taxable interest rate receipt creating significant basis differential.  
 (2) Expected liquidity and remarketing costs, assumed to be constant for the life of the swap.  
 (3) Assumes maximum fixed rate on the swap payment per Swap Resolution.

Investment Management Advisory Group, Inc.

COUNTY OF YORK, PENNSYLVANIA

TOTAL

Annual Debt Service Payment Schedule (1)

MAXIMUM

FY Ending	2000 GO Bonds	2000A GASP Bonds	2001 GASP Bonds	2002 GO Bonds	2003 GASP Bonds	2003 GO Bonds	2003A YCIDA Bonds	2003B YCIDA Bonds	Annual Debt Service
2004	27,261	1,584,750	2,409,000	2,822,755	2,495,811	513,918	153,288	1,144,395	11,151,178
2005	220,613	3,613,500	5,127,875	3,326,310	4,991,621	1,027,835	306,577	2,288,790	20,903,120
2006	222,518	3,560,000	5,096,125	3,326,250	4,996,239	1,032,798	306,577	2,288,790	20,829,295
2007	218,965	3,503,500	5,066,000	3,328,125	4,995,473	1,032,713	306,577	2,288,790	20,740,162
2008	220,006	3,467,097	5,073,865	3,324,688	4,994,708	1,032,609	306,577	2,288,790	20,708,339
2009	220,455	3,427,017	5,082,012	3,325,625	4,993,943	1,032,488	776,577	2,288,790	21,146,906
2010	220,268	3,360,138	5,043,286	-	5,293,312	2,063,960	724,531	2,288,790	18,994,284
2011	-	3,294,829	5,207,797	-	5,256,666	2,048,298	669,420	2,288,790	18,765,800
2012	-	3,225,710	5,134,781	-	5,217,726	2,030,566	611,243	2,288,790	18,508,816
2013	-	3,152,780	5,060,275	-	5,167,255	2,022,435	-	2,663,790	18,066,534
2014	-	3,076,040	4,983,514	-	5,125,254	2,008,635	-	2,576,307	17,767,749
2015	-	2,995,489	4,903,735	-	5,076,340	1,988,560	-	2,489,724	17,453,848
2016	-	2,915,747	4,810,938	-	5,030,513	1,967,810	-	2,392,676	17,117,683
2017	-	2,831,432	4,715,123	-	4,982,391	1,949,935	-	2,296,528	16,775,409
2018	-	2,742,544	4,615,526	-	4,927,356	1,934,685	-	2,194,915	16,415,026
2019	-	2,649,084	4,511,384	-	4,875,408	1,916,935	-	2,087,836	16,040,648
2020	-	2,555,671	4,397,315	-	4,821,165	1,891,810	-	1,975,291	15,641,252
2021	-	2,452,303	4,282,555	-	4,760,009	1,879,060	-	1,857,281	15,231,209
2022	-	2,353,601	4,151,723	-	4,701,941	1,857,014	-	1,733,804	14,798,083
2023	-	2,244,183	4,024,055	-	4,646,194	1,821,375	-	1,609,862	14,345,670
2024	-	2,134,050	3,878,787	-	5,741,747	567,288	-	1,479,088	13,800,960
2025	-	2,013,201	3,735,156	-	5,497,836	569,988	-	1,341,481	13,157,661
2026	-	1,896,255	3,572,397	-	5,249,333	571,658	-	1,197,042	12,486,685
2027	-	1,767,831	3,405,130	-	5,000,857	572,388	-	1,050,771	11,796,977
2028	-	1,637,929	3,227,209	-	4,742,408	572,178	-	891,302	11,071,025
2029	-	1,505,787	3,033,251	-	4,479,369	575,794	-	-	9,594,201
2030	-	1,361,406	2,837,113	-	4,211,738	573,231	-	-	8,983,488
2031	-	-	3,837,231	-	3,948,752	574,600	-	-	8,360,583
2032	-	-	-	-	7,124,257	579,663	-	-	7,703,919
2033	-	-	-	-	6,421,392	578,419	-	-	6,999,811
2034	-	-	-	-	-	-	-	-	-
	1,350,105	71,321,873	121,223,158	19,453,753	149,767,013	38,786,640	4,161,366	49,292,412	455,356,319

(1) Maximum debt service assumes maximum variable interest rates on all variable rate transactions. In addition, assumes constant liquidity and remarketing costs and negative correlation of variable swap payments and receipts due to issuer specific occurrence. See Appendix A for Current Debt Service on outstanding issues.