

LAW OFFICES

HOLLAND & KNIGHT

P. O. Box 1669
406 THIRTEENTH STREET WEST
BRADENTON, FLORIDA 33506
(813) 746-7107

P. O. Box 14005
110 EAST BROWARD BLVD.
FORT LAUDERDALE, FLORIDA 33302
(305) 525-1000

P. O. DRAWER BW
92 LAKE WIRE DRIVE
LAKELAND, FLORIDA 33802
(813) 682-1161

P. O. Box 015441
1200 BRICKELL AVENUE
MIAMI, FLORIDA 33101
(305) 374-8500

P. O. Box 1526
255 SOUTH ORANGE AVENUE
ORLANDO, FLORIDA 32802
(305) 425-8500

P. O. DRAWER 49768
2033 WOOD STREET
SARASOTA, FLORIDA 33578
(813) 365-3321

P. O. DRAWER 810
BARNETT BANK BLDG.
TALLAHASSEE, FLORIDA 32302
(904) 224-7000

P. O. Box 1288
600 NORTH FLORIDA AVE.
TAMPA, FLORIDA 33601
(813) 223-1621

PLEASE REPLY TO: Tampa
December 7, 1984

888 SEVENTEENTH STREET, N. W.
SUITE 400
WASHINGTON, D. C. 20006
(202) 955-5550

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Secretary James H. Bayne
Interstate Commerce Commission
12th and Constitution Avenue, N.W.
Washington, D.C. 20423

RECORDATION NO. 14400-B Filed 1425

DEC 7 1984 - 3 10 PM

INTERSTATE COMMERCE COMMISSION

Attn: Mrs. Mildred Lee
Room 2303
Recordation

Dear Secretary Bayne:

I have enclosed an original and one certified copy of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the United States Code.

This document is a Trust Indenture and Security Agreement, is a primary document and is dated December 7, 1984. Although a primary document itself, this document is connected to two other primary documents, two Equipment Leases, recorded under Recordation Nos. 13852 and 14400. We request that this assignment be cross-indexed.

The names and addresses of the parties to the document are as follows:

Owner Trustee: CBT Trust Company of Florida,
National Association
400 Australian Avenue
Suite 750
West Palm Beach, Florida 33409

Indenture Trustee: Southeast Bank, N.A.
One Southeast Financial Center
Miami, Florida 33131

A description of the equipment covered by the document is as follows:

The Equipment shall consist of the following items from the Document with Recordation No. 13852:

Handwritten scribbles and initials on the left margin.

Secretary James H. Bayne
December 7, 1984
Page 2

<u>Quantity</u>	<u>Description</u>	<u>Estimated Lessor's Cost Per Item</u>
196	100-ton nominal capacity gondola cars with single rotary dump features manufactured by Ortner Freight Car Company having road numbers SEMX 82000 through SEMX 82047, SEMX 82048 through SEMX 82097, SEMX 83100 through SEMX 83197	\$39,621
4	100-ton nominal capacity gondola cars with double rotary dump features manufactured by Ortner Freight Car Company having road numbers SEMX 82900, SEMX 82901, SEMX 83902 and SEMX 83903	\$40,371

Estimated Lessor's Cost - \$7,927,200

The Equipment shall also consist of the following
items from the Document with Recordation No. 14400:

<u>Quantity</u>	<u>Description</u>
98	100-ton nominal capacity gondola cars with single rotary dump features, manufactured by Ortner Freight Car Company, rd. Nos. SEMX 84200-84297
2	100-ton nominal capacity gondola cars with double rotary dump features, manufactured by Ortner Freight Car Company, rd. Nos. SEMX 84904-84905

Secretary James H. Bayne
December 7, 1984
Page 3

A fee of \$10.00 is enclosed. Please return the original or any copy not needed by the Commission for recordation to:

Holland & Knight
Post Office Box 1288
Tampa, Florida 33601

Attn: Danny Jackson

A short summary of the document to appear in the index follows: Trust Indenture and Security Agreement between CBT Trust Company of Florida, National Association, 400 Australian Avenue, Suite 750, West Palm Beach, Florida 33409 and Southeast Bank, N.A., One Southeast Financial Center, Miami, Florida 33131 dated December 7, 1984 and covering the Coal Transportation Leases and the Assignment of Coal Transportation Leases covering the following equipment: 294 100-ton nominal capacity gondola cars with single rotary dump features and 6 100-ton nominal capacity gondola cars with double rotary dump features and connected to two Equipment Leases with Recordation Nos. 13852 and 14400.

Very truly yours,

HOLLAND & KNIGHT


James H. Shimberg, Jr.

Attorneys for CBT Trust
Company of Florida,
National Association

JHS/cct
Enclosure

REGISTRATION NO. 14400-B Filed 1425

DEC 7 1984 -3 30 PM

INTERSTATE COMMERCE COMMISSION

TRUST INDENTURE AND SECURITY AGREEMENT

Dated as of December 7, 1984

Between

CBT TRUST COMPANY OF FLORIDA,
NATIONAL ASSOCIATION,

as Owner Trustee

and

SOUTHEAST BANK, N.A.,

as Indenture Trustee

620MW (Rated Capacity) Coal-Fired
Steam Electric Generating Unit
Located in Putnam County, Florida

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TRUST INDENTURE AND SECURITY AGREEMENT
dated as of December 7, 1984, between CBT
TRUST COMPANY OF FLORIDA, NATIONAL ASSOCIA-
TION, a national banking association, not in
its individual capacity but solely as trustee
under the Trust Agreement ("Owner Trustee"),
and SOUTHEAST BANK, N.A., a national banking
association ("Indenture Trustee").

Owner Participant and Owner Trustee have entered into the Trust Agreement whereby, among other things, Owner Trustee declares a certain trust for the use and benefit of Owner Participant and Owner Trustee is authorized and directed to execute and deliver this Indenture.

Owner Trustee desires by this Indenture and the Mortgage, among other things, to provide for (a) the issue by Owner Trustee of one or more series of Notes evidencing nonrecourse secured loans made to Owner Trustee as provided in the Participation Agreement and (b) the mortgage, assignment and pledge by Owner Trustee with and to Indenture Trustee, as part of the Indenture Estate, of Owner Trustee's right, title and interest in and to the Trust Estate in accordance with the terms hereof (excluding Excepted Payments and except as otherwise provided herein) and thereof, in trust, as security for, inter alia, Owner Trustee's obligations to the holders of the Notes and for the benefit and security of such holders.

Accordingly, to secure the prompt payment of all principal of the Notes from time to time outstanding hereunder, and interest and premium, if any, thereon, and all amounts of indemnity and other payments payable or to be distributed by Owner Trustee, Owner Participant or Lessee to or for the benefit of the holders of the Notes or Loan Participant, and to secure the due performance and observance by Owner Trustee, Owner Participant and Lessee of all the agreements and covenants herein, in the Notes, the Participation Agreement and the other Operative Documents (other than those agreements and covenants the breach of which is expressly excepted from the meaning of the term Event of Default by the parentheticals contained in paragraph (d) of Article XV of the Lease) for the benefit and security of the holders of the Notes and Loan Participant, and for the uses and purposes and subject to the terms and provisions hereof,

and in consideration of the foregoing and of the covenants herein contained and of the acceptance of the Notes by the holders thereof:

GRANTING CLAUSE

Owner Trustee hereby grants, bargains, sells, releases, conveys, assigns, transfers, mortgages, pledges, grants and creates a security interest in, sets over and confirms unto Indenture Trustee, its successors and assigns, the following described property, rights and privileges, whether now held or hereafter acquired:

(1) all right, title and interest of Owner Trustee in and to the Facility;

(2) all right, title and interest of Owner Trustee in, to and under the Bill of Sale, the Ground Lease, the Lease, the Support Agreement, the Construction Contracts, the Construction Contracts Assignment, the Fuel Contracts, the Assignment of Fuel Contracts, the Assigned Coal Transportation Leases and the Assignment of Coal Transportation Leases (collectively the "Granting Clause Documents"), including without limitation (a) all amounts of Rent, insurance proceeds and condemnation, requisition and other awards and payments of any kind for or with respect to any part of the Trust Estate as contemplated in the Granting Clause Documents and (b) all rights of Owner Trustee to exercise any election or option or to make any decision or determination or to give or receive any notice, consent, waiver or approval or to take any other action under or in respect of any Granting Clause Document, as well as all the rights, powers and remedies on the part of Owner Trustee, whether arising under any Granting Clause Document or by statute or at law or equity or otherwise, arising out of any Default or Event of Default;

(3) all right, title and interest of Owner Trustee in and to the Construction Fund and the Special Construction Fund;

(4) all moneys and securities deposited or required to be deposited with Indenture Trustee pursuant to any term of this Indenture or the Lease and held or required to be held by Indenture Trustee hereunder;

(5) all rents (including Rent), issues, profits, products, revenues and other income of all property from time to time subjected or required to be subjected to the lien of this Indenture, and all right, title and interest of every nature whatsoever of Owner Trustee in and to the same and every part thereof;

(6) all right, title and interest of Owner Trustee in and to any right to restitution from Lessee or any other party to a Granting Clause Document in respect of any determination of invalidity of any Granting Clause Document;

(7) all other property of every kind and description, real, personal and mixed, and interests therein now held or hereafter acquired by Owner Trustee pursuant to any term of any Granting Clause Document, whether located on the Site, the Plant Site or elsewhere and whether or not subjected to the lien of this Indenture by indenture supplemental hereto; and

(8) all proceeds of the foregoing;

BUT EXCLUDING from such property, rights and privileges all Excepted Payments and SUBJECT TO the rights of Owner Trustee and Owner Participant hereunder, including without limitation Sections 4.03 and 5.06 (such property, rights and privileges conveyed pursuant to this Granting Clause being hereinafter referred to as the "Indenture Estate").

Concurrently with the delivery thereof, Owner Trustee and Indenture Trustee are executing and delivering the Mortgage for the purposes of recording the mortgage created hereby in respect of the real property comprised in the Indenture Estate. The rights, duties and immunities of Owner Trustee and Indenture Trustee under and with respect to the Mortgage, and the covenants, conditions, uses and trusts applicable to all property subject or to become subject to the Mortgage, shall be those set forth in this Indenture.

Concurrently with the delivery hereof, Owner Trustee is delivering to Indenture Trustee the executed original counterpart of the Lease, the Support Agreement, the Construction Contracts Assignment, the Assignment of Fuel Contracts and the Assignment of Coal Transportation Leases (which Indenture Trustee will at all times maintain possession of) and executed counterparts of the Ground Lease and the initial Bill of Sale.

TO HAVE AND TO HOLD the Indenture Estate unto Indenture Trustee, its successors and assigns, in trust for the benefit and security of the holders from time to time of the Notes without any priority of any one Note over any other except as herein otherwise expressly provided and of Loan Participant, and for the uses and purposes and subject to the terms and provisions set forth in this Indenture (it being understood that Owner Trustee shall remain liable under each Granting Clause Document to perform all the obligations (if any) assumed by it thereunder, all in accordance with and pursuant to the terms and provisions thereof, and that Indenture Trustee shall have no obligation or liability under any Granting Clause Document by reason of or arising out of the assignment thereof pursuant to this Indenture nor be required or obligated in any manner, except as herein expressly provided, to perform or fulfill any obligation of Owner Trustee under or pursuant to any such Granting Clause Document or, except as herein expressly provided, to make any payment, or to make any inquiry as to the nature or sufficiency of any payment received by it, or to present or file any claim, or to take any action to collect or enforce the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times).

PROVIDED, HOWEVER, that if the principal, premium, if any, interest and any other amounts to become due in respect of all the Notes and all other amounts due the holders of the Notes and Loan Participant at the time and in the manner required hereby and by the Notes, the Lease and the Participation Agreement shall have been paid and Owner Participant, Owner Trustee and Lessee shall have performed and complied with all the covenants, agreements, terms and provisions to be performed or complied with by them hereunder or thereunder (other than those covenants and agreements, and amounts in respect thereof, of Lessee the breach of which is expressly excepted from the meaning of the term Event of Default by the parentheticals contained in paragraph (d) of Article XV of the Lease), then this Indenture and the Mortgage and the rights hereby and thereby granted and assigned shall terminate and cease (except to the extent required by the proviso to the first sentence of Section 5.03, if applicable); otherwise to remain in full force and effect.

Accordingly, Owner Trustee, for itself and its successors and assigns, agrees that all the Notes are to be issued and delivered, and that all property subject or to become subject hereto is to be held, subject to the further covenants, conditions, uses and trusts hereinafter set

forth, and Owner Trustee, for itself and its successors and assigns, hereby covenants and agrees with Indenture Trustee, for the benefit and security of the holders from time to time of the Notes, and Indenture Trustee agrees to accept the trusts and duties hereinafter set forth, as follows:

ARTICLE I

DEFINITIONS

For the purposes hereof, capitalized terms used herein shall have the meanings assigned to them in Appendix A hereto. References in this Indenture to Sections and Articles are to Sections and Articles in this Indenture unless otherwise indicated.

ARTICLE II

THE NOTES

SECTION 2.01. Notes Issuable in Series. The Notes created and issued hereunder may be created and issued in one or more series and each Note shall bear upon its face the designation of the series to which it belongs. No Note may be created or issued under, or become secured by, this Indenture except in accordance with the terms hereof.

SECTION 2.02. Series 1, 2 and 3 Notes. The first three series of Notes are hereby created and each Note of such series:

(a) shall be designated as a "Seminole Unit 2 Nonrecourse Note, Series 1", "Seminole Unit 2 Nonrecourse Note, Series 2" or "Seminole Unit 2 Nonrecourse Note, Series 3", as the case may be (each such Note and any Note issued from time to time in substitution or replacement thereof being called a "Series 1 Note", "Series 2 Note" or "Series 3 Note", as the case may be);

(b) shall be issued and delivered on the Funding Date to Collateral Trust Trustee, as pledgee of Loan Participant, registered in the name of Collateral Trust Trustee or Collateral Trust Trustee's nominee and in a principal amount of \$ 97,761,075.50, in the case of the Series 1 Note, \$ 56,700,000.00, in the case of the Series 2

Note, and \$71,400,000.00 in the case of the Series 3 Note;

(c) shall be substantially in the form of Exhibit A, B or C hereto, as the case may be; and

(d) may have such notations, legends or endorsements as may be required by law or usage which are not inconsistent with the provisions hereof.

SECTION 2.03. Future Series of Notes. Owner Trustee (or Lessee in the case of (c) below) may from time to time issue additional Notes of any series other than Series 1, 2 or 3 Notes for cash at par in an aggregate principal amount not greater than:

(a) the sum of the cost to Owner Trustee of any Alterations or replacement or substitute Components to be financed in whole or in part with the proceeds of the issuance and sale of such additional Notes and all reasonable costs and expenses relating to the issuance and sale of such additional Notes; provided, however, that, except where the issuance of such additional Notes is in respect of a Supplemental Financing, no additional Notes shall be issued by Owner Trustee pursuant to this Section 2.03(a) if (i) the fair market value of the Facility Assets (after giving effect to the Alteration or replacement or substitute Components to be financed with the proceeds of such additional Notes) shall be less than 160% (150% if there are not any Non-CFC Holders) of the aggregate principal amount of all Notes then outstanding (including the additional Notes which are then proposed for issuance) or (ii) the weighted average life to maturity of such additional series of Notes proposed for issuance is less than the remaining weighted average life to maturity of the aggregate outstanding Series 1 and 2 Notes, but clause (ii) shall not apply if there are not any Non-CFC Holders;

(b) the sum of the portion of principal of and premium (if any) due on any Notes of any series theretofore authenticated and delivered hereunder which are to be redeemed out of the proceeds of such additional Notes and all reasonable costs and expenses relating to the issuance and sale of such additional Notes and any accrued and unpaid fees under Section 2.12; and

(c) the principal amount of secured subordinated notes which Owner Participant agrees to acquire, subject to the conditions set forth therein, pursuant to Section 16(c) of the Participation Agreement;

provided, however, that (1) in the case of (a) and (b) above, so long as Loan Participant or Collateral Trust Trustee is the holder of all the Series 1, 2 and 3 Notes, prior to the issuance of such additional series of Notes, Owner Trustee shall offer such additional Notes to Loan Participant by written notice to Loan Participant not fewer than 20 days nor more than 30 days prior to offering such Notes to any other Person, such offer to remain open for at least 15 days, and, following the expiration of such offer, Owner Trustee may, during the period of 90 days thereafter, enter into a binding contract to sell, and at any time thereafter pursuant to such contract sell, such of the proposed series of Notes as Loan Participant shall not have committed to purchase to any Person on substantially the same terms (including interest rates not to exceed 30 basis points above those offered to Loan Participant), (2) all documentation in connection with the issuance of such additional Notes shall be reasonably satisfactory in form and substance to a Majority in Interest of Holders of Notes (other than the holders of any series of Notes that is to be redeemed in its entirety with the proceeds of such additional Notes) and (3) in the case of (c) above, (w) such Notes (each such Note and any Note issued from time to time in substitution or replacement thereof being herein called a "Subordinated Note"; each Note that is not a Subordinated Note being herein called a "Senior Note") shall be substantially in the form prescribed in an indenture supplemental to this Indenture providing for the issuance of Subordinated Notes, (x) so long as there are any Non-CFC Holders, the weighted average life to maturity of the Subordinated Notes shall be no less than the remaining weighted average life to maturity of the aggregate outstanding Series 1 and 2 Notes, (y) so long as there are any Non-CFC Holders, the timing at which the redemption of the Subordinated Notes is permitted or the structure of the premiums payable (but not the amount) in connection with such redemptions shall be no more favorable than that of the aggregate outstanding Series 1 and 2 Notes and (z) such supplemental indenture shall contain provisions appropriately amending this Indenture, including without limitation Article III, and subordinating the Subordinated Notes and the rights of the holders thereof to the Senior Notes and the rights of the holders thereof, the terms and form of such Subordinated Notes and supplemental indenture to be satisfactory to Owner Trustee,

Owner Participant and Loan Participant in their respective absolute discretions. The terms, conditions and designations of such additional Notes (which shall be consistent with this Indenture) shall also be set forth in an indenture supplemental to this Indenture executed by Owner Trustee and Indenture Trustee, which may include (without limitation) redemption provisions comparable to or different from those applicable to the Series 1, 2 or 3 Notes, subject as aforesaid in the case of Subordinated Notes. Indenture Trustee shall execute such supplemental indenture and Paying Agent shall authenticate and deliver Notes in accordance with the provisions thereof upon receipt by Indenture Trustee of the following documents:

(i) a copy of such supplemental indenture (which shall include the form of such series of Notes and the certificate of authentication in respect thereof) together with a request from Owner Trustee that Indenture Trustee execute such supplemental indenture;

(ii) an Officers' Certificate of Owner Trustee stating that (x) to the best of its knowledge, no Indenture Default or Indenture Event of Default has occurred and is continuing, (y) the conditions in respect of the issuance of such additional series of Notes contained in this Section 2.03 have been satisfied and (z) specifying the amount, if any, of the costs and expenses relating to the issuance and sale of such additional series of Notes which are to be included in the principal amount thereof;

(iii) except for Notes issued on and after the execution and delivery of the assumption agreement referred to in Section 2.11(c), an Officers' Certificate of Owner Trustee stating that payments pursuant to the Lease of Basic Rent, Supplemental Rent, Casualty Value, Special Casualty Value and Early Purchase Floor Value are calculated to be sufficient to pay the principal of and interest on all the outstanding Notes and all other amounts due or to become due to the holders of the Notes and all other amounts due or to become due hereunder to Loan Participant, after taking into account the issuance of such additional Notes and any such redemption;

(iv) an Officers' Certificate of Lessee stating that no Event of Default and, to the best of Lessee's knowledge, no Default has occurred and is continuing;

(v) an opinion of counsel satisfactory to Indenture Trustee as to the authorization, validity and enforceability of such Notes and such other matters as Indenture Trustee may reasonably request; and

(vi) such further documents as may be required by the provisions of such supplemental indenture.

SECTION 2.04. Execution and Authentication of Notes. Each Note issued hereunder shall be executed and delivered on behalf of Owner Trustee outside the State of Florida by one of its officers or other signatories thereunto duly authorized, be in fully registered form, be dated the date of original issuance of Notes of such series and be in denominations of not less than \$150,000, except that prior to the occurrence of an Indenture Event of Default there shall never be more than one Series 1, 2 or 3 Note. Any Note may be signed by a Person who, at the actual date of the execution of such Note, is an officer or authorized signatory of Owner Trustee although at the nominal date of such Note such Person may not have been an officer or authorized signatory of Owner Trustee. No Note shall be secured by or entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears thereon a certificate of authentication in the form contained in Exhibit A, B or C hereto, as the case may be (or in the appropriate form provided for in any supplemental indenture executed pursuant to Section 2.03), executed by Paying Agent by the manual signature of one of its authorized officers, and such certificate upon any Note shall be conclusive evidence that such Note has been duly authenticated and delivered hereunder.

SECTION 2.05. Equally and Ratably Secured Notes. Except as contemplated by Section 2.03(c), all Notes at any time outstanding under this Indenture shall be equally and ratably secured by this Indenture, without preference, priority or distinction on account of the date or dates or the actual time or times of the issue or maturity of such Notes, so that all Notes at any time issued and outstanding hereunder shall have the same rights and preferences under and by virtue of this Indenture; but Notes of each series may differ from Notes of other series regarding maturity, interest rate, redemption provisions and similar matters.

The beneficial interest of the holders of the Notes in the Indenture Estate shall be personal property for all purposes, and any assignment by any such holder of its interest in the Indenture Estate shall not be considered an

assignment of any part of the Indenture Estate, but only of such holder's beneficial interest therein.

SECTION 2.06. Payments from Indenture Estate Only; No Personal Liability of Owner Trustee or Indenture Trustee; Credits. Except as otherwise specifically provided in this Indenture, all payments to be made by Indenture Trustee in respect of the Notes or under this Indenture shall be made only from the Indenture Estate and Indenture Trustee shall have no obligation for the payment thereof except to the extent that Indenture Trustee shall have sufficient income or proceeds from the Indenture Estate to make such payments in accordance with the terms of Article III; and neither Owner Trustee nor Owner Participant shall have any obligation for the payment thereof except from the Indenture Estate. Indenture Trustee and each holder of a Note, by its acceptance thereof, agrees that it will look solely to the income and proceeds from the Indenture Estate to the extent available for distribution to Indenture Trustee or such holder, as the case may be, as herein provided, and that except under certain provisions of the Participation Agreement or as expressly provided in this Indenture none of Owner Participant, Owner Trustee and Indenture Trustee is or shall be personally liable to Indenture Trustee or to the holder of such Note for any amounts payable under such Note or for any performance to be rendered under any Operative Document or this Indenture or any Debt Operative Document or for any liability under any Operative Document or this Indenture or any Debt Operative Document. Without prejudice to the foregoing, Owner Trustee will duly and punctually pay or cause to be paid the principal of, premium, if any, and interest on all Notes according to their terms and the terms of this Indenture.

At its option, to be exercised on or before the 45th day next preceding any day on which a semiannual installment of principal of the Series 3 Note is due, by the furnishing of the certificate referred to in the next following paragraph, Owner Trustee may, on behalf of Authority (provided that Owner Trustee shall have delivered to Loan Participant a certificate stating the extent to which (if any) it intends to exercise such right not later than the 52nd day next preceding the day on which such installment is due), deliver to Authority Trustee for cancellation Authority Bonds in any principal amount desired. Each such Authority Bond so delivered shall be credited by Indenture Trustee at 100% of the principal amount thereof to the obligation of Owner Trustee to pay such semiannual installment of principal, and the principal

amount of the Series 3 Note to be paid on such semiannual installment date shall as of such date be accordingly reduced.

Owner Trustee may, on or before the 45th day next preceding any day on which a semiannual installment of principal of the Series 3 Note is due, furnish Indenture Trustee, with copies to Loan Participant, Lessee, Collateral Trust Trustee, Authority and Authority Trustee, with its certificate indicating to what extent the provisions of the preceding paragraph are to be availed of with respect to such semiannual installment of principal and certifying that Authority Bonds in the appropriate principal amount have been delivered to Authority Trustee pursuant to the preceding paragraph. Failure of Owner Trustee to deliver such certificate on or before such date shall not constitute an Indenture Default, but shall constitute, on and as of such date, the irrevocable election of Owner Trustee that such semiannual installment of principal shall be paid in cash without the option to credit Authority Bonds in respect thereof.

SECTION 2.07. Method of Payment. Payments of interest on the Notes on the Basic Lease Commencement Date and regular semiannual payments of principal and interest payable on the Notes on Basic Rent Payment Dates shall be made prior to 11:15 a.m., New York City time, on such dates. In the event that any payment of principal or premium, if any, or interest on any Note is not paid by 11:15 a.m., New York City time, on the date on which such payment is due, such payment shall be deemed not to have been made until the next succeeding Business Day and interest thereon shall accrue as otherwise provided herein or in the Notes with respect to payments not made on the day when such payment is due. The principal of, premium, if any, and interest on each Note will be payable at the Paying Agent Office and will be paid by Paying Agent by crediting the amount to be distributed to any holder of a Note to an account maintained by such holder with Paying Agent or, if such an account is not maintained, by whichever of the following methods shall be specified by notice from such holder to Indenture Trustee and Paying Agent: (a) by making such payment to such holder in immediately available funds at the Paying Agent Office, (b) if such holder is a bank or other institutional investor (including Collateral Trust Trustee as such trustee) or Loan Participant, by transferring such amount in immediately available funds to a banking institution or institutions designated in such notice (not located in Florida) with bank wire transfer facilities for the account or accounts of such

holder, or such other account or accounts as such holder shall have designated to Indenture Trustee and Paying Agent, in each case with telephonic and/or written confirmation of payment, to the extent specified by such holder, or (c) by mailing a check for such amount payable in New York Clearing House funds to such holder at the address of such holder, in all cases in which such holder is a bank or other institutional investor (including Collateral Trust Trustee as such trustee) without any presentment or surrender of such Note. In no event shall payments be made in Florida. In the event any date on which a payment is due under any Series 1, 2 or 3 Note is not a Business Day, then such payment need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on the date on which such payment was due, together with interest on such payment (to the extent permitted by applicable law) for the period from and including such date to but not including such next succeeding Business Day with respect to the portion of the Series 1 Note and Series 2 Note which does not bear interest at the Fixed NCSC Rate, Variable NCSC Rate or Seven-Year NCSC Rate.

SECTION 2.08. Application of Payments. Each payment on any outstanding Note shall be applied first, to the payment of accrued interest (including interest on overdue principal and, to the extent permitted by applicable law, interest) on such Note to the date of such payment, and, second, to the payment of the principal amount of and premium, if any, on such Note then due thereunder. Any payment of principal (other than a regularly scheduled installment thereof) of a Note which shall not pay the entire outstanding principal of such Note shall (i) except to the extent provided in clause (ii) below, be applied to reduce installments of principal thereafter payable on such Note in the inverse order of the due dates thereof and (ii) in the case of any such payment in respect of any redemption of Series 1 or 2 Notes, or any portion thereof, which bear interest at the Fixed NCSC Rate, the Variable NCSC Rate or the Seven-Year NCSC Rate, or a redemption of the Series 3 Note pursuant to Section 2.11(b), reduce pro rata installments of principal thereafter payable on such Notes, or portions thereof.

SECTION 2.09. Registration of Transfer and Exchange of Notes. Owner Trustee shall maintain at the Paying Agent Office a register in which it will provide for the registration, registration of transfer and exchange of Notes. If any Note is surrendered at said office for registration of transfer or exchange (accompanied by a

written instrument of transfer duly executed by or on behalf of the holder, together with the amount of any applicable transfer taxes), Owner Trustee will execute and Paying Agent will authenticate and deliver in exchange one or more new Notes of such series (subject to the limitations specified in Section 2.04) in any denomination or denominations not prohibited by this Indenture, as requested by the Person surrendering the Note, dated the same date as the Note so surrendered and of like tenor and aggregate unpaid principal amount. Any Note or Notes issued in a registration of transfer or exchange shall carry the same rights to interest (unpaid and to accrue) carried by the Note or Notes so transferred or exchanged so that there will not be any loss or gain of interest on the Note or Notes surrendered. Owner Trustee shall not be required to register the transfer or exchange of any Note during the 10 days preceding the due date of any payment on such Note.

SECTION 2.10. Mutilated, Destroyed, Lost or Stolen Notes. Upon receipt by Owner Trustee, Indenture Trustee and Paying Agent of evidence satisfactory to them of the loss, theft, destruction or mutilation of any Note and (in case of loss, theft or destruction) of indemnity satisfactory to them, and upon surrender and cancellation of such Note, if mutilated, Owner Trustee will execute and Paying Agent will authenticate and deliver in lieu of such Note a new Note of such series, dated the same date as such Note and of like tenor and principal amount; provided, however, that if the holder of such Note is the Loan Participant or Owner Participant or an institutional investor holding in excess of \$1,000,000 original aggregate principal amount of Notes, or any nominee thereof, the unsecured written undertaking of CFC or Owner Participant or such institutional investor, respectively, delivered to Owner Trustee, Indenture Trustee and Paying Agent shall be sufficient indemnity for purposes of this Section 2.10.

SECTION 2.11. Redemptions; Assumption. (a) The Notes shall be redeemed, in whole but (except in the case of a redemption described in clause (ii) of this Section 2.11(a)) not in part, at a price equal to the principal amount of the Notes outstanding together with accrued interest on such principal amount so redeemed to the date fixed for redemption (i) pursuant to Section 4.05(b), (ii) upon the receipt of moneys from time to time by Indenture Trustee as a result of the occurrence of an Event of Loss (other than an Event of Loss referred to in clause (e) of the definition thereof under the circumstances contemplated in Section 2.11(c)), to the extent of the application

of such moneys pursuant to clause "Second" of Section 3.02, or (iii) upon the receipt of moneys by Indenture Trustee as a result of Lessee's purchase of the Facility Assets pursuant to Article VI of the Lease. Any such redemption shall be made in accordance with the applicable provisions of Article III. In the case of any such redemption pursuant to clause (iii) above as a result of Lessee's purchase of the Facility Assets pursuant to Section 6.01(b) of the Lease, redemption of the Series 1, 2 and 3 Notes shall include a premium, if any, determined as if such Notes were being optionally redeemed pursuant to Section 2.11(b).

(b) Owner Trustee may, at its option, redeem the Series 1 Note or the Series 2 Note in whole at any time or, with respect to any portion thereof which bears interest at the Variable NCSC Rate, the Seven-Year NCSC Rate or the Fixed NCSC Rate, in part from time to time, on any date fixed by Owner Trustee (i) at any time in the case of the Series 1 Note or Series 2 Note, or any portion thereof, which bears interest at the Variable NCSC Rate, the Seven-Year NCSC Rate or the Fixed NCSC Rate, (ii) on or after December 15, 1994, in the case of the Series 1 Note, or any portion thereof, which bears interest at a rate other than the Variable NCSC Rate, the Seven-Year NCSC Rate or the Fixed NCSC Rate and (iii) on or after December 15, 1999, in the case of the Series 2 Note, or any portion thereof, which bears interest at a rate other than the Variable NCSC Rate, the Seven-Year NCSC Rate or the Fixed NCSC Rate, in each case upon not less than 21 days notice to Indenture Trustee, at a price equal to the principal amount being redeemed together with accrued interest on such principal amount so redeemed to the date fixed for redemption and (except in the case of any Series 1 Note or Series 2 Note, or any portion thereof, which bears interest at the Variable NCSC Rate, the Seven-Year NCSC Rate or the Fixed NCSC Rate) a premium

(expressed as a percentage of the principal amount being redeemed) determined as follows:

If redeemed during the 12-month period beginning December 15,

<u>Year</u>	<u>Series 1</u>	<u>Series 2</u>
1994	4.0000%	
1995	3.0000%	
1996	2.0000%	
1997	1.0000%	
1998	0.0000%	
1999	0.0000%	6.8684%
2000	0.0000%	6.1053%
2001	0.0000%	5.3421%
2002	0.0000%	4.5789%
2003	0.0000%	3.8158%
2004	0.0000%	3.0526%
2005	0.0000%	2.2895%
2006	0.0000%	1.5263%
2007	0.0000%	0.7632%
2008	0.0000%	0.0000%

Owner Trustee may, at its option, redeem the Series 3 Note (x) to the extent there are outstanding Authority Bonds, in whole at any time or in part from time to time (but only in integral multiples of \$5,000) on the dates on which, and at the prices at which, Authority Bonds are subject to optional redemption pursuant to Section B-3.1(8) of the Authority Indenture, upon not less than 35 days (50 days in the case of a redemption in part) notice to Indenture Trustee and Authority Trustee, or (y) to the extent the outstanding principal amount of the Series 3 Note exceeds the outstanding principal amount of the Authority Bonds, or if there are no Authority Bonds outstanding, in whole at any time or in part from time to time on any date fixed by Owner Trustee, upon not less than 21 days notice to Indenture Trustee, in each case at a price equal to the principal amount being redeemed together with accrued interest on such principal amount so redeemed to the date fixed for redemption.

Any redemption pursuant to this Section 2.11(b) may be made only (i) in connection with and to the extent of the issuance of additional Notes pursuant to Section 2.03(b) or (ii) if an amount equal to the price required to be paid upon such redemption is deposited with Indenture Trustee not

later than the date notice of redemption is given pursuant hereto.

(c) Unless a Default or an Event of Default shall have occurred and be continuing, the obligations and liabilities of Owner Trustee hereunder and under the Notes may (but only with the consent of a Majority in Interest of Holders of Notes if the subordinated notes referred to in Section 2.03(c) are not issued) be assumed in whole by Lessee in the event of the occurrence of an Event of Loss referred to in clause (e) of the definition thereof, pursuant to an assumption agreement (which assumption agreement may be combined with the indenture supplemental to this Indenture hereinafter in this Section 2.11(c) referred to and may also provide for the assumption by Lessee of the obligations and liabilities of Owner Trustee and Owner Participant under other Operative Documents) which shall make such obligations and liabilities fully recourse to Lessee and shall otherwise be in form and substance satisfactory to Owner Trustee, Owner Participant, Indenture Trustee and a Majority in Interest of Holders of Notes. If required by a Majority in Interest of Holders of Notes, Lessee will execute and deliver, and Paying Agent will authenticate, to each holder of a Note in exchange for such old Note a new Note of the same series, in a principal amount equal to the outstanding principal amount of such old Note and otherwise in substantially similar form and tenor to such old Note but indicating that Lessee is the issuer thereof. When such assumption agreement becomes effective, Owner Trustee and Owner Participant shall be released and discharged without further act from all obligations and liabilities assumed by Lessee. All documentation in connection with any such assumption (including without limitation an indenture supplemental to this Indenture which shall, among other things, contain provisions appropriately amending references to the Lease in this Indenture and contain covenants by Lessee similar to those contained in the Lease (changed as appropriate), and amendments or supplements to the other Operative Documents, officers' certificates, opinions of counsel and Governmental Actions) shall be satisfactory in form and substance to Owner Trustee, Owner Participant, Indenture Trustee and a Majority in Interest of Holders of Notes.

(d) Except as provided below, notice of redemption having been given as aforesaid, the Notes or portions thereof so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified and from and after such date (unless Owner Trustee

shall default in the payment of the redemption price) such Notes or portions thereof shall cease to bear interest. Upon surrender of such Notes for redemption in accordance with such notice, such Notes or portions thereof shall be paid by Owner Trustee at the redemption price.

SECTION 2.12. Loan Participant Fees. For so long as Loan Participant or Collateral Trust Trustee (as pledgee of Loan Participant) is the holder of any Series 1, 2 or 3 Note, Owner Trustee shall pay to Loan Participant on each regular date (other than the Basic Lease Commencement Date) for payment of principal or interest under such Note:

(a) (X) an administration fee equal to (i) .0003 multiplied by the principal amount of such Note outstanding on such date immediately prior to the payment (if any) of principal made on such date plus (ii) \$5,012.90, except that no amount shall be payable under clause (i) in respect of any date on which CFC is in default of its obligation under the Bond Guaranty to pay the principal of and premium, if any, and interest on each Authority Bond when and as the same shall become due, whether at the stated maturity thereof, by prepayment, acceleration, call for redemption or otherwise, and (Y) an administration fee in respect of the Standby Purchaser's commitments and services under the Standby Purchase Agreement equal to .0003 (or such greater amount as Standby Purchaser shall have advised Owner Trustee and Lessee that it has reasonably determined reflects its cost of maintaining its various lines of credit used to support its obligations under the Standby Purchase Agreement) multiplied by the principal amount of the Authority Bonds outstanding on such date immediately prior to the payment (if any) of principal made on such date, except that no fee under this clause (Y) shall be payable in respect of any date on which the Standby Purchaser defaults in its obligation to purchase Authority Bonds under the Standby Purchase Agreement or the Bond Guaranty; (b) a guaranty fee equal to .0006325 multiplied by the principal amount of such Note outstanding on such date immediately prior to the payment (if any) of principal made on such date, if there is then outstanding an STC corresponding to the series of Notes of which such Note is one; and (c) an additional guaranty fee equal to (i) the difference, if any, between (x) an amount equal to the regularly scheduled installment of principal and interest due on such date on the outstanding STC, if any, corresponding to the series of Notes of which such Note is one and (y) the amount of such installment actually paid by CFC on such date multiplied by (ii) a fraction of which the numerator is the principal amount of such Note outstanding on such date and the denominator is

the principal amount of all Notes of such series outstanding on such date; and on the Basic Lease Commencement Date and in the event of a prepayment or redemption of such Note on a date other than a regular date for payment of principal or interest, on such date Owner Trustee shall pay the portion of the fees referred to in clauses (a), (b) and (in the case only of the Basic Lease Commencement Date) (c) above accrued from the Funding Date to the Basic Lease Commencement Date or such date of prepayment or redemption, as the case may be. If any amount payable under this Section 2.12 shall not be paid when due, Owner Trustee shall pay to Loan Participant interest (to the extent permitted by applicable law) on such overdue amount from and including the due date thereof to but excluding the date of payment (unless such payment shall be made after 11:15 a.m. New York City time, in which case such date of payment shall be included) thereof at the Stipulated Interest Rate.

SECTION 2.13. Paying Agent. Owner Trustee agrees at all times to have in effect a Paying Agency Agreement appointing a bank or trust company in New York, N.Y., as agent for purposes of making payments on the Notes, maintaining the register referred to in Section 2.09 and authenticating Notes. Morgan Guaranty Trust Company of New York has initially been appointed as Paying Agent. The Paying Agency Agreement shall be substantially in the form of Exhibit D hereto and shall not be amended, except to reflect variations in the interest rates of the Notes (other than Notes, or portions thereof, in respect of which there are outstanding Series A and Series B Collateral Trust Notes held by Non-CFC Holders), without Indenture Trustee's consent, such consent not to be unreasonably withheld. Paying Agent may not be replaced without the consent of Indenture Trustee, which consent shall not be unreasonably withheld. Indenture Trustee will notify Collateral Trust Trustee and Authority Trustee of the name and address of any replacement Paying Agent. The making by Paying Agent of any payment required to be made by Indenture Trustee pursuant to Article III shall be deemed to be a payment by Indenture Trustee for the purposes of Article III.

SECTION 2.14. Pledge of Notes by Loan Participant; Loan Participant As a Holder of Notes. The parties hereto acknowledge that the Series 1, 2 and 3 Notes purchased or acquired by Loan Participant pursuant to the Participation Agreement are on the Funding Date being pledged by Loan Participant to Collateral Trust Trustee pursuant to the Collateral Trust Indenture and as a consequence are being registered in the name of Collateral Trust

Trustee (or its nominee). Notwithstanding such registration, (i) until such time as Indenture Trustee and Owner Trustee shall have received from Collateral Trust Trustee a notice stating that a Collateral Trust Indenture Event of Default has occurred and is continuing (a "CTIED Notice") and (ii) after any CTIED Notice received by Indenture Trustee and Owner Trustee shall have been withdrawn or canceled by a further notice received by Indenture Trustee and Owner Trustee from Collateral Trust Trustee, Loan Participant shall, as to any Notes registered in the name of Collateral Trust Trustee (or its nominee), be entitled, to the exclusion of Collateral Trust Trustee, to exercise all the rights of the holder of such Notes hereunder and under such Notes and shall, for all purposes of this Indenture and such Notes, be considered as the holder of such Notes; provided, however, that so long as any Notes are registered in the name of Collateral Trust Trustee (or its nominee), all amounts distributable pursuant to Article III in payment of principal of or interest or premium, if any, on such Notes shall be paid to, or as directed by, Collateral Trust Trustee.

SECTION 2.15. Certain Payments in Connection with the Authority Bonds. In any circumstance where the Series 3 Note and the Series C Collateral Trust Note shall be redeemed prior to the date of redemption of the Authority Bonds pursuant to the Authority Indenture, Loan Participant shall deliver to Owner Trustee and Lessee on the date of redemption of the Authority Bonds a certificate setting forth (i) the amount of interest which accrued on the Authority Bonds from the date of redemption of the Series C Collateral Trust Note to the date of redemption of the Authority Bonds and (ii) the net earnings on the investments made in accordance with the Authority Indenture by Authority Trustee in respect of amounts received by it in connection with the redemption of the Series C Collateral Trust Note from the date of receipt of such amounts to the date of redemption of the Authority Bonds. If the amount of investment earnings under (ii) above shall exceed the amount of interest under (i) above, and if at the time of such redemption of the Series C Collateral Trust Note no Event of Default shall have occurred and be continuing, Loan Participant shall promptly upon receipt of such excess from Authority Trustee pay to Owner Trustee, in immediately available funds, the amount of such excess. If the amount of investment earnings under (ii) above shall be less than the amount of interest under (i) above, Owner Trustee shall promptly upon receipt of such certificate pay to Loan

Participant, in immediately available funds, the amount of such deficit.

ARTICLE III

RECEIPT, DISTRIBUTION AND APPLICATION OF INCOME FROM INDENTURE ESTATE

SECTION 3.01. Rent Distribution. (a) Interim Rent and Basic Rent Distribution. Except as otherwise provided in Section 3.02 or 3.03, each installment of Interim Rent, if any, or Basic Rent, and any payment of interest on overdue installments of Interim Rent, if any, or Basic Rent, received by Indenture Trustee shall be distributed by Indenture Trustee on the date such payment is received in the following order of priority:

First, so much of such amounts as shall be required to pay in full the aggregate principal and accrued interest (as well as any interest on overdue principal and, to the extent permitted by law, interest) then due and payable under the Notes shall be distributed to the holders of the Notes ratably, without priority of one over the other, in the proportion that the amount of such payment then due and payable under each such Note bears to the aggregate amount of the payment then due and payable under all such Notes;

Second, so much of such amounts as shall be required to pay in full the aggregate amount due and payable under clauses (a) and (b) of Section 2.12 including, in the case of Interim Rent, the amounts thereof accrued to the Basic Lease Commencement Date as provided in Section 2.12 (as well as, to the extent permitted by applicable law, interest on any overdue such amounts) shall be distributed to Loan Participant;

Third, so much of such amounts as shall be required to pay in full the difference, if any, between the amount of such installment of Basic Rent (not including the portion thereof in respect of amounts payable under Section 2.12) and the amount distributable pursuant to clause "First" (as well as, to the extent permitted by applicable law, interest on any overdue such amounts) shall be distributed to Owner Trustee;

Fourth, so much of such amounts as shall be required to pay in full the aggregate amount due and payable under clause (c) of Section 2.12 including, in the case of Interim Rent, the amount thereof accrued to the Basic Lease Commencement Date (as well as, to the extent permitted by applicable law, interest on any overdue such amounts) shall be distributed to Loan Participant; and

Fifth, the balance, if any, of such amounts remaining shall be distributed to Owner Trustee.

(b) Application of Other Amounts Held by Indenture Trustee upon Rent Default. If as a result of any failure by Lessee to pay Interim Rent, if any, or Basic Rent in full on any date when an installment of Interim Rent, if any, or Basic Rent is due, there shall not have been distributed on any date (or within any applicable period of grace) pursuant to Section 3.01(a) the full amount then distributable pursuant to clauses "First" and "Second" of Section 3.01(a), Indenture Trustee shall distribute other payments of the character referred to in Sections 3.05 and 3.06 then held by it or thereafter received by it, except as otherwise provided in Section 3.03, to the holders of all Notes and to Loan Participant, respectively, to the extent necessary to enable it to make all the distributions then due pursuant to such clauses "First" and "Second", respectively.

(c) Retention of Amounts by Indenture Trustee. If at the time of receipt by Indenture Trustee of an installment of Interim Rent, if any, or Basic Rent (whether or not then overdue) or of payment of interest on any overdue installment of Interim Rent, if any, or Basic Rent, there shall have occurred and be continuing an Indenture Default (other than a Default) or an Indenture Event of Default, Indenture Trustee shall retain such installment of Basic Rent or payment of interest (to the extent not then required to be distributed pursuant to clauses "First" and "Second" of Section 3.01(a)) as part of the Indenture Estate and shall not distribute any such payment of Interim Rent, if any, or Basic Rent or interest pursuant to clause "Third", "Fourth" or "Fifth" of Section 3.01(a) until such time as there shall not be continuing any Indenture Default (other than a Default) or Indenture Event of Default or until such time as Indenture Trustee shall have received written instructions from a Majority in Interest of Holders of Notes to make such a distribution, but if any such amount of Interim Rent, if any, or Basic Rent or interest has been

retained by Indenture Trustee for more than 270 days and no declaration of default or acceleration contemplated by Section 3.03 has occurred, then all such amounts of Interim Rent, if any, or Basic Rent and interest then held by Indenture Trustee pursuant to this Section 3.01(c) shall be distributed by Indenture Trustee pursuant to such clauses "Third", "Fourth" and "Fifth".

SECTION 3.02. Payments Following Event of Loss or Purchase. Except as otherwise provided in Section 3.03, any payment received by Indenture Trustee as a result of an Event of Loss (other than an Event of Loss referred to in clause (e) of the definition thereof in respect of which (a) Lessee shall assume the obligations and liabilities of Owner Trustee hereunder and under the Notes pursuant to Section 2.11(c) and (b) Owner Participant shall acquire Notes as contemplated by Section 2.03(c); provided, however, that if such assumption but not such acquisition occurs, clauses "First" and "Eighth" and only clauses "First" and "Eighth" below shall be applicable) or a purchase by Lessee of the Facility Assets pursuant to Article VI of the Lease shall, after compliance with the applicable distribution requirements in Article XI or XII of the Lease, be distributed forthwith upon receipt by Indenture Trustee in the following order of priority:

First, so much of such payment as shall be required to reimburse Indenture Trustee for any expenses or indemnities incurred by Indenture Trustee or the holders of Notes and not otherwise reimbursed in connection with the collection or distribution of such payment shall be distributed to the Person or Persons entitled to such reimbursement for application to itself or themselves;

Second, so much of such payment as shall be required to pay the aggregate unpaid principal amount of all Notes then outstanding, plus all accrued but unpaid interest on such Notes to the date of distribution and applicable premium, if any, shall be distributed to the holders of such Notes ratably without priority of one over the other, in the proportion that the aggregate unpaid principal amount of all such Notes held by each such holder, plus accrued but unpaid interest thereon and applicable premium, if any, bears to the aggregate unpaid principal amount of all such Notes held by all such holders, plus accrued but unpaid interest thereon and applicable premium, if any;

Third, so much of such payment as shall be required to pay amounts referred to in clause "Third" of Section 3.03;

Fourth, so much of such payment as shall be required to pay in full the aggregate amount due and payable under clauses (a) and (b) of Section 2.12 (including the amounts thereof accrued to the date of such distribution as provided in Section 2.12) (as well as, to the extent permitted by applicable law, interest on any overdue such amounts) shall be distributed to Loan Participant;

Fifth, so much of such payment as shall be required to pay amounts referred to in clause "Fifth" of Section 3.03 shall be distributed as provided therein;

Sixth, so much of such payment as shall be required to pay in full an amount equal to the applicable Casualty Value, Early Purchase Floor Value or Special Casualty Value, as the case may be (not including amounts thereof payable under Section 2.12), less the portion thereof equal to the principal amount of the Notes distributable pursuant to clause "Second", shall be distributed to Owner Trustee;

Seventh, so much of such payment as shall be required to pay in full the aggregate amount due and payable under the last sentence of Section 2.15 and under clause (c) of Section 2.12 (including the amounts thereof accrued to the date of such distribution as provided in Section 2.12) (as well as, to the extent permitted by applicable law, interest on any overdue such amounts) shall be distributed to Loan Participant; and

Eighth, the balance, if any, of such payment remaining shall be distributed to Owner Trustee.

SECTION 3.03. Payments After Indenture Event of Default. All payments received and all amounts held or realized by Indenture Trustee after an Indenture Event of Default shall have occurred and be continuing (including any amounts realized by Indenture Trustee from the exercise of any remedies pursuant to Article XVI of the Lease or from the application of Section 4.05) and after either (a) Indenture Trustee has declared the Lease to be in default pursuant to Article XVI thereof or (b) the Notes shall have been

declared or shall automatically have become due and payable pursuant to Section 4.02, and all payments or amounts then held or thereafter received by Indenture Trustee hereunder, shall, so long as such declaration shall not have been rescinded, be distributed forthwith by Indenture Trustee in the following order of priority:

First, so much of such payments and amounts as shall be required to reimburse Indenture Trustee for any unpaid fees for its services under this Indenture and any expense (including any legal fees and disbursements) or loss incurred by it (to the extent incurred in connection with its duties as Indenture Trustee and to the extent reimbursable and not previously reimbursed) shall be distributed to Indenture Trustee for application to itself;

Second, so much of such payments and amounts as shall be required to pay in full the aggregate unpaid principal amount of all Notes then outstanding plus all accrued but unpaid interest thereon to the date of distribution (including interest on overdue principal and, to the extent permitted by law, interest) shall be distributed to the holders of all outstanding Notes ratably, without priority of one over the other, in the proportion that the sum of the aggregate unpaid principal amount of the Notes held by each such holder, plus accrued but unpaid interest thereon, bears to the sum of the aggregate unpaid principal amount of all outstanding Notes held by all such holders, plus accrued but unpaid interest thereon;

Third, so much of such payments and amounts as shall be required to pay the then existing or prior holders of the Notes all amounts then due to them as holders of the Notes under indemnification provisions of the Lease or Participation Agreement which this Indenture by its terms secures shall be distributed to such existing or prior holders of Notes, ratably to each such holder, without priority of one such holder over the other, in the proportion that the amount of such payments or amounts to which each such holder is so entitled bears to the aggregate amount of such payments and amounts to which all such holders are so entitled;

Fourth, so much of such payments and amounts as shall be required to pay in full the aggregate amount due and payable under clauses (a) and (b) of

Section 2.12 (including the amounts thereof accrued to the date of such distribution as provided in Section 2.12) (as well as, to the extent permitted by applicable law, interest on any overdue such amounts) shall be distributed to Loan Participant;

Fifth, so much of such payments and amounts as shall be required to pay any other amount at the time due and owing to Indenture Trustee, the holders of Notes or Loan Participant (other than amounts covered by clause "Seventh" below) which this Indenture by its terms secures shall be distributed to such Persons, ratably to each such Person, without priority of one such Person over the other, in the proportion that the amount of such payments to which each such Person is so entitled bears to the aggregate amount of such payments to which all such Persons are so entitled;

Sixth, so much of such payments and amounts as shall be required to pay in full an amount equal to the applicable Early Purchase Floor Value (as determined pursuant to Article XVI of the Lease) (not including amounts thereof payable under Section 2.12) less the portion of such Early Purchase Floor Value equal to the principal amount of the Notes distributable pursuant to clause "Second" shall be distributed to Owner Trustee;

Seventh, so much of such payments and amounts as shall be required to pay in full the aggregate amount due and payable under the last sentence of Section 2.15 and under clause (c) of Section 2.12 (including the amounts thereof accrued to the date of such distribution as provided in Section 2.12) (as well as, to the extent permitted by applicable law, interest on any overdue such amounts) shall be distributed to Loan Participant; and

Eighth, the balance, if any, of such payments and amounts remaining shall be distributed to Owner Trustee;

provided, however, that so long as no Default or Event of Default shall have occurred and be continuing all payments or amounts required to be paid to Lessee pursuant to Section 3.05 shall be paid in accordance with Section 3.05 prior to any distribution pursuant to this Section 3.03.

SECTION 3.04. Investment of Certain Payments Held by Indenture Trustee. Indenture Trustee will, upon the

written direction of Owner Trustee, invest and reinvest any moneys held by Indenture Trustee pursuant to Section 3.01(c), 3.05 or 3.06 in such Permitted Investments as may be specified in such direction. The proceeds received upon the sale or at maturity of any Permitted Investment and any interest received on such Permitted Investment and any payment in respect of a deficiency contemplated by the following sentence shall be held as part of the Indenture Estate and applied by Indenture Trustee in the same manner as the moneys used to make such Permitted Investment, and any Permitted Investment may be sold (without regard to maturity date) by Indenture Trustee whenever necessary to make any payment, redemption or distribution required by this Article III. If the proceeds received upon the sale or at maturity of any Permitted Investment (including interest received on such Permitted Investment) shall be less than the cost thereof (including accrued interest), Owner Trustee will pay or cause to be paid to Indenture Trustee an amount equal to such deficiency.

SECTION 3.05. Application of Certain Other Payments. Except as otherwise provided in Sections 3.01(b), 3.01(c) and 3.03, any payment received by Indenture Trustee for which provision as to the application thereof is made in an Operative Document, but not elsewhere in this Indenture, shall, unless an Indenture Default (other than a Default in the case of payments to be made to Owner Trustee or Owner Participant) or an Indenture Event of Default shall have occurred and be continuing, be applied forthwith to the purpose for which such payment was made in accordance with the terms of such Operative Document. If at the time of the receipt by Indenture Trustee of any payment referred to in the preceding sentence there shall have occurred and be continuing an Indenture Default (other than a Default in the case of payments to be made to Owner Trustee or Owner Participant) or an Indenture Event of Default, Indenture Trustee shall hold such payment as part of the Indenture Estate, but Indenture Trustee shall, except as otherwise provided in Sections 3.01(b), 3.01(c) and 3.03, cease so to hold such payment and shall apply such payment to the purpose for which it was made in accordance with the terms of such Operative Document if and whenever there is no longer continuing any Indenture Default (other than a Default in the case of payments to be made to Owner Trustee or Owner Participant) or an Indenture Event of Default; but any such payment received by Indenture Trustee as assignee of Owner Trustee which is payable to Lessee shall not be so held by Indenture Trustee unless such payment may be withheld from Lessee pursuant to the express terms of an

Operative Document, or there shall have occurred and be continuing a Default or an Event of Default.

SECTION 3.06. Other Payments. Except as otherwise provided in Sections 3.03 and 3.05:

(a) any payment received by Indenture Trustee for which no provision as to the application thereof is made in the Participation Agreement, the Lease or elsewhere in this Article III shall be held by Indenture Trustee as part of the Indenture Estate; and

(b) all payments received and amounts realized by Indenture Trustee with respect to the Indenture Estate (including without limitation all amounts realized after the termination of the Lease), to the extent received or realized at any time after payment in full of the principal of and premium, if any, and interest on all Notes and all other amounts due Indenture Trustee or the holders of the Notes which this Indenture by its terms secures, as well as any other amounts remaining as part of the Indenture Estate after such payment in full, shall be distributed forthwith by Indenture Trustee in the order of priority set forth in Section 3.03, omitting clause "Second" thereof.

SECTION 3.07. Excepted Payments. Notwithstanding any other provision of this Indenture, including this Article III, or Section 14.02 of the Lease, Article XVI of the Ground Lease, Section 6.10 of the Support Agreement, the sixth from last paragraph of the Construction Contracts Assignment, the sixth from last paragraph of the Assignment of Fuel Contracts or paragraph 8 of the Assignment of Coal Transportation Leases, any Excepted Payments received or held by Indenture Trustee at any time shall be immediately paid or distributed by Indenture Trustee to the Person or Persons entitled thereto.

SECTION 3.08. Distributions to Owner Trustee. Owner Trustee agrees that promptly on receipt thereof it will transfer to Indenture Trustee any and all moneys from time to time received by it constituting part of the Indenture Estate for distribution or retention by Indenture Trustee pursuant to this Indenture. Unless otherwise directed in writing by Owner Trustee, all amounts (other than amounts payable to Owner Trustee in its individual capacity) from time to time distributable by Indenture Trustee to Owner Trustee in accordance with the provisions hereof shall be paid by Indenture Trustee to Owner

Participant in immediately available funds in the manner specified in Section 3.04 of the Lease. Any such distribution to Owner Trustee or Owner Participant shall be final, absent manifest error, and neither Indenture Trustee nor any holder of a Note shall, absent manifest error, attempt to recover any such distribution for any reason, but nothing contained in this sentence shall be construed to limit the right of Indenture Trustee or any such holder to make any claim it may have against Owner Participant or Owner Trustee or Indenture Trustee or to pursue any such claim in such court as Indenture Trustee or any such holder shall deem appropriate.

SECTION 3.09. Construction Fund and Special Construction Fund. (a) Administration. As security for the warranties of Lessee set forth in the Bill or Bills of Sale and its covenants contained in Sections 9(b)(viii) and 9(b)(x) of the Participation Agreement, Indenture Trustee shall hold, in a separate account with Paying Agent, the amounts required to be deposited with Indenture Trustee on the Funding Date by Sections 4(b)(x) and (y) of the Participation Agreement (the "Construction Fund" and "Special Construction Fund", respectively). Amounts shall be disbursed from the Construction Fund and Special Construction Fund solely upon the terms and conditions of this Section 3.09. All amounts in the Construction Fund and Special Construction Fund shall be invested and reinvested in Permitted Investments in accordance with instructions given to Indenture Trustee and Paying Agent by Owner Trustee. All amounts of interest and other income received on such investments shall be held as part of the Construction Fund or Special Construction Fund, as the case may be, in a separate income account. All losses from any such investments, and the reasonable fees and expenses of Indenture Trustee on account of the making of such investments, shall be charged first to the appropriate income account and then to the balance, if any, of the Construction Fund or Special Construction Fund, as the case may be, and Owner Trustee will from time to time pay or cause to be paid to Indenture Trustee any deficiency in such balance of the Construction Fund or Special Construction Fund, as the case may be, resulting therefrom.

Subject to Section 3.03, Indenture Trustee will from time to time on or prior to June 15, 1987, cause Paying Agent to release cash (other than the balance, if any, in the income account) from time to time held in the Construction Fund or realizable from such investments to Lessee upon

receipt by Indenture Trustee, Paying Agent and Owner Trustee of the following:

(i) an Officers' Certificate of Lessee requesting release of such cash, addressed to Owner Trustee, Paying Agent and Indenture Trustee, (w) stating that no Default or Event of Default has occurred and is continuing, (x) setting forth the amount to be released and (y) stating (A) in the case of amounts to be released in respect of Completion Costs, that such amount is due and payable under the terms of one or more of the Construction Contracts, which shall be identified, or (B) in the case of amounts to be released in respect of Contract Retainages, that a Certificate of Completion, Contract Construction, REA Form 187 has been signed by the Construction Engineer and certified by Lessee and the contractor under an identified Construction Contract;

(ii) a copy of each invoice from a third party relating to any such Completion Costs to be released in an amount exceeding \$100,000; and

(iii) upon completion of all work under a Construction Contract, a Certificate of Acceptance and a Bill of Sale relating to such work and amounts to be released.

Subject to the remaining provisions of this paragraph, Indenture Trustee will, on one occasion on or prior to June 15, 1987, cause Paying Agent to release all cash and investments, including the balance, if any, in the related income account, held in the Special Construction Fund to Lessee upon receipt by Indenture Trustee, Paying Agent and Owner Trustee of the following, in form and substance to each of them:

(w) an Officers' Certificate of Lessee, dated the date of such release, requesting release of such cash and securities, addressed to Owner Trustee, Paying Agent and Indenture Trustee, stating that the Operating Standard has been met (accompanied by appropriate evidence thereof) and that no Default or Event of Default has occurred and is continuing;

(x) a Construction Engineer's Certificate, dated the date of such release, in the form prescribed by Section 4(a)(A)(i) of the Participation Agreement;

(y) an opinion of Sullivan & Cromwell, or other independent tax counsel acceptable to Owner Participant, dated within 30 days prior to the date of such release, to the effect that any addition, modification or improvement made to the Facility Assets in order to meet the Operating Standard will not result in a "lessee investment" within the meaning of Revenue Procedure 75-21 or 79-48, as amended or supplemented or superseded from time to time; and

(z) a Certificate of Acceptance and a Bill of Sale, each dated the date of such release, relating to any work done in connection with meeting the Operating Standard.

At any time a Default or an Event of Default shall have occurred and be continuing and at all times after June 15, 1987, Lessee shall not be entitled to any cash or investments held in the Special Construction Fund (including the balance, if any, in the related income account). Notwithstanding any other provision of this Article III, including Section 3.03, all amounts in the Special Construction Fund at any time an Event of Default shall have occurred and be continuing and at all times after June 15, 1987, shall be held and distributed by Indenture Trustee as follows:

(1) if Indenture Trustee has declared the Lease to be in default pursuant to Article XVI thereof with the written consent of Owner Participant, an amount equal to the Investment Percentage of such amounts shall be distributed forthwith to Owner Trustee and an amount equal to the Debt Percentage of such amounts shall be distributed in accordance with Section 3.03;

(2) if Indenture Trustee has declared the Lease to be in default pursuant to Article XVI thereof without the written consent of Owner Participant, such amounts shall be distributed (I) if there are any Non-CFC Holders and a Collateral Trust Indenture Event of Default shall have occurred and be continuing, then in accordance with paragraph (1) above or (II) otherwise, forthwith to Owner Trustee; and

(3) so long as neither paragraph (1) or (2) above is applicable, Indenture Trustee shall hold such amounts in the Special Construction Fund as part of the Indenture Estate.

(b) Termination. Amounts remaining in the Construction Fund (including the balance, if any, in the income account) at June 15, 1987, shall be paid to Lessee unless there shall have occurred and be continuing an Event of Default or a Default.

(c) Distribution Upon Event of Loss. Upon the occurrence of an Event of Loss (other than an Event of Loss referred to in clause (e) of the definition thereof), Indenture Trustee shall not make or authorize any further payments from the Construction Fund or Special Construction Fund pursuant to Section 3.09(a) and, on the date on which Lessee is required to pay Casualty Value or Special Casualty Value, as the case may be, Indenture Trustee shall apply all amounts in the Construction Fund and, if such date is on or before June 15, 1987, in the Special Construction Fund (including amounts, if any, then held in the income accounts referred to in Section 3.09(a)) in the manner required by Section 3.02, but such balance may continue to be invested or reinvested in the manner set forth in Section 3.09(a) until such balance is applied as provided in this Section 3.09(c). All amounts applied pursuant to Section 3.02 shall be credited against Lessee's obligation to pay Casualty Value or Special Casualty Value, as the case may be, on such date.

ARTICLE IV

DEFAULTS; REMEDIES OF INDENTURE TRUSTEE

SECTION 4.01. Occurrence of Indenture Event of Default. Any one of the following events or conditions shall constitute an Indenture Event of Default:

(a) any Event of Default; or

(b) any failure to pay any principal of or premium or interest on any Note when due; provided, however, that failure to pay such principal or interest shall not become an Indenture Event of Default until five days after the date due if such late payment shall not have occurred on more than two successive payment dates for the payment of such principal or interest or more than three such payment dates in the aggregate; or

(c) any failure by Owner Trustee to perform or observe any covenant or agreement (other than those referred to in clauses (a) and (b) of this Section 4.01) to be performed or observed by it hereunder, or any failure by Owner Trustee or CBT to perform or observe any covenant or agreement under Section 6(b) of the Participation Agreement (but not in any event any failure to perform or observe any covenant or agreement to be performed or observed by it under any document or agreement which is not an Operative Document, including

without limitation the Extension Letter) or any undertaking given by Owner Trustee to Collateral Trust Trustee pursuant to Section 2.19 of the Collateral Trust Indenture, in each case if such failure shall continue unremedied for a period of 30 days after an officer in the Corporate Trust Department of CBT has actual knowledge of such failure or there shall have been given by registered or certified mail to Owner Participant, Owner Trustee and CBT by Indenture Trustee a notice specifying such default and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder; or

(d) any representation or warranty made by Owner Trustee in its individual capacity or by CBT in Section 6(a) of the Participation Agreement or by Owner Trustee in its individual capacity in Section 6.03 (in each case other than specifically with respect to New York law or the Trust Agreement) or by Owner Participant in Section 5(a) of the Participation Agreement (but not in any event any representation or warranty made by Owner Trustee or Owner Participant in any document or agreement which is not an Operative Document, including without limitation the Extension Letter) shall prove to have been false or incorrect in any material respect when made and shall remain material and uncured at the time in question; or

(e) Owner Participant shall default in the due performance or observance of any of the terms contained in Section 5(b)(i) or (ii) of the Participation Agreement, and such default shall continue unremedied for a period of 30 days after an officer of Owner Participant has actual knowledge of such default or there shall have been given by registered or certified mail to Owner Participant, Owner Trustee and CBT by Indenture Trustee a notice specifying such default and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder; or

(f) the filing by Owner Participant of any petition for dissolution or liquidation of Owner Participant or the commencement by Owner Participant of a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or Owner Participant shall have consented to the entry of an order for relief in an involuntary case under any such law, or the failure of Owner Participant generally to pay its debts as such debts become due (within the

meaning of the Bankruptcy Reform Act of 1978, as amended), or the appointment of or taking possession by a receiver, custodian or trustee (or other similar official) for Owner Participant of all or any substantial part of its property, or a general assignment by Owner Participant for the benefit of its creditors, or the entry by Owner Participant into an agreement of composition with its creditors; or the filing against Owner Participant of an involuntary petition in bankruptcy which results in an order for relief being entered or, notwithstanding that an order for relief has not been entered, the petition is not dismissed within 60 days of the date of the filing of the petition, or the filing under any Federal or state law relating to bankruptcy, insolvency or relief of debtors of any petition against Owner Participant for reorganization, composition, extension or arrangement with creditors which either (i) results in a finding or adjudication of insolvency of Owner Participant or (ii) is not dismissed within 60 days of the date of the filing of such petition.

SECTION 4.02. Action upon Event of Default.

After an Event of Default or Indenture Event of Default shall have occurred and be continuing and, in the case of an Event of Default (unless there shall have occurred and be continuing an Indenture Event of Default which is not an Event of Default), after the Lease shall have been declared in default by Indenture Trustee (as assignee of Owner Trustee) pursuant to Article XVI thereof, then and in every such case Indenture Trustee, as assignee hereunder or otherwise, if and when required pursuant to the provisions of Article V, shall, subject to Section 4.03, declare the principal of and accrued interest on all the Notes to be due and payable immediately by giving written notice to Owner Trustee and Owner Participant (except that in the case of an Indenture Event of Default under Section 4.01(f) such principal and interest shall automatically become due and payable immediately without any such declaration or notice) without presentment, demand, protest or (except as herein specifically provided) notice, all of which are hereby waived, and exercise any of or all the rights and powers and pursue any of or all the remedies under this Article IV (in the case of an Indenture Event of Default which is not an Event of Default) or concurrently under this Article IV and Article XVI of the Lease (in the case of an Event of Default) and, in connection therewith, take possession of all or any part of the Indenture Estate and exercise the remedies set forth in Section 4.05.

SECTION 4.03. Right To Cure Certain Events of Default. (a) If Lessee shall fail to make any payment of Basic Rent due on any Basic Rent Payment Date when the same shall have become due, and if such failure of the Lessee to make such payment of Basic Rent shall not constitute the third consecutive such failure or the fifth cumulative failure, then Owner Trustee or Owner Participant may (but need not) pay to Indenture Trustee, at any time prior to the expiration of (x) if there are not any Non-CFC Holders, 15 days or (y) otherwise, 5 Business Days after the applicable grace period (if any) with respect to such Basic Rent Payment Date specified in paragraph (a) of Article XV of the Lease, an amount equal to the principal and interest on the Notes, and any amounts under Section 2.12(a) or (b), payable (otherwise than by declaration or acceleration) on such Basic Rent Payment Date, together with any interest due thereon on account of the delayed payment thereof, and such payment by Owner Trustee or Owner Participant shall be deemed (for purposes of this Indenture) to have cured any Indenture Event of Default which arose or would have arisen from such failure of Lessee.

(b) If Lessee shall fail to make any payment of Supplemental Rent when the same shall become due or otherwise fail to perform any obligation under the Lease or any other Operative Document, then Owner Trustee or Owner Participant may (but need not) make such payment or perform such obligation at any time prior to the expiration of 10 days after Owner Trustee or Owner Participant shall have received notice of the occurrence of such failure, and such payment or performance by Owner Trustee or Owner Participant shall be deemed to have cured any Indenture Event of Default which arose or would have arisen from such failure of Lessee; but if there are any Non-CFC Holders and if Owner Trustee or Owner Participant shall together have so made from time to time payments of Supplemental Rent aggregating \$25,000,000 (not including payments as to which Owner Trustee or Owner Participant, as the case may be, was reimbursed by Lessee within 15 days after such Supplemental Rent was due from Lessee), neither Owner Trustee nor Owner Participant shall have any further right so to make payments of Supplemental Rent.

(c) Owner Trustee or Owner Participant, upon exercising its rights under Section 4.03(a) or 4.03(b) to cure Lessee's failure to pay Rent or to perform any other obligation under the Lease or any other Operative Document, shall not obtain any Lien on any part of the Indenture Estate on account of such payment or performance nor, except

as expressly provided in the next sentence, shall any claims of Owner Trustee or Owner Participant against Lessee or any other party for the repayment thereof impair the prior right and security interest of Indenture Trustee in and to the Indenture Estate. Upon such payment or performance by Owner Trustee or Owner Participant, Owner Trustee or Owner Participant shall, except where an Indenture Default (other than a Default) or an Indenture Event of Default (other than an Event of Default) has occurred and is continuing, be entitled to receive the amount of such payment and the costs and expenses incurred in connection with such payments and performance thereof together with interest thereon from Lessee (but neither Owner Trustee nor Owner Participant shall have any right to collect such amounts by exercise of any of the remedies under Article XVI of the Lease) or, if paid by Lessee to Indenture Trustee, from Indenture Trustee.

(d) Until the expiration of the period during which Owner Trustee or Owner Participant shall be entitled to exercise rights under Section 4.03(a) or 4.03(b) with respect to any failure by Lessee referred to therein, neither Indenture Trustee nor any holder of a Note shall take or commence any action it would otherwise be entitled to take or commence as a result of such failure by Lessee, whether under this Article IV or Article XVI of the Lease or otherwise.

SECTION 4.04. Cure of Defaults. If at any time after the outstanding principal amount of the Notes shall have become due and payable by acceleration pursuant to Section 4.02, (a) all amounts of principal and interest which are then due and payable in respect of all the Notes otherwise than pursuant to Section 4.02 shall have been paid in full, together with interest on all such overdue principal and (to the extent permitted by applicable law) interest at the rate or rates specified in the Notes and an amount sufficient to cover all costs and expenses of collection incurred by or on behalf of the holders of the Notes (including without limitation counsel fees and expenses and all expenses and reasonable compensation of Indenture Trustee) and (b) every other Indenture Event of Default shall have been remedied, then a Majority in Interest of Holders of Notes may, by written notice or notices to Owner Trustee, Indenture Trustee and Lessee, rescind and annul such acceleration and any related declaration of default under the Lease and their respective consequences, but no such rescission and annulment shall extend to or affect any subsequent Indenture Event of Default or impair any right consequent thereon, and no such rescission and annulment

shall require any holder of a Note to repay any principal or interest actually paid as a result of such acceleration.

SECTION 4.05. Remedies. (a) Owner Trustee agrees, to the full extent that it lawfully may, that Indenture Trustee, as assignee hereunder or otherwise, may, under the circumstances and in accordance with Section 4.02, exercise any of or all the rights and powers and pursue any of and all the remedies pursuant to this Article IV or available to a mortgagee or secured party under any provision of law of any jurisdiction, may proceed to protect and enforce the rights of the holders of the Notes by an action at law, suit in equity or other appropriate proceeding, whether for the specific performance of any agreement contained herein, or for an injunction against the violation of any of the terms hereof, or in aid of the exercise of any power granted hereby or by law, and in addition may foreclose upon, sell, assign, transfer and deliver, from time to time to the extent permitted by law, all or any part of the Indenture Estate or any interest therein, at any private sale or public auction with or without demand, advertisement or notice (except as herein required or as may be required by law) of the date, time and place of sale and any adjournment thereof, for cash or credit or other property, for immediate or future delivery and for such price or prices and on such terms as Indenture Trustee, in its uncontrolled discretion, may determine, or as may be required by law, so long as Owner Trustee and Owner Participant are afforded a commercially reasonable opportunity to acquire all or such part of the Indenture Estate in connection therewith. It is agreed that 15 days' notice to Owner Trustee, CBT, Owner Participant and Lessee of the date, time and place of any proposed sale by Indenture Trustee of all or any part of the Indenture Estate or interest therein is reasonable.

(b) If the Lease shall have been declared in default by Indenture Trustee and if Owner Trustee or Owner Participant shall irrevocably tender full payment of the total unpaid principal amount of all the Notes then outstanding, together with interest thereon accrued and unpaid and all other amounts due and owing to Indenture Trustee, any holder of a Note or Loan Participant the payment of which this Indenture by its terms secures, then in such event the lien of this Indenture and the Mortgage shall terminate and such payment shall be applied as provided in Section 3.03. Nothing in this paragraph shall be deemed to preclude either Owner Trustee or Owner Participant from purchasing Notes from the holders thereof at such price or prices as they shall agree to so long as (in the case of the

Series 1 and Series 2 Notes) Owner Trustee or Owner Participant, as the case may be, shall have made the same offer to the holders of all Notes of such series and, if there are any Non-CFC Holders, a comparable offer to the holders of the other of such series or from purchasing any other notes or securities.

SECTION 4.06. Return of Indenture Estate, etc.

(a) At the request of Indenture Trustee, Owner Trustee shall promptly execute and deliver to Indenture Trustee such instruments of title and other documents as Indenture Trustee may deem necessary or advisable to enable Indenture Trustee or an agent or representative designated by Indenture Trustee, at such time or times and place or places as Indenture Trustee may specify, to obtain possession of all or any part of the Indenture Estate the possession of which Indenture Trustee shall at the time be entitled to hereunder. If Owner Trustee shall for any reason fail to execute and deliver such instruments and documents after such request by Indenture Trustee, Indenture Trustee may (i) obtain a judgment conferring on Indenture Trustee the right to immediate possession and requiring Owner Trustee to execute and deliver such instruments and documents to Indenture Trustee, to the entry of which judgment Owner Trustee hereby specifically consents, and (ii) pursue all or any part of the Indenture Estate wherever it may be found and enter any of the premises wherever all or part of the Indenture Estate may be or be supposed to be and search for all or part of the Indenture Estate and take possession of and remove all or part of the Indenture Estate.

(b) Upon every such taking of possession, Indenture Trustee may, from time to time, as a charge against proceeds of the Indenture Estate, make all such expenditures with respect to the Indenture Estate as it may deem proper. In each such case, Indenture Trustee shall have the right to deal with the Indenture Estate and to carry on the business and exercise all rights and powers of Owner Trustee relating to the Indenture Estate, as Indenture Trustee shall deem best, including the right to enter into any and all such agreements with respect to the maintenance, operation, leasing, storage or disposition of the Indenture Estate or any part thereof as Indenture Trustee may determine; and Indenture Trustee shall be entitled to collect and receive all rents (including Rent), revenues, issues, income, products and profits of the Indenture Estate and every part thereof (without prejudice to the right of Indenture Trustee under any provision of this Indenture to collect and receive all cash held by, or required to be deposited with,

Indenture Trustee hereunder) and to apply the same to the management of or otherwise dealing with the Indenture Estate and of conducting the business thereof, and of all expenditures with respect to the Indenture Estate and the making of all payments which Indenture Trustee may be required or may elect to make, if any, for taxes, assessments, insurance or other proper charges upon the Indenture Estate or any part thereof (including the employment of engineers and accountants to examine, inspect and make reports upon the properties and books and records of Owner Trustee and Lessee relating to the Indenture Estate and the Operative Documents), or under any provision of this Indenture, as well as just and reasonable compensation for the services of Indenture Trustee and of all Persons properly engaged and employed by Indenture Trustee.

SECTION 4.07. Indenture Trustee Authorized To Execute Bills of Sale, etc. Owner Trustee irrevocably appoints Indenture Trustee the true and lawful attorney-in-fact of Owner Trustee in its name and stead and on its behalf for the purpose of effectuating any sale, assignment, transfer or delivery for the enforcement of the lien of this Indenture, whether pursuant to foreclosure or power of sale or otherwise, to execute and deliver all such bills of sale, assignments and other instruments as Indenture Trustee may consider necessary or appropriate, with full power of substitution, Owner Trustee hereby ratifying and confirming all that such attorney or any substitute shall lawfully do by virtue hereof. Nevertheless, if so requested by Indenture Trustee or any purchaser, Owner Trustee shall ratify and confirm any such sale, assignment, transfer or delivery by executing and delivering to Indenture Trustee or such purchaser all bills of sale, assignments, releases and other proper instruments to effect such ratification and confirmation as may be designated in any such request.

SECTION 4.08. Purchase of Indenture Estate by Indenture Trustee or Note Holders. To the extent permitted by applicable laws, Indenture Trustee or any holder of a Note may be a purchaser of the Indenture Estate or any part thereof or any interest therein at any sale thereof, whether pursuant to foreclosure or power of sale or otherwise. Indenture Trustee may apply against the purchase price therefor the amount then due under any of the Notes, and any holder of a Note may apply against the purchase price therefor the amount then due under such Note and any other amount due and owing to such holder, the payment of which this Indenture by its terms secures, which shall, upon distribution of the net proceeds of such sale, be payable to

such holder. Indenture Trustee or any holder of a Note or any nominee thereof shall, upon any such purchase, acquire good title to the property so purchased, free of the lien of this Indenture.

SECTION 4.09. Appointment of Receiver. Indenture Trustee shall, as a matter of right, be entitled to the appointment of a receiver (who may be Indenture Trustee or any successor or nominee thereof) for all or any part of the Indenture Estate, whether such receivership be incidental to a proposed sale of the Indenture Estate or the taking of possession thereof or otherwise, and Owner Trustee hereby consents to the appointment of such a receiver and will not oppose any such appointment. Any receiver appointed for all or any part of the Indenture Estate shall be entitled to exercise all the rights and powers with respect to the Indenture Estate to the extent instructed to do so by Indenture Trustee.

SECTION 4.10. Right of Indenture Trustee To Perform Covenants, etc. If Owner Trustee shall fail to make any payment or perform any act required to be made or performed by it hereunder or if Owner Trustee or CBT shall fail to discharge any Lien affecting the Indenture Estate which it is required to discharge by the terms of this Indenture or the Participation Agreement, Indenture Trustee, without notice to or demand upon Owner Trustee or CBT and without waiving or releasing any obligation or default, may (but shall be under no obligation to) at any time thereafter make such payment or perform such act for the account and at the expense of Owner Trustee and may enter upon the Facility or any part thereof for such purpose and take all such action with respect thereto as, in Indenture Trustee's opinion, may be necessary or appropriate therefor. No such entry shall be deemed an eviction. All sums so paid by Indenture Trustee and all costs and expenses (including without limitation legal fees and expenses) so incurred, together with interest thereon from the date of payment or incurrence, shall constitute additional indebtedness secured by this Indenture and shall be paid by Owner Trustee to Indenture Trustee on demand. Indenture Trustee shall not be liable for any damages resulting from any such payment or action unless such damages shall be a consequence of wilful misconduct or gross negligence on the part of Indenture Trustee.

SECTION 4.11. Remedies Cumulative. Each and every right, power and remedy herein specifically given to Indenture Trustee or otherwise in this Indenture shall be

cumulative and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity or by statute, and each and every right, power and remedy whether specifically herein given or otherwise existing may be exercised from time to time and as often and in such order as may be deemed expedient by Indenture Trustee, and the exercise or the beginning of the exercise of any power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy. No delay or omission by Indenture Trustee in the exercise of any right, remedy or power or in the pursuance of any remedy shall impair any such right, power or remedy or be construed to be a waiver of any default on the part of Owner Trustee or Lessee or to be an acquiescence therein.

SECTION 4.12. Waiver of Appraisalment, Valuation, etc. Owner Trustee hereby waives, to the full extent it may lawfully do so, the benefit of all appraisalment, valuation, stay, extension and redemption laws now or hereafter in force and all rights of marshalling in the event of any sale of the Indenture Estate or any part thereof or any interest therein.

SECTION 4.13. No Action Contrary to Lessee's Rights Under the Lease. Notwithstanding any other provision of any of the Operative Documents, so long as Lessee is in compliance with each and every covenant and agreement to be kept and performed by it under the Lease and the other Operative Documents and no Default or Event of Default shall have occurred and be continuing, Indenture Trustee shall not take or cause to be taken any action contrary to Lessee's rights under the Lease, including its right, as between Lessee and Lessor and Owner Participant and any Person claiming by or through Lessor or Owner Participant, to quiet use and possession of the Facility.

ARTICLE V

DUTIES OF INDENTURE TRUSTEE; CERTAIN RIGHTS AND DUTIES OF OWNER TRUSTEE

SECTION 5.01. Action upon Event of Loss, Indenture Default or Indenture Event of Default. In the event either Owner Trustee or Indenture Trustee shall have knowledge of an Event of Loss, Indenture Default or Indenture Event of Default, it shall give prompt telex or telegraphic notice thereof in reasonable detail to the other, to each

Participant and to each holder of record of a Note (confirmed by written notice sent in the manner provided by Section 9.05). Subject to the terms of Section 5.04, Indenture Trustee shall take such action (and only such action), or refrain from taking such action, with respect to an Event of Loss, an Indenture Default or an Indenture Event of Default as Indenture Trustee shall be instructed in writing by a Majority in Interest of Holders of Notes. Indenture Trustee shall take action pursuant to Article IV only as and to the extent instructed as above provided. For all purposes of this Indenture neither Owner Trustee nor Indenture Trustee shall, in the absence of actual knowledge on the part of an officer in the corporate trust department of CBT or Indenture Trustee, as the case may be, be deemed to have knowledge of an Event of Loss, Indenture Default or Indenture Event of Default (except in the case of the failure to maintain insurance as required under Article XII of the Lease if Owner Trustee shall have received notice thereof from an insurer or broker) unless notified in writing by Owner Participant, Lessee, Indenture Trustee, Owner Trustee or any holder of a Note.

SECTION 5.02. Action upon Instructions Generally. Subject to the terms of Sections 5.01 and 5.04, upon written instructions at any time and from time to time of a Majority in Interest of Holders of Notes, Indenture Trustee shall take such of the following actions as may be specified in such instructions: (a) give such notice or direction or exercise such right, remedy, power or approval or take such action hereunder or under any Granting Clause Document, or in respect of any part of or all the Indenture Estate, as it shall be entitled to take and as shall be specified in such instructions; (b) take such action with respect to or to preserve or protect the Indenture Estate (including the discharge of Liens) as it shall be entitled to take and as shall be specified in such instructions; and (c) approve as satisfactory to it all matters required by the terms of any Operative Document to be satisfactory to Indenture Trustee, it being understood that without such written instructions Indenture Trustee shall not approve any such matter as satisfactory to it. Upon written instructions from a Majority in Interest of Holders of Notes, Indenture Trustee shall execute and file any instrument or document relating to the mortgage and security interest granted by Owner Trustee as may be necessary to protect and preserve the mortgage, lien, security interest or assignment created by or pursuant to this Indenture.

SECTION 5.03. Action upon Payment of Notes or Termination of Lease. Subject to the terms of Section 5.04, upon payment in full of the principal of and interest on all Notes then outstanding and all other amounts then due all holders of such Notes hereunder, and all other sums secured hereby or otherwise required to be paid hereunder, and under the Participation Agreement and the Lease and secured hereby, Indenture Trustee shall execute and deliver to, or as directed in writing by, Owner Trustee an appropriate instrument in form and substance satisfactory to Owner Trustee and in due form for recording, releasing the Indenture Estate from the lien of this Indenture; provided, however, that, if Section 2.15 shall be applicable and if notice thereof has been delivered to Indenture Trustee, Indenture Trustee shall not release the Indenture Estate to the extent that it includes the right, title and interest of Owner Trustee in, to and under the second to last sentence of Section 20.10 of the Lease unless and until such time as the Authority Bonds have been redeemed and amounts, if any, payable pursuant to the last sentence of Section 2.15 have been paid. Nothing in this Section shall be deemed to expand the instances in which Owner Trustee is entitled to prepay the Notes.

SECTION 5.04. Indemnification, etc. (a) Owner Trustee will from time to time, on demand, pay to Indenture Trustee such compensation for its services hereunder as shall be agreed to by Owner Trustee and Indenture Trustee, or, in the absence of such agreement, reasonable compensation for such services.

(b) Indenture Trustee shall not be required to take any action or refrain from taking any action under Article IV or Section 5.01 (other than the first sentence thereof), 5.02 (other than the second sentence thereof), 5.03 or 9.01(b) unless it shall have been indemnified in manner and form satisfactory to Indenture Trustee. Indenture Trustee shall not be required to take any action under Article IV or Section 5.01, 5.02, 5.03 or 9.01(b), nor shall any other provision of this Indenture be deemed to impose a duty on Indenture Trustee to take any action, if it shall have been advised by counsel (who shall not be an employee of Indenture Trustee) that such action is contrary to the terms hereof or is otherwise contrary to law or (unless it shall have been indemnified in manner and form satisfactory to Indenture Trustee) may result in personal liability to Indenture Trustee. The unsecured written undertaking of NCSC, Collateral Trust Trustee, a Series A Note Purchaser or Series B Note Purchaser or an institutional investor (who is

reasonably satisfactory to Indenture Trustee) holding in excess of \$1,000,000 original aggregate principal amount of Notes shall be sufficient indemnity for the purposes of this Section 5.04(b).

SECTION 5.05. No Duties Except as Specified. Indenture Trustee shall not have any duty or obligation to manage, control, use, sell, dispose of or otherwise deal with any part of the Indenture Estate or otherwise to take or refrain from taking any action under or in connection with this Indenture or the other Operative Documents except as expressly provided by the terms of this Indenture or as expressly provided in written instructions from a Majority in Interest of Holders of Notes in accordance with Section 5.01 or 5.02; and no implied duties or obligations shall be read into this Indenture against Indenture Trustee. Indenture Trustee nevertheless agrees that it will, in its individual capacity and at its own cost and expense, promptly take such action as may be necessary duly to discharge all Liens on any part of the Indenture Estate which result from acts by or claims against it arising out of events or conditions not related to its rights in the Indenture Estate or the administration of the Indenture Estate or the transactions contemplated hereby.

SECTION 5.06. Certain Rights of Owner Trustee and Owner Participant. Notwithstanding any other provision of this Indenture or Section 14.02 of the Lease, Article XVI of the Ground Lease, Section 6.10 of the Support Agreement, the sixth from last paragraph of the Construction Contracts Assignment, the sixth from last paragraph of the Assignment of Fuel Contracts or paragraph 8 of the Assignment of Coal Transportation Leases and in addition to any rights conferred on Owner Trustee hereby or by any other Operative Document:

(a) at all times Owner Trustee shall have the right, but not to the exclusion of Indenture Trustee's rights, (i) to receive from Lessee all notices, certificates, insurance documents, opinions, reports and other documents and all information which Lessee is permitted or required to give or furnish to Owner Trustee or Lessor pursuant to the Lease or any other Operative Document, (ii) to exercise the rights of Lessor under, and to determine compliance by Lessee with the provisions of, Articles IV through X, XIV and XVIII of the Lease, Sections 2.02, 2.03, 2.04 and 3.01 and Article XV of the Ground Lease and Articles II through V of the Support Agreement, except that (x) no

determination by Owner Trustee or Indenture Trustee that Lessee is in compliance with any of such provisions shall be binding on, or otherwise affect the rights hereunder of, Indenture Trustee or any holder of a Note, on the one hand, or Owner Trustee, on the other hand, and (y) Owner Trustee shall have no right to receive any Rent (other than Excepted Payments payable to Owner Trustee or Owner Participant), (iii) to retain all rights with respect to insurance that Article XII of the Lease specifically confers upon Lessor, (iv) to exercise the rights of Lessor under Section 16.02 of the Lease and to approve as satisfactory to Lessor the agreement referred to in the last sentence of Section 11.02 of the Lease and (v) to exercise the rights of Owner Trustee under Section 10 of the REA Consent;

(b) so long as no Indenture Default (which is not a Default) and no Indenture Event of Default shall have occurred and be continuing, Owner Trustee shall have the right, but not to the exclusion of Indenture Trustee's rights, to exercise the rights of Owner Trustee under, and to determine compliance by Lessee with the provisions of, the Construction Contracts, the Construction Contracts Assignment, the Fuel Contracts, the Assignment of Fuel Contracts, the Assigned Coal Transportation Leases and the Assignment of Coal Transportation Leases, except that Owner Trustee shall have no right to receive any Rent (other than Excepted Payments payable to Owner Trustee or Owner Participant);

(c) so long as no Indenture Default (which is not a Default) and no Indenture Event of Default shall have occurred and be continuing, Owner Trustee shall have the right, to the exclusion of Indenture Trustee's rights, to exercise the rights of Lessor under, and to determine compliance by Lessee with the provisions of, Sections 3.07, 3.08, Articles IV (other than Section 4.08) and V of the Lease and Section 2.2 of the Support Agreement, except that Owner Trustee shall have no right to receive any Rent or to determine whether the correct amount of Rent has been received (other than Excepted Payments payable to Owner Trustee or Owner Participant);

(d) at all times Owner Trustee shall have the right, to the exclusion of Indenture Trustee, to receive and enforce the payment of Excepted Payments due and payable to it or Owner Participant, but neither

Owner Trustee nor Owner Participant shall have any remedy or right with respect to any failure to make any such payment against the Indenture Estate nor any right to collect any such payment by exercise of any of the remedies under Article XVI of the Lease; and

(e) nothing in this Indenture shall give to, or create in, or otherwise provide the benefit of to, Indenture Trustee, any rights of Owner Participant under or pursuant to the Tax Indemnification Agreement or any other Operative Document.

ARTICLE VI

INDENTURE TRUSTEE AND OWNER TRUSTEE

SECTION 6.01. Acceptance of Trusts and Duties.

Indenture Trustee accepts the trusts hereby created and applicable to it and agrees to perform the same but only upon the terms of this Indenture, and agrees to receive and disburse all moneys constituting part of the Indenture Estate in accordance with the provisions hereof. Indenture Trustee shall not be answerable or accountable under any circumstances, except (a) for its own gross negligence or wilful misconduct, (b) in the case of the inaccuracy of any representation or warranty contained in Section 6.03 or Section 8(a) of the Participation Agreement or (c) for the performance of its obligations under the last sentence of Section 5.05 or Section 8(b) of the Participation Agreement; and Indenture Trustee shall not be liable for any action or inaction of Owner Trustee.

SECTION 6.02. Absence of Certain Duties.

Except in accordance with written instructions or requests furnished pursuant to Section 5.01 or 5.02 and except as provided in Section 5.02, Indenture Trustee shall have no duty (a) to see to any registration, recording or filing of any Operative Document (or any financing or continuation statements in respect thereto) or to see to the maintenance of any such registration, recording or filing, (b) to see to any insurance on the Facility or to effect or maintain any such insurance, whether or not Lessee shall be in default with respect thereto, (c) except as otherwise provided in Section 5.05 or Section 8(b) of the Participation Agreement, to see to the payment or discharge of any Tax or any Lien of any kind owing with respect to, or assessed or levied against, any part of the Indenture Estate, (d) to confirm or verify the contents of any report, notice, request, demand,

certificate, financial statement or other instrument of Lessee or (e) to inspect the Facility at any time or ascertain or inquire as to the performance or observance of any of Lessee's covenants with respect to the Facility. Notwithstanding the foregoing, Indenture Trustee will furnish to each holder of a Note and to Owner Trustee and Owner Participant promptly upon receipt thereof duplicates or copies of all reports, notices, requests, demands, certificates, financial statements and other instruments furnished to Indenture Trustee hereunder or under any of the Operative Documents unless Indenture Trustee shall reasonably believe that each such holder, Owner Trustee and Owner Participant shall have received copies thereof.

SECTION 6.03. No Representations or Warranties. OWNER TRUSTEE AND INDENTURE TRUSTEE MAKE (a) NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE TITLE, VALUE, COMPLIANCE WITH PLANS OR SPECIFICATIONS, QUALITY, DURABILITY, SUITABILITY, CONDITION, DESIGN, OPERATION, MERCHANTABILITY OR FITNESS FOR USE OR FOR ANY PARTICULAR PURPOSE OF THE FACILITY OR ANY PART THEREOF, OR ANY OTHER REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE FACILITY, except that Owner Trustee represents and warrants that on the Funding Date it shall have received whatever title or interest to the Facility was conveyed to it by Lessee and that on the Funding Date the Facility shall be free of Lessor's Liens and (b) no representation or warranty as to the validity, legality or enforceability of this Indenture, any of the other Operative Documents or Debt Operative Documents or the Notes, or as to the correctness of any statement contained in any thereof, except that each of Owner Trustee and Indenture Trustee represents and warrants that this Indenture and the Participation Agreement have been, and, in the case of Owner Trustee, the other Operative Documents to which it is or is to become a party have been or will be, executed and delivered by one of its officers who is and will be duly authorized to execute and deliver such document on its behalf. Owner Trustee represents and warrants that it has not assigned or pledged, and hereby covenants that it will not assign or pledge, so long as this Indenture shall remain in effect, any of the Indenture Estate to anyone other than Indenture Trustee and will not, except with the prior written concurrence of Indenture Trustee or as expressly provided in or permitted or contemplated by this Indenture, (i) exercise any election or option or make any decision or determination or give any notice, consent, waiver or approval or take any other action under or in respect of any Granting Clause Document, (ii) settle or compromise any

claim against Lessee or any other Person arising under any Granting Clause Document, (iii) submit or consent to the submission to arbitration of any dispute, difference or other matter arising under or in respect of any Granting Clause Document or (iv) take any action the taking of which would result in an alteration or impairment of any Note or any Operative Document or any of the rights or security created or effected thereby. Owner Trustee will not (a) engage in any business or activity other than the carrying out of the transactions contemplated by the Participation Agreement or any other Operative Document, (b) create, incur, assume, guaranty, agree to purchase or repurchase or provide funds in respect of any indebtedness, liability or obligations other than (i) indebtedness evidenced by the Notes, (ii) all other indebtedness at any time secured by this Indenture and (iii) as expressly permitted, required or contemplated by the Operative Documents or (c) purchase or agree to purchase any property or asset (other than the Facility).

SECTION 6.04. No Segregation of Moneys; No Interest. Except as specifically provided herein or in the Lease, any moneys received by Indenture Trustee hereunder need not be segregated in any manner except to the extent required by law and may be deposited under such general conditions as may be prescribed by law in the general banking department of Indenture Trustee, and neither Owner Trustee nor Indenture Trustee shall be liable for any interest thereon.

SECTION 6.05. Reliance; Agents; Advice of Experts. Owner Trustee and Indenture Trustee shall incur no liability to anyone in acting upon any signature, instrument, notice, resolution, request, consent, order, certificate, report, opinion, bond or other document or paper believed to be genuine and believed to be signed by the proper party or parties. Owner Trustee and Indenture Trustee may accept in good faith a certified copy of a resolution of the Board of Directors of Lessee as conclusive evidence that such resolution has been duly adopted by such Board and that the same is in full force and effect. As to the amount of any payment to which the holder of any Note is entitled pursuant to clause "Third" or "Fifth" of Section 3.03, Indenture Trustee may for all purposes hereof rely on an Officers' Certificate of the holder of such Note. As to any fact or matter the manner of ascertainment of which is not specifically described herein, Indenture Trustee may for all purposes hereof rely on an Officers' Certificate of Owner Trustee or Lessee or a holder of a Note

as to such fact or matter, and such certificate shall constitute full protection to Indenture Trustee for any action taken or omitted to be taken by it in good faith in reliance thereon. In the administration of the trusts hereunder, Indenture Trustee may execute any of the trusts or powers hereof and perform its powers and duties hereunder directly or through agents or attorneys and may, at the expense of the Indenture Estate (but subject to the priorities of payment set forth in Article III), consult with independent skilled Persons to be selected and retained by it (other than persons regularly in its employ) as to matters within their particular competence, and Indenture Trustee shall not be liable for anything done, suffered or omitted in good faith by it in accordance with the advice or opinion, within such Person's area of competence, of any such Person, so long as Indenture Trustee shall have exercised reasonable care in selecting such Person.

ARTICLE VII

SUCCESSOR INDENTURE TRUSTEES AND SEPARATE TRUSTEES

SECTION 7.01. Resignation or Removal of Indenture Trustee; Appointment of Successor. (a) Resignation or Removal. Indenture Trustee or any successor thereto may resign at any time without cause by giving at least 30 days' prior written notice to Owner Trustee, Owner Participant, Paying Agent, Lessee and each holder of a Note, such resignation to be effective on the acceptance of appointment by the successor Indenture Trustee pursuant to the provisions of Section 7.01(b). In addition, a Majority in Interest of Holders of Notes may at any time remove Indenture Trustee without cause by an instrument in writing delivered to Owner Trustee, Owner Participant, Paying Agent and Indenture Trustee, and Owner Trustee shall give prompt written notification thereof to each holder of a Note and Lessee. Such removal will be effective on the acceptance of appointment by the successor Indenture Trustee pursuant to the provisions of Section 7.01(b). In the case of the resignation or removal of Indenture Trustee, a Majority in Interest of Holders of Notes may appoint a successor Indenture Trustee by an instrument signed by such holders. If a successor Indenture Trustee shall not have been appointed within 30 days after such resignation or removal, Indenture Trustee or any holder of a Note may apply to any court of competent jurisdiction to appoint a successor Indenture Trustee to act until such time, if any, as a successor shall have been appointed by a Majority in Interest of Holders of Notes as

above provided. The successor Indenture Trustee so appointed by such court shall immediately and without further act be superseded by any successor Indenture Trustee appointed by a Majority in Interest of Holders of Notes as above provided.

(b) Acceptance of Appointment. Any successor Indenture Trustee shall execute and deliver an instrument accepting such appointment, and thereupon such successor Indenture Trustee, without further act, shall become vested with all the estates, properties, rights, powers and duties of the predecessor Indenture Trustee hereunder in the trusts hereunder applicable to it with like effect as if originally named Indenture Trustee herein; but nevertheless upon the written request of such successor Indenture Trustee or a Majority in Interest of Holders of Notes, such predecessor Indenture Trustee shall execute and deliver an instrument transferring to such successor Indenture Trustee, upon the trusts herein expressed applicable to it, all the estates, properties, rights and powers of such predecessor Indenture Trustee, and such predecessor Indenture Trustee shall duly assign, transfer, deliver and pay over to such successor Indenture Trustee all moneys or other property then held by such predecessor Indenture Trustee hereunder.

(c) Qualifications. Any successor Indenture Trustee, however appointed, shall be a trust company or bank with trust powers located in Florida having a combined capital and surplus of at least \$100,000,000, if it is an otherwise qualified institution with such capital and surplus which is willing, able and legally qualified to perform the duties of Indenture Trustee hereunder upon reasonable or customary terms. No successor Indenture Trustee, however appointed, shall become such if such appointment would result in the violation of any applicable law or create a conflict or relationship involving a conflict of interest under the Trust Indenture Act of 1939, as amended.

(d) Merger, etc. Any corporation into which Indenture Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which Indenture Trustee shall be a party, or any corporation to which substantially all the corporate trust business of Indenture Trustee may be transferred, shall, subject to the terms of Section 7.01(c), be Indenture Trustee under this Indenture without further act.

SECTION 7.02. Appointment of Additional and Separate Trustees. (a) Appointment. Whenever (i) Indenture Trustee shall deem it necessary or prudent in order to conform to any law of any applicable jurisdiction or to make any claim or bring any suit with respect to or in connection with the Indenture Estate, this Indenture, the Lease, the Notes or any of the transactions contemplated by the Operative Documents, (ii) Indenture Trustee shall be advised by counsel, satisfactory to it, that it is so necessary or prudent in the interest of the holders of the Notes or (iii) a Majority in Interest of Holders of Notes deems it so necessary or prudent and shall have requested Indenture Trustee to do so, then in any such case Indenture Trustee shall execute and deliver from time to time all instruments and agreements necessary or proper to constitute another bank or trust company or one or more Persons approved by Indenture Trustee either to act as additional trustee or trustees of all or any part of the Indenture Estate, jointly with Indenture Trustee, or to act as separate trustee or trustees of all or any part of the Indenture Estate, in any such case with such powers as may be provided in such instruments or agreements, and to vest in such bank, trust company or Person as such additional trustee or separate trustee, as the case may be, any property, title, right or power of Indenture Trustee deemed necessary or advisable by Indenture Trustee, subject to the remaining provisions of this Section 7.02. Owner Trustee hereby consents to all actions taken by Indenture Trustee under the foregoing provisions of this Section 7.02 and agrees, upon Indenture Trustee's request, to join in and execute, acknowledge and deliver any or all such instruments or agreements; and Owner Trustee hereby makes, constitutes and appoints Indenture Trustee its agent and attorney-in-fact for it and in its name, place and stead to execute, acknowledge and deliver any such instrument or agreement in the event that Owner Trustee shall not itself execute and deliver the same within 15 days after receipt by it of such request so to do. If at any time Indenture Trustee shall deem it no longer necessary or prudent in order to conform to any such law or take any such action or shall be advised by such counsel that it is no longer so necessary or prudent in the interest of the holders of the Notes or in the event that Indenture Trustee shall have been requested to do so in writing by a Majority in Interest of Holders of Notes, Indenture Trustee shall execute and deliver all instruments and agreements necessary or proper to remove any additional trustee or separate trustee. In such connection, Indenture Trustee may act on behalf of Owner Trustee to the same extent as is provided above.

(b) Indenture Trustee as Agent. Any additional trustee or separate trustee may at any time by an instrument in writing constitute Indenture Trustee its agent or attorney-in-fact, with full power and authority, to the extent authorized by law, to do all acts and things and exercise all discretions which it is authorized or permitted to do or exercise, for and in its behalf and in its name. In case any such additional trustee or separate trustee shall die, become incapable of acting, resign or be removed, all the assets, property, rights, powers, trusts, duties and obligations of such additional trustee or separate trustee, as the case may be, so far as permitted by law, shall vest in and be exercised by Indenture Trustee, without the appointment of a new successor to such additional trustee or separate trustee, unless and until a successor is appointed in the manner hereinbefore provided.

(c) Requests, etc. Any request, approval or consent in writing by Indenture Trustee to any additional trustee or separate trustee shall be sufficient warrant to such additional trustee or separate trustee, as the case may be, to take such action as may be so requested, approved or consented to.

(d) Subject to Indenture, etc. Each additional trustee and separate trustee appointed pursuant to this Section 7.02 shall be subject to, and shall have the benefit of, Articles III through IX insofar as they apply to Indenture Trustee. Notwithstanding any other provision of this Section 7.02, (i) the powers of any additional trustee or separate trustee appointed pursuant to this Section 7.02 shall not in any case exceed those of Indenture Trustee hereunder, (ii) all powers, duties, obligations and rights conferred upon Indenture Trustee in respect of the receipt, custody, investment and payment of moneys or the investment of moneys shall be exercised solely by Indenture Trustee and (iii) no power hereby given to, or exercisable as provided herein by, any such additional trustee or separate trustee shall be exercised hereunder by such additional trustee or separate trustee except jointly with, or with the consent of, Indenture Trustee.

ARTICLE VIII

SUPPLEMENTS AND AMENDMENTS TO THIS INDENTURE
AND OTHER DOCUMENTS

SECTION 8.01. Conditions and Limitations. At any time and from time to time, after the Funding Date, (a) Owner Trustee and Indenture Trustee, at the written request of a Majority in Interest of Holders of Notes and Owner Participant, shall execute an amendment or supplement hereto for the purpose of adding provisions to, or changing or eliminating provisions of, this Indenture as specified in such request and (b) Owner Trustee, at the written request of a Majority in Interest of Holders of Notes (and Owner Participant so long as the title of Owner Trustee to the Facility shall not have been terminated by the exercise of remedies pursuant to Article IV), shall enter into or consent to such written amendment of or supplement to any Granting Clause Document as each other party thereto may agree to and as may be specified in such request, or execute and deliver such written waiver or modification of or consent to the terms of any such agreement or document as may be specified in such request; provided, however, that without the consent of Owner Participant and each holder of a Note, no such supplement to this Indenture or amendment of or supplement to any Granting Clause Document, or waiver or modification of or consent to the terms hereof or thereof, shall (i) modify any of the provisions of this Section 8.01 or the definitions of the terms "Authority Bond Rate", "Average Annual Capacity Factor", "Basic Rent", "Casualty Value", "Common Facilities", "Debt Operative Documents", "Default", "Early Purchase Floor Value", "Event of Default", "Event of Loss", "Excepted Payments", "Extension Period", "Facility Cost", "Fair Market Sales Value", "Fixed NCSC Rate", "Indemnatee", "Indenture Default", "Indenture Event of Default", "Interim Rent", "Majority in Interest of Holders of Notes", "Net Economic Return", "Operating Standard", "Services Commencement Date", "Seven-Year NCSC Rate", "Special Casualty Value", "STC", "Transaction Expenses", "Transfer", "Transmission Facilities", "Variable CFC Rate" or "Variable NCSC Rate", or the percentage of holders of Notes or the Participants required to take or approve any action hereunder, (ii) change the amount or the time of payment of any amount owing or payable under any Note or change the rate of interest payable on any Note (except that only the consent of the holder of a Note shall be required for any decrease in any amounts of or the rate of interest payable on such Note or any extension for the time of payment of any amount payable under such Note),

(iii) alter or modify the provisions of Article III with respect to the manner of payment or the order of priorities in which distributions thereunder shall be made, (iv) reduce, modify or amend any indemnities or any obligations under Article XIII of the Lease in favor of any Indemnitee (unless consented to by such Person), (v) reduce the amount or extend the time of payment of Rent, Casualty Value, Special Casualty Value or Early Purchase Floor Value except as expressly provided in Article IV of the Lease, or change any of the circumstances under which Rent, Casualty Value, Special Casualty Value or Early Purchase Floor Value is payable or amend the terms of Section 4.08 of the Lease, (vi) consent to any assignment of the Lease or sublease of all or any part of the Facility, or release Lessee from its obligations in respect of the payment of Rent, Casualty Value, Specialty Casualty Value or Early Purchase Floor Value or change the absolute and unconditional character of such obligations as set forth in Section 3.06 of the Lease, (vii) amend the terms of Section 14.02 of the Lease or take any action which would reduce the term of the Lease, the Ground Lease or the Support Agreement, (viii) change the nonrecourse nature of the obligations of Owner Trustee, (ix) alter the effect of the REA Consent or the terms of Section 10 thereof or (x) reduce the rights of Owner Trustee or Owner Participant under Section 5.06. This Section 8.01 shall not apply to any indenture or indentures supplemental hereto permitted by, and complying with the terms of, Section 8.02 or Section 2.03. Notwithstanding the foregoing, (x) without the consent of each holder of a Note then outstanding, no such amendment, supplement, waiver, modification or consent shall permit the creation of any Lien on the Indenture Estate or any part thereof, except as herein expressly permitted, or deprive the holder of any Note then outstanding of the benefit of the lien of this Indenture on the Indenture Estate, except as provided in Section 5.03 or in connection with the exercise of remedies under Article IV, (y) without the consent of Lessee and REA, Section 4.13 and this clause (y) and, so long as no Default or Event of Default shall have occurred and be continuing, Sections 2.03, 2.11, 3.09 and 9.01(b), shall not be modified and (z) without the consent of Owner Participant, no such amendment, supplement, waiver, modification or consent shall affect any right expressly conferred upon Owner Participant pursuant to any Operative Document or, if there are no Non-CFC Holders, reduce any fundamental interest of Owner Participant under any Operative Document.

SECTION 8.02. Supplemental Indentures and Other Amendments Without Consent. Notwithstanding the provisions

of Section 8.01, without the consent of any of the holders of the Notes then outstanding but subject to the provisions of Section 8.03, and only after notice thereof shall have been sent to the holders of the Notes, at the request of Owner Trustee, Indenture Trustee shall join with Owner Trustee in entering into any indenture or indentures supplemental hereto or in executing any amendment, modification, supplement, waiver or consent with respect to any other Operative Document (i) to evidence the succession of another Person as an Owner Trustee in accordance with the terms of the Trust Agreement or to evidence the succession of a successor as Indenture Trustee hereunder, the removal of Indenture Trustee or the appointment of any separate or additional trustee or trustees, in each case if done pursuant to the provisions of Article VII, (ii) to convey, transfer, assign, mortgage or pledge any property to or with Indenture Trustee, (iii) to provide for and evidence the creation and issuance of any additional series of Notes pursuant to, and subject to the conditions of, Section 2.03, or (iv) to give effect to the provisions of the second sentence of Section 2(e)(iv) or the last paragraph of Section 2(e)(ix) of the Participation Agreement; provided, however, that no such amendment, modification, supplement, waiver or consent shall, without the consent of the holder of each then outstanding Note, cause any of the events specified in clauses (i) through (vii) of the first sentence of Section 8.01 to occur, permit the creation of any lien on the Indenture Estate or any part thereof, except as herein expressly permitted, or deprive the holder of any Note then outstanding of the benefit of the lien of this Indenture on the Indenture Estate, except as provided in Section 5.03 or in connection with the exercise of remedies under Article IV.

SECTION 8.03. Conditions to Action by Indenture Trustee and Owner Trustee. If in the opinion of Indenture Trustee or Owner Trustee any document required to be executed pursuant to the terms of Section 8.01 or 8.02 adversely affects any immunity or indemnity in favor of Indenture Trustee or Owner Trustee under this Indenture, the Participation Agreement or the Lease, or would substantially increase its administrative duties or responsibilities hereunder or thereunder or is likely to result in liability for it other than in its capacity as Indenture Trustee or Owner Trustee, Indenture Trustee or Owner Trustee, as the case may be, may in its discretion decline to execute such document. With every such document, Indenture Trustee shall be furnished with evidence that all necessary consents have been obtained and with an opinion of counsel that such

document complies with the provisions of this Indenture, does not deprive Indenture Trustee or the holders of the Notes of the benefits of the lien hereby created on any property subject hereto or of the assignments contained herein (except as otherwise consented to in accordance with Section 8.01) and that all consents required by the terms hereof in connection with the execution of such document have been obtained. Indenture Trustee shall be fully protected in relying on such opinion.

ARTICLE IX

MISCELLANEOUS

SECTION 9.01. (a) Termination of Indenture.

This Indenture and the Mortgage and the trusts created hereby and thereby shall terminate and this Indenture and the Mortgage shall be of no further force or effect upon satisfaction of the conditions set forth in the proviso to the Granting Clause hereof. Upon any such termination, Indenture Trustee shall pay all moneys or other properties or proceeds constituting part of the Indenture Estate (the distribution of which is not otherwise provided for herein) to Owner Trustee, and Indenture Trustee shall, upon request of Owner Trustee and at Owner Trustee's cost and expense, execute and deliver proper instruments acknowledging such termination and evidencing the release of the security interests created hereby. If this Indenture is terminated pursuant to this Section 9.01(a), Indenture Trustee shall promptly notify Lessee and Owner Participant of such termination.

(b) Partial Release. Whenever title to any Component or Alteration vests in Lessee pursuant to the express terms of Article X of the Lease, Indenture Trustee shall, upon the written request of Lessee, Owner Trustee or any Mortgagee, release such Component or Alteration from the lien of this Indenture and the Mortgage and execute and deliver to, or as directed in writing by, Lessee, Owner Trustee or any Mortgagee, as the case may be, an appropriate instrument (in due form for recording) releasing such Component or Alteration from the lien of this Indenture and the Mortgage.

SECTION 9.02. Appointment of Indenture Trustee As Attorney; Further Assurances. Owner Trustee hereby constitutes Indenture Trustee the true and lawful attorney of Owner Trustee irrevocably with full power (in the name of

Owner Trustee or otherwise) to ask, require, demand, receive, compound and give acquittance for any and all moneys and claims for moneys due and to become due under or arising out of the Granting Clause Documents (to the extent that such moneys and claims constitute part of the Indenture Estate), to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which Indenture Trustee may request in the premises. At any time and from time to time, upon the request of Indenture Trustee (and upon receipt of the form of document so to be executed), Owner Trustee shall promptly and duly execute and deliver any and all such further instruments and documents as Indenture Trustee may request in obtaining the full benefits of the mortgage, security interests and assignments created or intended to be created hereby and of the rights and powers herein granted. Upon the reasonable instructions (which instructions shall be accompanied by the form of document to be filed) at any time and from time to time of Indenture Trustee, Owner Trustee shall execute and file any financing statement (and any continuation statement with respect to any such financing statement), any certificate of title or any other document relating to the mortgage, security interests or assignments created by this Indenture as may be specified in such instructions.

SECTION 9.03. Sale of Indenture Estate by Indenture Trustee Binding. Any sale or other conveyance of the Indenture Estate by Indenture Trustee made pursuant to the terms of this Indenture or of the Lease shall bind Owner Participant and the holders of the Notes and shall be effective to transfer or convey all right, title and interest of Owner Participant and such holders in and to the Indenture Estate. No purchaser or other grantee shall be required to inquire as to the authorization, necessity, expediency or regularity of such sale or conveyance or as to the application of any sale or other proceeds with respect thereto by Indenture Trustee.

SECTION 9.04. Indenture for Benefit of Certain Persons Only. Nothing in this Indenture, whether express or implied, shall be construed to give to any Person other than the parties hereto, Owner Participant, Loan Participant, Lessee (with respect to Sections 4.13 and 8.01(y)) and the holders of the Notes (and any successor or assign of any thereof) any legal or equitable right, remedy or claim under or in respect of this Indenture, and this Indenture shall be for the sole and exclusive benefit of the parties hereto,

Owner Participant, Loan Participant, Lessee (as provided in Sections 4.13 and 8.01(y)) and the holders of the Notes.

SECTION 9.05. Notices. Unless otherwise specifically provided herein, all notices, requests, demands and other communications required or contemplated by the provisions hereof shall be in writing, and any such notice shall become effective and shall be given in accordance with Section 14 of the Participation Agreement. Notices, requests, demands and other communications to Paying Agent shall be addressed to Paying Agent at 30 West Broadway, New York, N.Y. 10015, Attention: Corporate Trust Department (Telex No. 420230), or such other address as Paying Agent may designate to Owner Trustee and Indenture Trustee from time to time. Owner Trustee shall furnish to Indenture Trustee and to each holder of a Series 1, 2 or 3 Note, promptly upon receipt thereof, a duplicate or copy of all reports, notices, requests, demands, certificates, financial statements and other instruments furnished to Owner Trustee or CBT under any Operative Document, including without limitation a copy of each insurance certificate, report or notice received pursuant to Article XII of the Lease, to the extent that any of the same has not already been distributed to Indenture Trustee and such holder.

SECTION 9.06. Severability. Any provision of this Indenture which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 9.07. Liability of Owner Trustee Limited. Anything herein to the contrary notwithstanding, all and each of the representations, warranties, undertakings and agreements herein made on the part of Owner Trustee are made and intended not as personal representations, warranties, undertakings and agreements by or for the purpose or with the intention of binding Owner Trustee personally but are made and intended for the purpose of binding only the Trust Estate, and this Indenture is executed and delivered by Owner Trustee solely in the exercise of the powers expressly conferred upon it as trustee under the Trust Agreement; and no personal liability or responsibility is assumed hereunder by or shall at any time be enforceable against Owner Trustee or any successor in trust or Owner Participant on account of any representation, warranty, undertaking or agreement

hereunder of Owner Trustee, either expressed or implied, all such personal liability, if any, being expressly waived by Indenture Trustee and each holder of a Note, except that Indenture Trustee or any Person claiming by, through or under it, making claim hereunder, may look to the Trust Estate for satisfaction of the same and Owner Trustee or its successor in trust, as applicable, shall be personally liable for its own gross negligence and wilful misconduct. Each time a successor Owner Trustee is appointed in accordance with the terms of the Trust Agreement, such successor Owner Trustee shall, without further act, succeed to all the rights, duties, immunities and obligations of its predecessor Owner Trustee hereunder and under the other Operative Documents, and the predecessor Owner Trustee shall be released from all further duties and obligations hereunder and under the other Operative Documents, all without the necessity of any consent or approval by Indenture Trustee or any holder of a Note and without in any way altering the terms of this Indenture or such other Operative Documents. In the case of any appointment of a successor Owner Trustee, or any merger, consolidation or transfer of substantially all the business involving Owner Trustee in which Owner Trustee is not the surviving corporation, the successor Owner Trustee shall give prompt written notice thereof to Indenture Trustee and the holders of the Notes.

SECTION 9.08. Written Changes Only. Subject to Sections 8.01 and 8.02, no term or provision of this Indenture or any Note may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the Person against whom enforcement of the change, waiver, discharge or termination is sought; and any waiver of the terms hereof or of any Note shall be effective only in the specific instance and for the specific purpose given.

SECTION 9.09. Counterparts. This Indenture may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

SECTION 9.10. Successors and Assigns. All covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns and each holder of a Note. Any request, notice, direction, consent, waiver or other instrument or action by any holder of a Note shall bind the successors and assigns thereof.

SECTION 9.11. Headings; References, etc. The table of contents hereof and headings of the various Articles, Sections and subsections herein are for convenience of reference only and shall not modify, define, expand or limit any of the terms or provisions hereof.

SECTION 9.12. Governing Law. This Indenture and the Notes shall in all respects be governed by, and construed in accordance with, the laws of the State of New York except to the extent that, pursuant to the laws of the State of Florida, the laws of the State of Florida are mandatorily applicable hereto.

SECTION 9.13. Reorganization Proceedings with Respect to the Trust Estate. If (a) the Trust Estate becomes a debtor subject to the reorganization provisions of Title 11 of the United States Code, or any successor provision, (b) pursuant to such reorganization provisions Owner Participant is required by reason of Owner Participant being held to have recourse liability to the debtor or the trustee of the debtor, directly or indirectly, to make payment on account of any amount payable as principal, interest or premium (if any) on the Notes and (c) any holder of a Note or Indenture Trustee actually receives any Excess Amount which reflects any payment by Owner Participant on account of clause (b) above, then such holder or Indenture Trustee, as the case may be, shall promptly refund such Excess Amount, without interest, to Owner Participant after receipt by such holder or Indenture Trustee, as the case may be, of a written request for such refund by Owner Participant (which request shall specify the amount of such Excess Amount and shall set forth in detail the calculation thereof). For purposes of this Section 9.13, "Excess Amount" means the amount by which such payment exceeds the amount which would have been received by such holder and Indenture Trustee in respect of such principal, premium or interest from all sources if Owner Participant had not become subject to the recourse liability referred to in clause (b) above. Nothing contained in this Section 9.13 shall prevent Indenture Trustee or the holder of a Note from enforcing and retaining the proceeds of any personal recourse obligation of Owner Participant under the Participation Agreement.

The holders of the Notes and Indenture Trustee agree that should the Trust Estate become a debtor subject to the reorganization provisions of the Bankruptcy Reform Act of 1978 or any successor provision, they shall upon the request of Owner Participant, and provided that the making

of the election hereinafter referred to will not have any adverse impact on any holder of a Note, Indenture Trustee or the Indenture Estate other than as contemplated by the preceding paragraph, make the election referred to in Section 1111(b)(1)(A)(i) of Title 1 of such Act or any successor provision if, in the absence of such election, the holders of the Notes would (contrary to the intention of the parties hereto) have recourse against Owner Participant for the payment of the indebtedness represented by the Notes.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed by their respective officers thereunto duly authorized as of the day and year first above written.

CBT TRUST COMPANY OF FLORIDA,
NATIONAL ASSOCIATION, not in its
individual capacity but solely as
Owner Trustee under the Trust
Agreement,

by


Vice President

SOUTHEAST BANK, N.A.,

by


Vice President

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

The foregoing instrument was acknowledged before me this 6th day of December, 1984, by F. W. Kawam, a Vice President of CBT Trust Company of Florida, National Association, a national banking association, on behalf of said association.

Murray Cohen

Notary Public

(Notarial Seal)

MURRAY COHEN
NOTARY PUBLIC, State of New York
No. 41-5745406
Qualified in Queens County
Certificate filed in New York County
Commission Expires March 30, 1986

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

The foregoing instrument was acknowledged before me this 6th day of December, 1984, by Howard R. Straughan, Jr., a Vice President of Southeast Bank, N.A., a national banking association, on behalf of said association.

Charles S. DePalma

Notary Public

(Notarial Seal)

CHARLES S. DePALMA
Notary Public, State of New York
No. 31-5990695
Qualified in New York County
Commission Expires March 30, 1986

APPENDIX A

DEFINITIONS

The following terms shall have the following meanings for all purposes and such meanings are equally applicable both to the singular and plural forms of the terms defined. Any agreement defined or referred to below shall include each amendment, modification and supplement thereto and waiver thereof as may become effective from time to time, except where otherwise indicated. Any term defined below by reference to any agreement shall have such meaning whether or not such document is in effect. The terms "hereof", "herein", "hereunder" and comparable terms refer to the entire agreement with respect to which such terms are used and not to any particular article, section or other subdivision thereof.

"Affiliate", with respect to any Person, shall mean any other Person directly or indirectly controlling or controlled by, or under direct or indirect common control with, such Person. For purposes of this definition, the term "control" (including the correlative meanings of the terms "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

"After-Tax Basis" shall mean, with respect to any payment received or deemed to have been received by any Person, the amount of such payment supplemented by a further payment to that Person so that the sum of the two payments shall, after deduction of all taxes and other charges (taking into account any credits or deductions arising therefrom and the timing thereof) resulting from the receipt (actual or constructive) of such two payments imposed under any Federal, state or local law or by any governmental authority in the United States of America, or any territory or possession of the United States of America, or any foreign country or subdivision or any taxing authority of any thereof, or any international taxing authority, be equal to such payment received or deemed to have been received.

"Alterations" shall mean alterations, modifications, additions and improvements to the Facility, but does not include any original or substitute or replacement Components.

"Appraisal" shall mean an appraisal, dated the Funding Date, of Stone & Webster Management Consultants Inc. (or, at Owner Participant's request, another engineering firm mutually acceptable to Owner Participant and Lessee) to the effect that the useful life of the Facility Assets and the residual value, as of the end of the second Renewal Term, of the Facility Assets, when used in conjunction with the rights of Owner Trustee under the Ground Lease and the Support Agreement, is or will be at least equal to 45 years and 20% of Facility Cost (computed without regard to inflation or deflation), respectively; that the Facility Cost on the Funding Date is equal to the fair market value of the Facility; and that, assuming Owner Trustee, and purchasers from or assignees of Owner Trustee, will have those rights which the Ground Lease and the Support Agreement purport to grant and convey to Owner Trustee, it will be commercially feasible for Owner Trustee, and purchasers from or assignees of Owner Trustee, to use the Facility Assets after the expiration or termination of the Lease.

"Appraisal Procedure" shall mean a procedure whereby two independent appraisers, one chosen by Lessee and one by Lessor, shall mutually agree upon the determinations then the subject of appraisal. Lessor or Lessee, as the case may be, shall deliver a written notice to the other appointing its appraiser within 15 days after receipt from the other of a written notice appointing its appraiser. If within 30 days after appointment of the two appraisers they are unable to agree upon the amount in question, a third independent appraiser shall be chosen within ten days thereafter by the mutual consent of such first two appraisers or, if such first two appraisers fail to agree upon the appointment of a third appraiser, such appointment shall be made by the American Arbitration Association, or any organization successor thereto, from a panel of arbitrators having experience in the business of operating a coal-fired steam electric generating plant and a familiarity with equipment used or operated in such business. The decision of the third appraiser so appointed and chosen shall be given within 30 days after the selection of such third appraiser. If three appraisers shall be appointed and the determination of one appraiser is disparate from the middle determination by more than twice the amount by which the other determination is disparate from the middle determination, then the determination of such appraiser shall be excluded, the remaining two determinations shall be averaged and such average shall be binding and conclusive on Lessor and Lessee; otherwise the average of all three determinations shall be binding and conclusive on Lessor and Lessee.

"Assigned Coal Transportation Leases" shall have the meaning set forth in the Assignment of Coal Transportation Leases.

"Assignment of Coal Transportation Leases" shall mean the Assignment of Coal Transportation Leases, to be dated the Funding Date and substantially in the form of Exhibit Q to the Participation Agreement, from Lessee to Lessor of the Coal Transportation Leases described therein.

"Assignment of Fuel Contracts" shall mean the Assignment of Fuel Contracts, to be dated the Funding Date and substantially in the form of Exhibit M to the Participation Agreement, from Lessee to Lessor of the Fuel Contracts and guaranties described therein, together with all Notices of Assignment delivered in connection therewith.

"Assumption and Release" shall mean the Assumption and Release, to be dated the Funding Date and substantially in the form of Exhibit O to the Participation Agreement, among Authority, Authority Trustee, Lessee, Lessor, NCSC and CFC.

"Authority" shall mean Putnam County Development Authority, a body corporate and politic of the State of Florida.

"Authority Bond Rate" shall mean the rate of interest borne from time to time by the Authority Bonds.

"Authority Bonds" shall mean the guaranteed pollution control revenue bonds issued by Authority pursuant to the Authority Indenture to refund the Commercial Paper Bonds issued with respect to the ITC Pollution Control Assets.

"Authority Indenture" shall mean the Indenture of Trust dated as of October 15, 1984, between Authority and Authority Trustee relating to the Authority Bonds.

"Authority Letter" shall have the meaning set forth in Article I of the Authority Indenture.

"Authority Trust Indenture Estate" means the "Trust Estate" as defined in the Authority Indenture.

"Authority Trustee" shall mean Morgan Guaranty Trust Company of New York, a New York corporation, and each successor as Authority Trustee in the trusts created by the Authority Indenture.

"Average Annual Capacity Factor" shall mean, with respect to Seminole Unit 2, the quotient obtained by dividing (A) the number of megawatt hours, measured at the output terminals of the generator, generated during a calendar year by (B) the product of (i) 8,760 multiplied by (ii) the Rated Capacity of Seminole Unit 2.

"Bank Prime Rate" shall mean that bank prime rate published in the "Money Rates" column (or, if such column shall cease to be published therein, the equivalent column or table) of any edition of The Wall Street Journal which Loan Participant determines in its absolute discretion to be the representative bank prime rate on the day preceding the day on which an adjustment in the Bank Prime Rate shall become effective, as adjusted from time to time on the first and sixteenth days of each month; the Bank Prime Rate as so adjusted shall remain in effect until a subsequent such adjustment in rate occurs. If such preceding day is not a publication day for The Wall Street Journal, then the prevailing bank prime rate shall be established by reference to such column or table as of the last publication day next preceding the day on which such adjustment shall become effective. If The Wall Street Journal shall cease to be published or if no such column or table shall be published therein, then the Bank Prime Rate shall be determined by Loan Participant by reference to another publication reporting bank prime rates in the same manner.

"Basic Lease Commencement Date" shall mean December 15, 1984.

"Basic Rent" shall mean the rent payable pursuant to Section 3.02 of the Lease.

"Basic Rent Payment Dates" shall mean and include each June 15 and December 15, commencing June 15, 1985, throughout (and including the last day of) the Basic Term, each elected Renewal Term and any Extension Period.

"Basic Term" shall mean the period commencing on the Basic Lease Commencement Date and ending on the twenty-fifth anniversary thereof, or such shorter period as may result from earlier termination as provided in the Lease.

"Bill of Sale" shall mean any Warranty Deed and Bill of Sale, substantially in the form of Exhibit K to the Participation Agreement, between Lessee and Lessor, duly completed and executed and delivered on the Funding Date or, in the case of Facility Assets acquired after the Funding Date, a date required by Section 3.09 of the Indenture.

"Bond Guaranty" shall mean the Guaranty, Assignment and Agency Agreement dated as of October 15, 1984, between CFC and Authority Trustee in respect of the Authority Bonds.

"Bond Purchase Agreement" shall mean the Purchase Agreement dated November 1, 1984, between Authority and the underwriters identified therein, relating to the offering and sale of the Authority Bonds.

"Business Day" shall mean any day other than a Saturday or Sunday or any other day on which banks in New York, New York, are authorized to be closed.

"Capital Improvements" shall mean alterations, modifications, additions and improvements to the Common Facilities, the construction costs of which are to be added to the electric plant accounts of Lessee pursuant to the Uniform System of Accounts.

"Casualty Value", as of any Basic Rent Payment Date, shall mean (i) during the Basic Term, the amount determined by multiplying Facility Cost by the percentage in Schedule 2 to the Lease (including the footnote thereto) set forth opposite such Basic Rent Payment Date and (ii) during any Renewal Term or Extension Period, the amount determined, in accordance with Section 5.05 of the Lease, by amortizing ratably the Fair Market Sales Value of the Facility as of the day following the last day of the Basic Term in semi-annual steps over the remaining Ground Lease Term, which amortized amounts shall be set forth in a revised Schedule 2 to the Lease prior to the last day of the Basic Term; provided, however, that Casualty Value as of any date shall be, under any circumstances and in any event, an amount at least sufficient to pay in full the aggregate unpaid principal amount of all Notes then outstanding, together with all accrued and unpaid interest thereon, plus, when there is added to such Casualty Value all other amounts of Supplemental Rent paid on such date, the aggregate amount, if any, of all sums which on such date of payment, if Section 3.03 of the Indenture were applicable, would be entitled to be

paid in priority to or on a parity with the payment specified in clause "Fifth" thereof.

"CBT" shall mean The Connecticut Bank and Trust Company, National Association, a national banking association.

"Certificate of Acceptance" shall mean a certificate, substantially in the form of Exhibit N to the Participation Agreement, duly completed and executed and delivered on the Funding Date or a date required by Section 3.09 of the Indenture and executed by the President or any Vice President of Lessee.

"CFC" shall mean National Rural Utilities Cooperative Finance Corporation, a cooperative association organized under the laws of the District of Columbia.

"CFC Letter" shall mean the letter dated as of August 1, 1984, substantially in the form of Exhibit R to the Participation Agreement, from CFC to Owner Participant and Lessee.

"Change in Tax Laws" shall mean any amendment, modification, addition, deletion or change in the provisions of the Code, the regulations promulgated thereunder or any revenue procedure, revenue ruling, technical advice memorandum, published administrative interpretation or any private letter ruling issued to Lessor, Lessee or Owner Participant or any change in judicial decisions interpreting the Code.

"Claims" shall mean liabilities, obligations, losses, damages, penalties, claims (including without limitation claims involving liability in tort, strict or otherwise), actions, suits, judgments, costs, expenses and disbursements (including without limitation legal fees and expenses) of any kind and nature whatsoever without any limitation as to amount.

"Class" shall have the meaning set forth in the definition of "Facility Assets".

"Coal" shall mean coal of such kind and quality as may be burned in Seminole Unit 2's boiler in accordance with the Plans and Specifications.

"Coal Cost" shall mean the cost of Coal determined in accordance with Section 2.7 of the Support Agreement.

"Collateral Trust Indenture Event of Default" shall mean any of the events specified in Section 5.01 of the Collateral Trust Indenture.

"Collateral Trust Notes" shall mean, collectively, the Series A Collateral Trust Notes, the Series B Collateral Trust Notes, the Series C Collateral Trust Notes and any further series of notes created pursuant to the Collateral Trust Indenture, from time to time outstanding under the Collateral Trust Indenture.

"Collateral Trust Trustee" shall mean Bankers Trust Company, a New York banking corporation, and each successor as Collateral Trust Trustee in the trusts created by the Collateral Trust Indenture.

"Collateral Trust Trustee Office" shall mean the office of the Collateral Trust Trustee located at Four Albany Street, New York, N.Y. 10006, or such other office as may be designated by Collateral Trust Trustee to NCSC and each holder of a Collateral Trust Note from time to time.

"Commitment Fees" shall mean the "refundable" and "nonrefundable" commitment fees payable to GECC pursuant to the terms and conditions of the Letter Agreement.

"Common Facilities" shall mean, collectively, those assets constructed in conjunction with Seminole Unit 1 and Seminole Unit 2 which are described in Exhibit B-2 to the Participation Agreement, together with all replacements thereof, substitutions therefor and Capital Improvements made from time to time by Lessee or any other Person during the Ground Lease Term for use in conjunction with Seminole Unit 1, Seminole Unit 2 or any other facility at the Plant Site.

"Completion Costs" shall mean the amount, to be set forth in the Certificate of Acceptance delivered on the Funding Date, estimated by Lessee as the cost of completing the Facility Assets in accordance with the Plans and Specifications.

"Components" shall mean appliances, parts, instruments, appurtenances, accessories, furnishings, equipment and other property of whatever nature that may from time to time be incorporated in the Facility Assets or any part thereof.

"Confidential Memorandum" shall mean the memorandum relating to the lease of the Facility Assets distributed by PaineWebber Incorporated and Shearson Lehman/American Express Inc.

"Construction Contracts" shall mean those construction, supply and service contracts listed and described in Schedule A to the Construction Contracts Assignment.

"Construction Contracts Assignment" shall mean the Construction Contracts Assignment, to be dated the Funding Date and substantially in the form of Exhibit L to the Participation Agreement, together with all Notices of Assignment delivered in connection therewith.

"Construction Engineer" shall mean Burns and Roe, Inc., a New Jersey corporation, as the architect-engineer of Seminole Unit 2.

"Construction Engineer's Certificate" shall mean a Construction Engineer's Certificate based on the form of Exhibit C to the Participation Agreement and which complies with Section 4(a)(A) of the Participation Agreement.

"Construction Fund" shall mean the fund established pursuant to Section 3.09 of the Indenture.

"Contract Retainages" shall mean the amount, to be set forth in the Certificate of Acceptance delivered on the Funding Date, retained by Lessee under the terms of the respective Construction Contracts.

"Debt Operative Documents" shall mean the Collateral Trust Indenture, the Collateral Trust Notes, the Authority Indenture, the Depositary Agreement, the Remarketing Agreement, the Standby Purchase Agreement, the Reimbursement Agreement, the Indemnity Letter, the Authority Letter, the Note Guaranty, the Bond Guaranty, the Note Purchase Agreements, the Bond Purchase Agreement, the Extension Letter, the Assumption and Release, the Financing Agreement, the Authority Bonds and the CFC Letter.

"Debt Percentage" shall mean that percentage of Facility Cost, without regard to the separate Classes of Facility Assets, which shall equal the difference between 100% and the Investment Percentage.

"Default" shall mean an event which, after giving of notice or lapse of time, or both, would become an Event of Default.

"Depository Agreement" shall have the meaning set forth in Article B-I of the Authority Indenture.

"Designated NCSC Officer" shall have the meaning set forth in Section 5.01(a) of the Collateral Trust Indenture.

"Determination of Taxability" shall have the meaning set forth in Article B-I of the Authority Indenture.

"Early Purchase Floor Value", as of any Basic Rent Payment Date, shall mean the amount determined by multiplying Facility Cost by the percentage in Schedule 3 to the Lease (including the footnote thereto) set forth opposite such Basic Rent Payment Date; provided, however, that Early Purchase Floor Value as of any date shall be, under any circumstances and in any event, an amount at least sufficient to pay in full the aggregate unpaid principal amount of all Notes then outstanding, together with all accrued and unpaid interest thereon, plus, when there is added to such Early Purchase Floor Value all other amounts of Supplemental Rent paid on such date, the aggregate amount, if any, of all sums which on such date of payment, if Section 3.03 of the Indenture were applicable, would be entitled to be paid in priority to or on a parity with the payment specified in clause "Fifth" thereof.

"Easements" shall mean the easements and other rights created pursuant to Article VII of the Ground Lease in favor of Owner Trustee.

"Energy" shall mean kilowatt hours of electric energy.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended.

"Event of Default" shall have the meaning set forth in Article XV of the Lease.

"Event of Loss" shall mean any of the following events: (a) the loss of the Facility Assets due to theft,

disappearance, destruction or, in the good faith and reasonable opinion of Lessee (confirmed by an independent engineer reasonably satisfactory to Owner Participant), damage beyond repair, or the loss of use of the Facility Assets for a period reasonably anticipated to extend for at least 30 months for any of such reasons; (b) the receipt of insurance proceeds based upon an actual or constructive total loss with respect to the Facility Assets; (c) the condemnation, confiscation or seizure of title to the Facility Assets or the Site (in its entirety or a substantial portion of the Site such that the then remaining portion cannot practically be utilized for the purposes intended) or the condemnation of Lessor's leasehold interest in the Site (whether by Lessee or otherwise) or the condemnation, confiscation, seizure or requisition of use of the Facility Assets or the Site (in its entirety or a substantial portion as aforesaid) for a stated period which shall, or for an indefinite period which is reasonably expected to, exceed the lesser of the remaining portion of the Lease Term and 120 months; (d) shutdown of the Facility Assets, as a result of any Governmental Rule or Governmental Action, for a period exceeding 12 consecutive months or such longer period, not exceeding 48 months, during which Lessee is diligently pursuing corrective action designed to restore such use; or (e) if at any time after the date of execution of the Participation Agreement and before the Lease Termination Date, Owner Trustee or Owner Participant, by reason of the ownership of the Facility Assets or any part thereof by Lessor or the lease of the Facility to Lessee or any of the other transactions contemplated by the Operative Documents (the term "Owner Participant", as used in this clause (e), not including any Transferee who at the time of transfer to such Transferee is a non-exempt entity of the type referred to in this clause (e), whether by reason of such ownership, lease, transactions or otherwise; but if this clause (e) becomes applicable with respect to any other Owner Participant an Event of Loss shall be deemed to have occurred), shall be deemed by any governmental authority having jurisdiction to be, or shall become subject to regulation as, an "electric utility" or a "public utility" or a "public utility holding company" under any Governmental Rule or Governmental Action (other than the Holding Company Act so long as by virtue of Rule 7(d) (or any comparable successor thereto) of the General Rules and Regulations adopted under such Act by the Securities and Exchange Commission neither Lessor nor Owner Participant is deemed to be a utility thereunder), and the effect thereof on Lessor or Owner Participant would be, in its judgment, materially adverse, and Lessor or Owner Participant has not waived in writing

application of this clause (e) (indefinitely or for a specific period); except that if Lessee, at its sole cost and expense, is contesting diligently and in good faith any action by any governmental authority which would otherwise constitute an Event of Loss under this clause (e), such Event of Loss shall be deemed not to have occurred so long as (i) such contest does not involve any danger of the foreclosure, sale, forfeiture or loss of, or the creation of any Lien on, the Facility or any part thereof or any interest therein, (ii) such contest does not adversely affect the Facility or any part thereof or any other property, assets or rights of Lessor or Owner Participant or the lien of the Indenture thereon, (iii) Lessee shall have furnished Lessor, Owner Participant, Indenture Trustee and Loan Participant with an opinion of independent counsel satisfactory to each such Person to the effect that there exists a reasonable basis for contesting such determination, (iv) such determination shall be effectively stayed or withdrawn during such contest (and shall not be subject to retroactive application at the conclusion of such contest) in a manner satisfactory to Lessor and Owner Participant and (v) Lessee shall have indemnified Lessor and Owner Participant in a manner satisfactory to each such Person for any liability or loss which either such Person may incur as a result of Lessee's contest.

"Excepted Payments" shall mean and include (i) any indemnity or other payment (whether or not Supplemental Rent and whether or not a Default or Event of Default exists) payable under any Operative Document (including without limitation Section 9(b)(xv) of the Participation Agreement) directly to any Person, other than Indenture Trustee, Paying Agent or Lessor (except Owner Trustee in its individual capacity) or payable by Lessee to Lessor, Owner Trustee or Owner Participant to reimburse any such Person for its costs and expenses in exercising its rights under the Operative Documents, (ii) (A) insurance proceeds, if any, payable to Lessor or Owner Participant under insurance separately maintained by Lessor or Owner Participant with respect to Seminole Unit 2 as permitted by Section 12.06 of the Lease or (B) proceeds of personal injury or property damage liability insurance maintained under any Operative Document for the benefit of Lessor or Owner Participant, (iii) any amounts payable under any Operative Document to reimburse Lessor or Owner Participant (including the reasonable expenses of Lessor or Owner Participant incurred in connection with any such payment) in performing or complying with any of the obligations of Lessee under and as permitted by any Operative Document, (iv) any amount payable to Owner

Participant as the purchase price of Owner Participant's interest in the Trust Estate, (v) any payments, insurance proceeds or other amounts with respect to any portion of the Facility which has been released from the lien of the Indenture and (vi) any payments in respect of interest to the extent attributable to payments referred to in clauses (i) through (v) above which constitute Excepted Payments.

"Extension Letter" shall mean the letter, to be dated the Funding Date and substantially in the form of Exhibit P to the Participation Agreement, executed by Owner Trustee, Indenture Trustee, Owner Participant, CBT, Loan Participant and Lessee.

"Extension Period" shall mean the period, commencing at the end of the Basic Term or any elected Renewal Term and ending on the first to occur of (i) the first anniversary of the end of the Basic Term or such Renewal Term and (ii) the date Lessor leases or disposes of the Facility, including its interests under the Related Agreements, or such shorter period as may result from earlier termination as provided in the Lease.

"Facility" shall mean the Facility Assets, the Site, the Retained Assets, the Unit 2 Common Facilities and the easements and other rights granted to Lessor in the Ground Lease.

"Facility Assets" shall mean, collectively, (A) all assets included in Seminole Unit 2 (specifically excluding the Retained Assets) which are described in Exhibit A to the Participation Agreement, (B) all other assets incorporated in Seminole Unit 2 (specifically excluding the Retained Assets) by Seminole in the performance of its covenants under Sections 9(b) (viii) and 9(b) (x) of the Participation Agreement, whether or not described in a Certificate of Acceptance, and (C) all assets title to which shall vest in Lessor pursuant to the Lease. "ITC Asset", "ITC/ETC Asset" and "ITC Pollution Control Asset" shall mean and refer to a Facility Asset specified as such in a Certificate of Acceptance, each such category of Facility Assets so specified being hereinafter referred to as a "Class". The character of ITC/ETC Assets and ITC Pollution Control Assets is more fully described in Section 2(b) of the Tax Indemnification Agreement, and ITC Assets are all Facility Assets other than ITC/ETC Assets and ITC Pollution Control Assets.

"Facility Cost" shall mean the price payable by Owner Trustee for the Facility Assets, which shall be equal to the fair market value thereof, as set forth in the Notice of Closing (including the aggregate of Contract Retainages

and Completion Costs but not including any amount in the Special Construction Fund) and the Appraisal, plus the cost of any Alterations and Components financed by Owner Participant itself or through Lessor or pursuant to Section 10.08 of the Lease or Section 16(b) of the Participation Agreement, plus the amount of any additional investment in the Facility made by Owner Participant pursuant to Section 2(f) of the Participation Agreement. Facility Cost shall be allocated by Lessee to the respective Classes of the Facility Assets and if Owner Participant shall so request, such allocation shall be substantiated by Coopers and Lybrand or an engineering or other accounting firm selected by Owner Participant and acceptable to Lessee. Facility Cost shall not include Transaction Expenses.

"Fair Market Renewal Term" shall mean a Renewal Term elected pursuant to Section 5.01(b) of the Lease.

"Fair Market Rental Value" or "Fair Market Sales Value" of any property or service as of any date shall mean the cash rent or cash price obtainable in an arm's-length lease, or sale or supply, respectively, between an informed and willing lessee or buyer (under no compulsion to lease or purchase) and an informed and willing lessor or seller or supplier (under no compulsion to lease or sell or supply) of the property or service in question, and shall, in the case of the Facility or the Facility Assets, be determined (except pursuant to Article XVI of the Lease) on the basis that (i) the Facility has been maintained in accordance with, and Lessee has complied with, the requirements of the Lease and the Operative Documents, (ii) lessee or buyer shall have rights in, or an assignment of, the Operative Documents to which Lessor is a party and (iii) Lessee has complied with the requirements of the Lease and each Operative Document to which Lessee is a party. If Owner Participant and Lessee are unable to agree upon a determination of Fair Market Rental Value or Fair Market Sales Value, as the case may be, such Fair Market Rental Value or Fair Market Sales Value shall be determined in accordance with the Appraisal Procedure.

"Federal Power Act" shall mean the Federal Power Act, as amended.

"Financing Agreement" shall mean the Financing Agreement dated as of October 15, 1984, by and between Authority and Lessee.

"Fixed NCSC Rate" shall mean a rate of interest (computed on the basis of a 360-day year of twelve 30-day

months) equal to the rate of interest payable on the corresponding fixed-rate obligations of Loan Participant issued pursuant to Section 2(e)(iv) of the Participation Agreement.

"Fixed Price Renewal Term" shall mean a Renewal Term elected pursuant to Section 5.01(a) of the Lease.

"Fuel Contracts" shall have the meaning set forth in the Assignment of Fuel Contracts.

"Funding Date" shall mean the date set forth in the Notice of Closing, which shall be on or after November 1, 1984, not prior to the Synchronization Date, not more than three months after the Synchronization Date and not later than December 7, 1984 (or such later date as Owner Participant may agree to).

"GECC" shall mean General Electric Credit Corporation, a New York corporation.

"Governmental Actions" shall mean all authorizations, consents, approvals, waivers, exceptions, variances, filings and declarations of or with, Federal, state, county, municipal, regional or other governmental authorities, agencies or boards (other than routine reporting requirements, when used in Section 5, 6, 7, 8 and 9(a) of the Participation Agreement, the failure to comply with which will not affect the validity or enforceability of the Operative Documents or have a material adverse effect on the transactions contemplated by the Participation Agreement), and shall include without limitation those siting, environmental and operating permits and licenses generally described in Exhibit B-4 to the Participation Agreement.

"Governmental Rules" shall mean statutes, laws, rules, codes, ordinances, regulations, permits, certificates and orders of Federal, state, county, municipal, regional or other governmental authorities, agencies, boards or courts, including without limitation those pertaining to health, safety, the environment or otherwise.

"Ground Lease" shall mean the Ground and Common Facilities Lease and Easement, to be dated the Funding Date and substantially in the form of Exhibit E to the Participation Agreement, between Lessee, as ground lessor and grantor, and Lessor, as ground lessee and grantee, and any new Ground Lease executed and delivered pursuant to Article XVI of the Ground Lease.

"Ground Lease Default" shall mean any of the events specified in Article XIII of the Ground Lease.

"Ground Lease Term" shall mean the term of the Ground Lease specified in Article XX of the Ground Lease.

"Guaranteed Notes" shall have the meaning set forth in the recital clause of the Note Guaranty.

"Holding Company Act" shall mean the Public Utility Holding Company Act of 1935, as amended.

"incorporated in" shall mean incorporated or installed in or attached to or otherwise made a part of.

"Indemnatee" shall mean Owner Trustee (both in its individual and fiduciary capacity), CBT, Owner Participant, Indenture Trustee (both in its individual and fiduciary capacity), Loan Participant, Paying Agent, the Trust Estate, the Indenture Estate and each holder of a Note from time to time outstanding under the Indenture, including for the purposes only of Sections 13.01 and 13.05 of the Lease, Authority and Authority Trustee (both in its individual and fiduciary capacity), and in each case the respective successors, assigns, agents, employees and Affiliates of any thereof.

"Indemnity Letter" shall mean the Indemnity Letter dated November 1, 1984, delivered by Lessee to Authority in connection with the issuance of the Authority Bonds.

"Indenture" shall mean the Trust Indenture and Security Agreement, to be dated the Funding Date and substantially in the form of Exhibit I to the Participation Agreement, between Owner Trustee and Indenture Trustee, together with the Mortgage.

"Indenture Default" shall mean an event which, after giving of notice or lapse of time, or both, would become an Indenture Event of Default.

"Indenture Estate" shall have the meaning specified in the Granting Clause of the Indenture.

"Indenture Event of Default" shall mean any of the events specified in Section 4.01 of the Indenture.

"Indenture Trustee" shall mean Southeast Bank, N.A., a national banking association, and each successor as Indenture Trustee in the trusts created by the Indenture.

"Indenture Trustee Office" shall mean the office of Indenture Trustee located at One Southeast Financial

Center, 15th Floor, Miami, Florida 33131, Attention: Corporate Trust Department, or such other office as may be designated by Indenture Trustee to Owner Trustee and each holder of a Note from time to time.

"Indexing Agent" shall have the meaning set forth in Article B-I of the Authority Indenture.

"Interim Rent" shall mean the rent, if any, payable pursuant to Section 3.01 of the Lease.

"Interim Term" shall mean the period, if any, commencing on the Funding Date and ending on the Basic Lease Commencement Date, or such shorter period as may result from earlier termination as provided in the Lease.

"Investment" shall have the meaning set forth in Section 2(a) of the Participation Agreement.

"Investment Percentage" shall mean 41.26292% (or such other percentage as may be adjusted prior to the Funding Date pursuant to the Operative Documents or as may be otherwise agreed upon by Owner Participant and Lessee) of Facility Cost, without regard to the separate Classes of Facility Assets, which percentage shall not be less than 37% without the consent of Loan Participant.

"Lease" shall mean the Lease, to be dated as of the Funding Date and substantially in the form of Exhibit D to the Participation Agreement, between Owner Trustee, as lessor, and Lessee, as lessee.

"Lease Term" shall mean the term of the Lease, including the Interim Term, if any, the Basic Term, any elected Renewal Terms and any elected Extension Period.

"Lease Termination Date" shall mean the last day of the Lease Term (whether occurring by reason of a termination or the expiration of the Lease Term).

"Lenders" shall mean the holders of outstanding Series A Collateral Trust Notes and Series B Collateral Trust Notes.

"Lessee" shall mean Seminole Electric Cooperative, Inc., a Florida electric cooperative corporation.

"Lessor" shall mean Owner Trustee.

"Lessor's Liens" shall mean Liens (other than Permitted Liens described in clauses (a) and (c) through (e) of the definition of such term) which result from acts of, or any failure to act by, or as a result of claims against, Lessor (including in its individual capacity) unrelated either to the ownership of the Facility, the administration of the Trust Estate or the transactions contemplated by the Participation Agreement, the Trust Agreement, the Lease or any other Operative Document.

"Letter Agreement" shall mean the Letter Agreement, dated December 30, 1983, between GECC and Lessee.

"Lien" shall mean any mortgage, pledge, security interest, encumbrance, lien or charge of any kind, including without limitation any conditional sale or other title retention agreement, any lease in the nature thereof or the filing of, or agreement to give, any financing statement under the Uniform Commercial Code of any jurisdiction.

"Limestone Cost" shall mean the cost of limestone determined in accordance with Section 2.6 of the Support Agreement.

"Loan Participant" shall mean NCSC.

"Majority in Interest of Holders of Collateral Trust Notes" as of any date of determination shall mean the holder or holders of not less than a majority in aggregate unpaid principal amount at the time outstanding of each of (a) all Collateral Trust Notes, voting as a single class, and (b) all Series A Collateral Trust Notes, all Series B Collateral Trust Notes and all Series C Collateral Trust Notes, each voting as a separate class, but if the holders of the Series C Collateral Trust Notes do not indicate their decision prior to the later of 15 days after notice to the holders thereof that such a determination is required (if such notice is otherwise required pursuant to the terms of the Collateral Trust Indenture) and 30 days after the occurrence giving rise to the requirement of such a determination, such holders shall be deemed to have made a determination which accords with that of the holders of the Series A and Series B Collateral Trust Notes; provided, however, that any Series A Collateral Trust Note or Series B Collateral Trust Note held by Lessee, Owner Participant, Owner Trustee, CFC, Loan Participant or any Affiliate of any thereof shall not be considered outstanding for purposes of determining such Majority unless (i) in the case of Owner Participant, Owner Trustee, CFC, Loan Participant and any Affiliate of

any thereof, such Persons (and their Affiliates) together hold all Series A Collateral Trust Notes and all Series B Collateral Trust Notes or (ii) in the case of Owner Participant and any Affiliate of Owner Participant, Owner Participant and its Affiliates together hold not less than 80% in aggregate unpaid principal amount at the time outstanding of each of the Series A Collateral Trust Notes, if any, and Series B Collateral Trust Notes, if any, held by Non-CFC Holders and Owner Participant and its Affiliates. It is understood that in voting the Series C Collateral Trust Note the Authority Trustee will comply with the provisions of Section B-13.1 of the Authority Indenture, including without limitation the provision requiring that Authority Bonds owned by Loan Participant, Lessee, CFC, any holder of a Series A or B Collateral Trust Note or Owner Participant or any affiliates of any such Person be disregarded for purposes of such vote unless certain conditions are met.

"Majority in Interest of Holders of Guaranteed Notes" as of any date of determination shall mean the holder or holders of not less than a majority in aggregate unpaid principal amount at the time outstanding of each of (a) all Series A Collateral Trust Notes and all Series B Collateral Trust Notes, voting as a single class, and (b) all Series A Collateral Trust Notes and all Series B Collateral Trust Notes, each voting as a separate class; provided, however, that any Series A Collateral Trust Note or Series B Collateral Trust Note held by Lessee, Owner Participant, Owner Trustee, CFC, Loan Participant or any Affiliate of any thereof shall not be considered outstanding for purposes of determining such Majority unless (i) in the case of Owner Participant, Owner Trustee, CFC, Loan Participant and any Affiliate of any thereof, such Persons (and their Affiliates) together hold all Series A Collateral Trust Notes and all Series B Collateral Trust Notes or (ii) in the case of Owner Participant and any Affiliate of Owner Participant, Owner Participant and its Affiliates together hold not less than 80% in aggregate unpaid principal amount at the time outstanding of each of the Series A Collateral Trust Notes, if any, and Series B Collateral Trust Notes, if any, held by Non-CFC Holders and Owner Participant and its Affiliates.

"Majority in Interest of Holders of Notes" as of any date of determination shall mean holders (including Loan Participant, if it shall hold, or be considered under Section 2.14 of the Indenture to be the holder of, any Note at the time such Majority is determined) holding in aggregate more than 50% of the total outstanding principal amount of each of (a) all Notes voting as a single class and

(b) all Series 1 Notes and Series 2 Notes, each voting as a separate class; provided, however, that any Note held by Lessee or any Affiliate of Lessee shall not be considered outstanding for purposes of determining such Majority.

"Member" shall mean any Person which, under the Certificate of Incorporation and By-laws of Lessee, is entitled to vote for the election of trustees of Lessee.

"Member Contracts" shall mean any of or all the Power Sales Contracts between Lessee, as seller, and the several Members of Lessee, as buyers.

"Mortgage" shall mean the Mortgage to be dated the Funding Date and substantially in the form of Exhibit E to the Indenture, between Owner Trustee and Indenture Trustee.

"Mortgagees" shall mean REA, CFC and Columbia Bank for Cooperatives, as mortgagees under the REA Mortgage or the Subordinated Mortgage, as the case may be.

"NCSC" shall mean National Cooperative Services Corporation, a cooperative corporation organized under the laws of the District of Columbia, its successors and assigns.

"NCSC Rate Notice" shall mean a notice by NCSC given pursuant to Section 2(e)(v) or 2(e)(vii) of the Participation Agreement specifying a Seven-Year NCSC Rate.

"Net Economic Return" shall mean GECC's (i) after tax return on investment, (ii) after tax cash flow as a percentage of the sum of Facility Cost and Transaction Expenses and (iii) after tax net income (computed in accordance with Statement of Financial Accounting Standards No. 13 of the Financial Accounting Standards Board, as such Statement was in effect on March 15, 1984) as a percentage of the sum of Facility Cost and Transaction Expenses, each as computed in accordance with the assumptions set forth in Schedule 1 to the Participation Agreement, and "Components of Net Economic Return" shall mean each of the factors referred to in clauses (i), (ii) and (iii) of this definition. If Owner Participant elects to confine an adjustment to Basic Rent in respect of a Change in Tax Laws to 22.5% in accordance with Section 2(d) of the Participation Agreement, Net Economic Return shall be reduced to the level reflected in such adjustment.

"Non-CFC Holder" shall mean an original holder of Series A Collateral Trust Notes or Series B Collateral Trust Notes who is not CFC, NCSC or any Affiliate of either thereof.

"Nonseverable", when used in respect to any Alteration, shall mean any Alteration which is not a Severable Alteration.

"Note Guaranty" shall mean the Guaranty, to be dated the Funding Date and substantially in the form of Exhibit C to the Note Purchase Agreements, by CFC in favor of Collateral Trust Trustee in respect of the Guaranteed Notes.

"Note Purchase Agreements" shall mean the Note Purchase Agreements, each dated as of August 1, 1984, by and between NCSC and the respective Series A and Series B Note Purchasers.

"Notes" shall mean, collectively, the Series 1, Series 2 and Series 3 Notes, and any further series of notes created pursuant to the Indenture, from time to time outstanding under the Indenture.

"Notice of Closing" shall have the meaning set forth in Section 4(a) of the Participation Agreement.

"Offering Materials" shall have the meaning set forth in the Remarketing Agreement.

"Officers' Certificate" shall mean a certificate signed by the President or any Vice President and by the Treasurer, any Assistant Treasurer, the Secretary or any Assistant Secretary of the Person with respect to which such term is used.

"Official Statement" shall have the meaning set forth in the Remarketing Agreement.

"Operating Standard" shall mean the successful completion of a continuous 48-hour load test of Seminole Unit 2 at Rated Capacity.

"Operative Documents" shall mean the Participation Agreement, the Trust Agreement, the Lease, each Bill of Sale, the Assignment of Fuel Contracts, the Assignment of Coal Transportation Leases, the Assumption and Release, the Financing Agreement, the Construction Contracts Assignment, the Ground Lease, the Indenture, the Notes, the Support Agreement, the Paying Agency Agreement, the REA Consent, the Tax Indemnification Agreement and the CFC Letter.

"Other Agreements" shall, as to each Note Purchase Agreement, have the meaning set forth in Paragraph 3(a) of such Note Purchase Agreement.

"Other Purchasers" shall, as to each Note Purchase Agreement, have the meaning set forth in Paragraph 3(a) of such Note Purchase Agreement.

"Owner Participant" shall mean GECC and its successors and permitted assigns under the Trust Agreement and the Participation Agreement.

"Owner Participant's Liens" shall mean Liens (other than Permitted Liens described in clauses (a) and (c) through (e) of the definition of such term) which result from acts of, or any failure to act by, or as a result of claims against, Owner Participant unrelated to the transactions contemplated by the Participation Agreement, the Trust Agreement, the Lease or any other Operative Document.

"Owner Trustee" shall mean CBT Trust Company of Florida, National Association, a national banking association, and each successor as Owner Trustee, not in its individual capacity (except as expressly provided otherwise) but solely as trustee under the Trust Agreement.

"Participant" shall mean Loan Participant or Owner Participant.

"Participation Agreement" shall mean the Participation Agreement, dated as of August 1, 1984, among CBT, Owner Trustee, Indenture Trustee, Participants and Lessee.

"Paying Agency Agreement" shall mean any agreement between Owner Trustee and Paying Agent complying with the requirements of Section 2.13 of the Indenture.

"Paying Agent" shall mean Morgan Guaranty Trust Company of New York and each successor as Paying Agent under the Indenture.

"Paying Agent Office" shall mean the office of Paying Agent located at 30 West Broadway, New York, N.Y. 10015, or such other office as may be designated by Paying Agent to Owner Trustee, Indenture Trustee and each holder of a Note from time to time.

"Permitted Encumbrances" shall mean (i) the Safe Harbor Leases, the REA Mortgage, the Subordinated Mortgage,

Permitted Encumbrances as defined in the REA Mortgage and (ii) the reservations, encumbrances and title defects set forth in the title insurance policy referred to in Section 10(a)(xvi) of the Participation Agreement so long as in the aggregate such reservations, encumbrances and title defects set forth in such insurance policy do not materially interfere with the use of the Retained Site or Site by Lessee, Owner Trustee or Indenture Trustee (as assignee under the Indenture) in the operation of the Facility Assets, the Common Facilities, the Retained Assets or, in the case of Lessee only, the Transmission Facilities.

"Permitted Investments" shall mean (i) obligations of the United States of America, or fully guaranteed as to interest and principal by the United States of America, maturing in not more than one year, (ii) certificates of deposit having a final maturity of not more than 30 days after the date of issuance thereof of any commercial bank incorporated under the laws of the United States of America or any state thereof or the District of Columbia which bank is a member of the Federal Reserve System and has a combined capital and surplus of not less than \$800,000,000 and (iii) commercial paper, rated P-1 by Moody's Investors Services, Inc., or A-1 by Standard and Poor's Corporation, having a remaining term until maturity of not more than 90 days, other than any such obligation, certificate of deposit or commercial paper issued by Indenture Trustee, any Lender, any Series A Note Purchaser, any Series B Note Purchaser, Collateral Trust Trustee, Paying Agent, Authority, Authority Trustee, CFC or Loan Participant; provided, however, that no such investment made while there shall have occurred and be continuing an Indenture Default or an Indenture Event of Default shall be a Permitted Investment if it has a maturity in excess of 30 days.

"Permitted Liens" shall mean (a) the respective rights and interests of Lessee, Owner Participant, Lessor, Indenture Trustee and Loan Participant, as provided in the Operative Documents, (b) Lessor's Liens to the extent the same result from acts of, or any failure to act by, or as a result of claims against, Lessor (including in its individual capacity) unrelated either to the ownership of the Facility, the administration of the Trust Estate or the transactions contemplated by the Participation Agreement, the Trust Agreement, the Lease or any other Operative Document, and Owner Participant's Liens to the extent the same result from acts of, or any failure to act by, or as a result of claims against, Owner Participant unrelated to the transactions contemplated by the Participation Agreement,

the Trust Agreement, the Lease or any other Operative Document, (c) Liens for Taxes either not yet due or being contested in good faith and by appropriate proceedings, so long as such proceedings shall not involve any danger of the sale, forfeiture or loss of any part of the Facility, Seminole Unit 2, the Common Facilities, the Transmission Facilities, the Trust Estate, the Indenture Estate, title thereto or any interest therein and shall not interfere with the use or disposition of any part of the Facility, Seminole Unit 2, the Common Facilities, the Transmission Facilities, the Trust Estate, the Indenture Estate, title thereto or any interest therein, or the payment of Rent, and Lessee shall have provided adequate reserves for the payment of such Taxes, (d) materialmen's, mechanics', workers', repairmen's, employees' or other like Liens arising in the ordinary course of business for amounts either not yet due or being contested in good faith and by appropriate proceedings so long as such proceedings shall not involve any danger of the sale, forfeiture or loss of any part of the Facility, Seminole Unit 2, the Common Facilities, the Transmission Facilities, the Trust Estate, the Indenture Estate, title thereto or any interest therein and shall not interfere with the use or disposition of any part of the Facility, Seminole Unit 2, the Common Facilities, the Transmission Facilities, the Trust Estate, the Indenture Estate, title thereto or interest therein, or the payment of Rent, and Lessee shall have provided adequate reserves for the payment of such amounts, (e) Liens arising out of judgments or awards against Lessee with respect to which at the time an appeal or proceeding for review is being prosecuted in good faith and either which have been bonded or for the payment of which adequate reserves shall have been provided so long as such judgment, award or appeal shall not involve any danger of the sale, forfeiture or loss of any part of the Facility, Seminole Unit 2, the Common Facilities, the Transmission Facilities, the Trust Estate, the Indenture Estate, title thereto or any interest therein and shall not interfere with the use or disposition of any part of the Facility, Seminole Unit 2, the Common Facilities, the Transmission Facilities, the Trust Estate, the Indenture Estate, title thereto or interest therein, or the payment of Rent, (f) Liens permitted pursuant to Article XIV of the Lease and (g) the Lien of the REA Mortgage and the Subordinated Mortgage on Lessee's leasehold interest under the Lease.

"Person" shall mean any individual, partnership, corporation, trust, unincorporated association, joint venture, government or any department or agency thereof, or any other entity.

"Plans and Specifications" shall mean the plans and specifications for Seminole Unit 2, as such plans and specifications (i) exist on the Funding Date (it being understood that such plans and specifications will not have been fully documented on the Funding Date and will be subject to further change as Seminole Unit 2 is completed), (ii) may be amended or changed from time to time following the Funding Date and (iii) shall be documented subsequent to the Funding Date to reflect Seminole Unit 2 as built.

"Plant Site" shall mean the real property and interests in real property described in Exhibit B to the Participation Agreement and in Exhibit B to the Ground Lease.

"Points of Interconnection" shall mean those points, set forth and described in Exhibit B-3 to the Participation Agreement, at which the Transmission Facilities interconnect with other transmission facilities of other utilities.

"Pollution Control Ground Lease" shall mean the agreement, dated as of June 15, 1981, between Lessee and Authority under which, as originally executed, Authority leased certain real property which includes the Plant Site.

"Power" shall mean megawatts of electric capacity and associated Energy.

"Prime Rate" shall mean the rate of interest publicly announced by Morgan Guaranty Trust Company of New York in New York, N.Y., from time to time as its prime rate.

"Project" shall have the meaning set forth in Section 1.1 of the Financing Agreement.

"Prudent Utility Practice" shall mean, at a particular time, those practices, methods and acts as are in accordance with standards of prudence applicable to the electric utility industry which would have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety and expedition. Prudent Utility Practice is not intended to be limited to the optimum practice, method or act, to the exclusion of all others, but rather is a spectrum of possible practices, methods and acts which could have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety and expedition. Prudent Utility Practice shall not include any practice, method or

act that discriminates against Seminole Unit 2 or the Facility in relation to those practices, methods or acts employed by Lessee at its generating units at the Plant Site other than Seminole Unit 2 or that is less favorable to Seminole Unit 2 and the Facility than those practices, methods or acts which would have been employed by Lessee if it had been the owner of Seminole Unit 2 and the Facility in their entirety.

"Put Event" shall have the meaning set forth in Section 5.14A of the Collateral Trust Indenture.

"Put Notice" shall have the meaning set forth in Section 5.14B of the Collateral Trust Indenture.

"Rated Capacity" shall mean 620MW maximum continuous rating at the generator terminals.

"REA" shall mean the United States of America, acting by and through the Administrator of the Rural Electrification Administration.

"REA Consent" shall mean the Consent, Partial Release and Agreement, to be dated on or before the Funding Date and substantially in the form of Exhibit G to the Participation Agreement.

"REA Mortgage" shall mean the Supplemental Mortgage and Security Agreement, dated as of August 25, 1983, among Lessee and the mortgagees named therein.

"Reimbursement Agreement" shall mean the Reimbursement Agreement dated as of October 15, 1984, between CFC and Lessee entered into in connection with the issuance of the Authority Bonds.

"Related Agreements" shall mean the Ground Lease, the Support Agreement, the Assignment of Fuel Contracts, the Assignment of Coal Transportation Leases, the Construction Contracts Assignment, the REA Consent, the Assumption and Release and the Extension Letter.

"Remarketing Agents" shall mean the Persons acting as such from time to time under the Remarketing Agreement.

"Remarketing Agreement" shall have the meaning set forth in Article B-I of the Authority Indenture.

"Renewal Term" shall mean each period of five

years, commencing at the end of the Basic Term or the prior elected Renewal Term, as the case may be, and ending on the thirtieth, thirty-fifth or fortieth, as the case may be, anniversary of the Basic Lease Commencement Date, during which the Facility may be leased as permitted by Section 5.01 of the Lease, or such shorter period as may result from earlier termination as provided in the Lease.

"Rent" shall mean Interim Rent (if any), Basic Rent and Supplemental Rent, collectively.

"Required Alterations" shall mean Alterations referred to in Section 10.04 of the Lease.

"Retained Assets" shall mean, collectively, (A) those assets included in Seminole Unit 2 which are identified in Exhibit B-1 to the Participation Agreement and (B) those assets title to which is to be retained or acquired by Lessee and not Lessor as contemplated by Section 10.07 of the Lease, subject to Permitted Encumbrances.

"Retained Site" shall mean the Plant Site not including the Site.

"Safe Harbor Leases" shall mean, collectively, (i) the Agreement, dated December 15, 1982, between Lessee and Atlantic Richfield Company and (ii) the Agreement, dated June 25, 1983, between Lessee and Eastman Kodak Company.

"Sales Tax Exempt Facility Assets" shall mean the Facility Assets that are exempt from Florida sales tax under Section 212.08(5)(c), Florida Statutes, or any successor provision thereto.

"Securities Act" shall mean the Securities Act of 1933, as amended.

"Seminole Unit 1" shall mean the 620MW (rated capacity) coal-fired steam electric generating unit located on the Plant Site near the City of Palatka, Florida, designated by Seminole as "Seminole Unit 1".

"Seminole Unit 2" shall mean the 620MW (rated capacity) coal-fired steam electric generating unit located on the Plant Site near the City of Palatka, Florida, designated by Seminole as "Seminole Unit 2". Seminole Unit 2 includes all the Facility Assets and the Retained Assets.

"Series A Note Purchasers" shall mean those Persons that have agreed in the Note Purchase Agreements to purchase Series A Collateral Trust Notes.

"Series A and Series B Note Purchasers" shall mean the Series A Note Purchasers and Series B Note Purchasers, collectively.

"Series A Collateral Trust Notes" shall have the meaning set forth in Section 2.02 of the Collateral Trust Indenture.

"Series B Collateral Trust Notes" shall have the meaning set forth in Section 2.03 of the Collateral Trust Indenture.

"Series B Note Purchasers" shall mean those Persons that have agreed in the Note Purchase Agreements to purchase Series B Collateral Trust Notes.

"Series C Collateral Trust Notes" shall have the meaning set forth in Section 2.04 of the Collateral Trust Indenture.

"Series 1 Note" shall have the meaning specified in Section 2.02 of the Indenture.

"Series 2 Note" shall have the meaning specified in Section 2.02 of the Indenture.

"Series 3 Note" shall have the meaning specified in Section 2.02 of the Indenture.

"Service" shall mean the Internal Revenue Service of the United States of America.

"Services Commencement Date" shall mean the earlier of the Lease Termination Date and the date Lessor or Indenture Trustee enters into possession of the Facility pursuant to Article XVI of the Lease.

"Seven-Year NCSC Rate" shall mean a rate of interest (computed on the basis of a 360-day year of twelve 30-day months) equal to (I) for purposes of the Seven-Year NCSC Rate to take effect on the Funding Date, the least of (A) the sum of (i) (x) the yield of United States Treasury bonds or notes maturing in the month and year (the "maturity date") which is 7 years following the month and year which includes the Funding Date, (y) the average yield of all such

bonds or notes maturing on such maturity date if there shall be two or more issues of such bonds or notes or (z) if there are no such bonds or notes maturing on such maturity date, the yield (in the case of one issue) or average yield (in the case of two or more issues) of United States Treasury Bonds or notes maturing in the first month preceding such maturity date in which there are any such bonds or notes, and (ii) 80 basis points, (B) 18% per annum and (C) such other rate, if any (which shall be lower than the rate referred to in clause (A) or (B) above), as Loan Participant shall in its absolute discretion determine and which shall be specified in the notice from Loan Participant given pursuant to the first sentence of Section 2(e)(v) of the Participation Agreement, or (II) for purposes of the Seven-Year NCSC Rate to take effect on any date after the Funding Date, a rate of interest, not to exceed 19% per annum, which is either (whichever NCSC shall specify in the applicable NCSC Rate Notice) (A) the rate specified by NCSC in the applicable NCSC Rate Notice or (B) the sum of (i)(x) the yield of United States Treasury bonds or notes maturing on the maturity date which is 7 years following the month and year which includes the date such Seven-Year NCSC Rate takes effect, (y) the average yield of all such bonds or notes maturing on such maturity date if there shall be two or more issues of such bonds or notes or (z) if there are no such bonds or notes maturing on such maturity date, the yield (in the case of one issue) or average yield (in the case of two or more issues) of United States Treasury bonds or notes maturing in the first month preceding such maturity date in which there are any such bonds or notes, and (ii) the number of basis points specified in such NCSC Rate Notice. For purposes hereof, the yield of United States Treasury bonds or notes shall mean that yield published in the "Treasury Issues" column (or, if such column shall cease to be published therein, the equivalent column or table) of the Eastern edition of The Wall Street Journal on the second Business Day prior to the Funding Date (in the case of clause (I) of the preceding sentence) or on the date on which the applicable Seven-Year NCSC Rate is to take effect (in the case of clause (II) of the preceding sentence), or if such date of determination is not a publication day for The Wall Street Journal, then such yield shall be established by reference to such column or table as of the next preceding publication day. If The Wall Street Journal shall cease to be published or if no such column or table shall be published therein, then such yield shall be determined by Loan Participant by reference to another publication quoting the yield of United States Treasury bonds or notes in the same manner.

"Severable", when used with respect to any Alteration, shall mean any Alteration which can be readily removed from the Facility Assets without materially damaging the Facility Assets or materially diminishing or impairing the value, utility or condition which the Facility would have had if the applicable Alteration had not been made.

"Site" shall mean the real property described in Exhibit A to the Ground Lease.

"Special Casualty Value", as of any Basic Rent Payment Date, shall mean (i) during the Basic Term, the amount determined by multiplying Facility Cost by the percentage in Schedule 4 of the Lease (including the footnote thereto) set forth opposite such Basic Rent Payment Date and (ii) during any Renewal Term or Extension Period, the amount determined, in accordance with Section 5.05 of the Lease, by amortizing ratably the Fair Market Sales Value of the Facility as of the day following the last day of the Basic Term in semiannual steps over the remaining Ground Lease Term, which amortized amounts shall be set forth in a revised Schedule 4 to the Lease prior to the last day of the Basic Term; provided, however, that Special Casualty Value as of any date shall be, under any circumstances and in any event, an amount at least sufficient to pay in full the aggregate unpaid principal amount of all Notes then outstanding, together with all accrued and unpaid interest thereon, plus, when there is added to such Special Casualty Value all other amounts of Supplemental Rent paid on such date, the aggregate amount, if any, of all sums which on such date of payment, if Section 3.03 of the Indenture were applicable, would be entitled to be paid in priority to or on a parity with the payment specified in clause "Fifth" thereof.

"Special Construction Fund" shall mean the fund established pursuant to Section 3.09 of the Indenture.

"Standby Purchase Agreement" shall have the meaning set forth in Article B-I of the Authority Indenture.

"Standby Purchaser" shall have the meaning set forth in Article B-I of the Authority Indenture.

"STC" shall mean a subordinated term certificate of CFC issued to Loan Participant in connection with the issuance of the Collateral Trust Notes and the Notes, which subordinated term certificate, with respect to the Series 1, 2 or 3 Note, or any portion thereof, (i) is in an original principal amount equal to 11% of the original principal amount of such Series 1, 2 or 3 Note, or portion thereof, and provides for amortization of principal in all respects proportionate to the amortization of principal of such

Series 1, 2 or 3 Note, or portion thereof, (ii) bears interest at a rate at all times equal to 10.35% per annum (computed on the basis of a 360-day year of twelve 30-day months) and (iii) is not capable of acceleration before the Note, or portion thereof, to which it relates has been paid or otherwise discharged in full.

"Stipulated Interest Rate" at any time shall mean the greater of (x) the weighted average rate of interest payable in respect of overdue payments on the Notes at such time and (y) 3% in excess of the Prime Rate (or 4% in excess of the Prime Rate if such weighted average rate is calculated by reference to the Prime Rate, but only with respect to the portion of the payment to which the Stipulated Interest Rate is applicable which is payable in respect of the Notes).

"Subordinated Mortgage" shall mean the Subordinated Mortgage, Security Agreement and Financing Statement, dated February 29, 1984, made by and among Lessee and the mortgagees named therein.

"Supplemental Financing" shall have the meaning set forth in Section 10.08 of the Lease.

"Supplemental Rent" shall mean any and all amounts, liabilities and obligations other than Interim Rent (if any) and Basic Rent which Lessee assumes or agrees to pay to Lessor, Owner Trustee, any Participant, Indenture Trustee, Collateral Trust Trustee, Authority Trustee, Authority, CFC, Depository (as defined in the Authority Indenture), Indexing Agent, Remarketing Agents, Paying Agent or any Indemnitee under any Operative Document (whether or not designated as Supplemental Rent), including without limitation Casualty Value, Special Casualty Value, Fair Market Sales Value, Fair Market Rental Value and Early Purchase Floor Value payments, damages for breach of any covenants, representations, warranties, indemnities or agreements therein and amounts payable by Lessor under Sections 2.03 (to the extent not borrowed in connection with a refunding), 2.15, 3.04, 3.09, 5.04(a) and 9.01 of the Indenture, Sections 2(e)(iv), 2(e)(vii), 2(e)(viii), 2(e)(ix) and 11 of the Participation Agreement and paragraph 8 of the Paying Agency Agreement, but excluding amounts payable pursuant to Section 3.08 of the Lease. An amount equal to any premium payable in connection with a prepayment or redemption of Notes, to the extent not borrowed in connection with a refunding thereof, shall be deemed to be Supplemental Rent payable by Lessee on the same date as such premium is payable.

"Support Agreement" shall mean the Support Agreement, to be dated the Funding Date and substantially in the form of Exhibit F to the Participation Agreement, between Lessor and Lessee.

"Synchronization" shall mean the time at which Seminole Unit 2's generator becomes electrically connected to the electrical systems of other utilities, which in turn occurs when the Seminole Unit 2 generator, operating on coal (the primary fuel), is rotating at a speed such that the resulting electrical frequency is equal to the electrical frequency of such systems, the voltage developed is compatible with that of such systems and the Seminole Unit 2 generator circuit breaker is closed.

"Synchronization Date" shall mean the date on which Synchronization of Seminole Unit 2 shall occur.

"Tax" shall mean any and all fees (including without limitation documentation, recording, license and registration fees), taxes (including without limitation income, gross receipts, sales, use, property (personal and real, tangible and intangible), intangibles, excise and stamp taxes), levies, imposts, duties, charges, assessments or withholdings of any nature whatsoever, general or special, ordinary or extraordinary, together with any and all penalties, fines, additions to tax and interest thereon.

"Tax Indemnification Agreement" shall mean the Tax Indemnification Agreement, to be dated the Funding Date and substantially in the form of Exhibit J to the Participation Agreement, between Owner Participant and Lessee.

"Transaction Expenses" shall mean and include the fees, expenses, disbursements and costs incurred in connection with the preparation, execution and delivery of the Operative Documents and Debt Operative Documents and the acquiring, financing and leasing on the Funding Date of the Facility by Lessor and Owner Participant, including without limitation (i) fees and expenses of Cravath, Swaine & Moore; Sullivan & Cromwell; Day, Berry & Howard; Holland & Knight; Milbank, Tweed, Hadley & McCloy; Debevoise & Plimpton; Mershon, Sawyer, Johnston, Dunwoody & Cole; and White & Case, (ii) fees and expenses of any accounting or engineering firm retained by Owner Participant, (iii) fees and expenses of the Construction Engineer in respect of the performance of its duties in connection with the Participation Agreement to the extent that such fees and expenses are not payable under the Construction Contract to which the Construction Engineer

is a party, (iv) fees of PaineWebber Incorporated and Shearson Lehman/American Express, Inc. (other than fees as underwriters for the Authority Bonds), (v) initial (but not ongoing) fees of Owner Trustee, Paying Agent, Indenture Trustee, Collateral Trust Trustee and NCSC, (vi) commitment fees payable pursuant to Paragraph 8(m) of the Note Purchase Agreements, as originally executed, (vii) fees payable pursuant to Paragraph 3(d) of the Note Purchase Agreements, as originally executed, except in circumstances where such fees are payable in respect of the failure to satisfy any condition set forth in Paragraph 8 of the Note Purchase Agreements which relates specifically to, and is within the reasonable control of, NCSC or CFC, (viii) taxes paid on the Funding Date in respect of the recording of the Bill of Sale, REA Consent, Ground Lease, Mortgage and Lease (or memoranda thereof), (ix) reproduction costs, (x) initial (but not ongoing) fees of Authority Trustee and rating agencies, printing and engraving and costs, fee of CFC's accountant and the fees of Chapman & Cutler for services in connection with the qualification and determination of eligibility for investment of the Authority Bonds ("blue sky" services), in each case in connection with the issuance of the Authority Bonds (but not the fees of Chapman & Cutler for any other purpose nor of the underwriters for the Authority Bonds nor of Authority nor of counsel for Authority Trustee), and (xi) any other costs relating to the transactions contemplated by the Operative Documents or the Debt Operative Documents which may not, for tax purposes, be borne by Lessee and which have not been paid and are not payable from the proceeds of the Authority Bonds; but "Transaction Expenses" shall not include the fees and expenses of Lessee, Lessee's special counsel, Lessee's general counsel or Lessee's accountants (whether or not in connection with the issuance of the Authority Bonds) or the fees, expenses, disbursements and costs referred to in Section 11 of the Participation Agreement.

"Transfer" shall mean the transfer, by bill of sale or otherwise, by Lessor to Lessee of all Lessor's right, title and interest in and to the Facility Assets on an "as is, where is" basis, free and clear of all Lessor's Liens but otherwise without recourse, representation or warranty, express or implied, including an express disclaimer of representations and warranties in a manner comparable to that set forth in the second sentence of Section 8.02 of the Lease, together with the due assumption by Lessee of, and the due release of Lessor from, all Lessor's obligations and liabilities under the Related Agreements by instrument or instruments satisfactory in form

and substance to Lessor, and "Transferred" shall be construed accordingly.

"Transmission Facilities" shall mean, collectively, those assets constructed in conjunction with Seminole Unit 1 and Seminole Unit 2 which are described in Exhibit B-3 to the Participation Agreement, together with all replacements thereof, substitutions therefor, additions thereto and modifications thereof made from time to time by Lessee or any other Person during the Ground Lease Term for use in conjunction with Seminole Unit 1, Seminole Unit 2 or any other facility at the Plant Site.

"Trust Estate" shall have the meaning set forth in the Trust Agreement.

"Trust Agreement" shall mean the Trust Agreement dated as of August 1, 1984, substantially in the form attached as Exhibit H to the Participation Agreement, between GECC and the Owner Trustee.

"Two-Thirds in Interest of Holders of Series A Collateral Trust Notes" as of any date of determination shall mean the holder or holders of not less than two-thirds in aggregate unpaid principal amount at the time outstanding of all Series A Collateral Trust Notes voting as a separate class; provided, however, that any Series A Collateral Trust Note held by Lessee, Owner Participant, Owner Trustee, CFC, Loan Participant or any Affiliate of any thereof shall not be considered outstanding for purposes of determining such Two-Thirds unless (i) in the case of Owner Participant, Owner Trustee, CFC, Loan Participant and any Affiliate of any thereof, such Persons (and their Affiliates) together hold all Series A Collateral Trust Notes or (ii) in the case of Owner Participant and any Affiliate of Owner Participant, Owner Participant and its Affiliates together hold not less than 80% in aggregate unpaid principal amount at the time outstanding of each of the Series A Collateral Trust Notes, if any, and Series B Collateral Trust Notes, if any, held by Non-CFC Holders and Owner Participant and its Affiliates.

"Two-Thirds in Interest of Holders of Series B Collateral Trust Notes" as of any date of determination shall mean the holder or holders of not less than two-thirds in aggregate unpaid principal amount at the time outstanding of all Series B Collateral Trust Notes voting as a separate class; provided, however, that any Series B Collateral Trust Note held by Lessee, Owner Participant, Owner Trustee, CFC, Loan Participant or any Affiliate of any thereof shall not

be considered outstanding for purposes of determining such Two-Thirds unless (i) in the case of Owner Participant, Owner Trustee, CFC, Loan Participant and any Affiliate of any thereof, such Persons (and their Affiliates) together hold all Series B Collateral Trust Notes or (ii) in the case of Owner Participant and any Affiliate of Owner Participant, Owner Participant and its Affiliates together hold not less than 80% in aggregate unpaid principal amount at the time outstanding of each of the Series A Collateral Trust Notes, if any, and Series B Collateral Trust Notes, if any, held by Non-CFC Holders and Owner Participant and its Affiliates.

"Uncontrollable Forces" shall have the meaning specified in Section 6.4 of the Support Agreement.

"Uniform System of Accounts" shall mean the Uniform System of Accounts for Electric Borrowers of REA (REA Bulletin 181-1), as such Bulletin is in effect from time to time.

"Unitary Tax" means a method of state corporate income taxation under which a corporation is required to include in the income that is the measure of the corporation's income tax the income of all affiliated corporations conducting a unitary or integrated business with such corporation, regardless of whether the income of such affiliated corporation is distributed to that corporation or that corporation's transactions with its Affiliates are conducted at arms-length.

"Unit 2 Common Facilities" shall mean the undivided interest in the Common Facilities leased to the Owner Trustee under the Ground Lease, as such Common Facilities are varied from time to time in accordance with the terms of the Support Agreement.

"Variable CFC Rate" shall mean a rate of interest (computed on the basis of a 360-day year of twelve 30-day months) equal from time to time to the greater of (A) the Authority Bond Rate or (B) the lesser of (i) the Bank Prime Rate plus 1.55% per annum and (ii) such other rate of interest as CFC generally charges from time to time for similarly classified variable intermediate term loans, which rate shall not change during the period between the giving of any notice pursuant to Section 2(e)(vi) of the Participation Agreement and the Basic Rent Payment Date to which such notice relates.

"Variable NCSC Rate" shall mean a rate of interest (computed on the basis of a 360-day year of twelve 30-day months) equal to the least of (A) the Bank Prime Rate plus 1.55% per annum, (B) such other rate of interest as Loan Participant generally charges from time to time for similarly classified variable intermediate term loans and (C) 18% per annum or (after the seventh anniversary of the Funding Date) 19% per annum, which rate shall not change during the period between the giving of any notice pursuant to Section 2(e)(vi) of the Participation Agreement and the Basic Lease Commencement Date or the Basic Rent Payment Date to which such notice relates.

"Water Cost" shall mean the cost of water determined in accordance with Section 2.5 of the Support Agreement.

"Wheeling Costs" shall mean the costs for the wheeling services provided in respect of the Power and Energy delivered from Seminole Unit 2, determined in accordance with Section 3.3 of the Support Agreement.

EXHIBIT A
to
TRUST INDENTURE

[Form of Series 1 Note]

SEMINOLE UNIT 2 NONRECOURSE NOTE, SERIES 1

Issued at: New York, New York

Issue Date: December 7, 1984

CBT Trust Company of Florida, National Association, not in its individual capacity but solely as Owner Trustee (herein in such capacity called "Owner Trustee") under that certain Trust Agreement dated as of August 1, 1984 (herein called the "Trust Agreement"), between the Owner Participant named therein and Owner Trustee, hereby promises to pay to _____, or registered assigns, the principal sum of (\$ _____), together with interest (computed on the basis of a 360-day year of twelve 30-day months) on the aggregate amount of such principal sum remaining unpaid from time to time from the date of this Series 1 Note until due and payable (whether due at maturity or by prepayment, acceleration or otherwise) at the rate of 14% per annum (or, with respect to all or part of such principal sum, the Variable NCSC Rate, the Fixed NCSC Rate or the applicable Seven-Year NCSC Rate, all under the circumstances and at the times described in Section 2(e) of the Participation Agreement, unless such rate exceeds any applicable usury limitation law from time to time in which event such rate shall be the maximum rate permitted by such law for the duration of the application of such limitation). Interest on this Series 1 Note shall be due and payable semiannually commencing on December 15, 1984, and on each June 15 and December 15 thereafter until this Series 1 Note is paid in full. The principal of this Series 1 Note shall be due and payable in 30 consecutive semiannual installments on each June 15 and December 15, commencing on June 15, 1985 and ending on December 15, 1999, each such installment of principal to be equal to that percentage of the original principal amount hereof set forth in the Schedule attached hereto in the column headed "Percentage of Original Principal Amount Payable" with respect to the date of such installment, provided that installments may be reduced as provided in Section 2.08 of the Indenture and that the last such installment of principal shall be equal to the then unpaid balance hereof.

Interest on any overdue principal and premium, if any, and (to the extent permitted by applicable law) any overdue interest shall be paid, on demand, from the due date

thereof at a rate equal to the greater of (a) 1% per annum (computed on the basis of a 360-day year of twelve 30-day months) in excess of the interest rate (or respective interest rates) borne by this Series 1 Note at such due date and (b) 1% per annum (computed on the basis of a 360-day year of twelve 30-day months) in excess of the Prime Rate for the period during which any such principal, premium or interest shall be overdue.

In the event any date on which a payment is due under this Series 1 Note is not a Business Day, then such payment need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on the date on which such payment was due, together with interest on such payment (to the extent permitted by applicable law) for the period from and including such date to but not including such next succeeding Business Day with respect to the portion of this Series 1 Note which does not bear interest at the Fixed NCSC Rate, Variable NCSC Rate or Seven-Year NCSC Rate.

All payments of principal, premium, if any, and interest to be made by Owner Trustee hereunder and under the Trust Indenture and Security Agreement, dated as of December 7, 1984, as at any time amended or supplemented in accordance with the provisions thereof (the "Trust Indenture", the terms defined therein not otherwise defined herein being used herein with the same meanings), between Owner Trustee and Southeast Bank, N.A. ("Indenture Trustee"), shall be made only from the Indenture Estate and Indenture Trustee shall have no obligation for the payment thereof except to the extent that Indenture Trustee shall have sufficient income or proceeds from the Indenture Estate to make such payments in accordance with the terms of Article III of the Trust Indenture. The holder hereof, by its acceptance of this Series 1 Note, agrees that such holder will look solely to the income and proceeds from the Indenture Estate to the extent available for distribution to the holder hereof as above provided, and that, except under certain provisions of the Participation Agreement and as expressly provided in the Indenture, none of Owner Participant, Owner Trustee nor Indenture Trustee is or shall be personally liable to the holder hereof for any amounts payable under this Series 1 Note or for any performance to be rendered under the Indenture or any other Operative Document or Debt Operative Document or for any liability thereunder.

Principal and premium, if any, and interest shall be payable, in the manner provided in the Trust Indenture,

on presentment of this Series 1 Note at the Paying Agent Office, or as otherwise provided in the Trust Indenture. In no event shall payments be made in Florida.

The holder hereof, by its acceptance of this Series 1 Note, agrees that each payment received by it hereunder shall be applied in the manner set forth in Section 2.08 of the Trust Indenture, that it will duly note on the Schedule hereto or by other appropriate means all payments of principal or interest made hereon and any change in the interest rate applicable hereto and that it will not in any event transfer or otherwise dispose of this Series 1 Note unless and until all such notations have been duly made.

This Series 1 Note is one of the Series 1 Notes referred to in the Trust Indenture. The Trust Indenture permits the issuance of additional series of Notes, as provided in the Trust Indenture, and the several series may be for varying aggregate principal amounts and may have different maturity dates, interest rates, redemption provisions and other terms. The properties of the Owner Trustee included in the Indenture Estate are pledged or mortgaged to Indenture Trustee to the extent provided in the Trust Indenture as security for the payment of the principal of and premium, if any, and interest on the Series 1 Notes and all other Notes issued and outstanding from time to time under the Trust Indenture. Reference is hereby made to the Trust Indenture for a statement of the rights of the holder of, and the nature and extent of the security for, this Series 1 Note and of the rights of, and the nature and extent of the security for, the holders of the other Notes and of certain rights of Owner Trustee and Owner Participant, as well as for a statement of the terms and conditions of the trusts created by the Trust Indenture, to all of which terms and conditions the holder hereof agrees by its acceptance of this Series 1 Note.

This Series 1 Note is subject to redemption in whole or in part only as contemplated by the Trust Indenture and with the premiums therein specified and in the circumstances therein described.

In case an Indenture Event of Default shall occur and be continuing, the unpaid balance of the principal of the Notes together with all accrued but unpaid interest thereon may, subject to certain rights of Owner Trustee and Owner Participant contained or referred to in the Indenture,

be declared or may become due and payable in the manner and with the effect provided in the Trust Indenture.

Under the circumstances provided in the Trust Indenture, the obligations of Owner Trustee under the Notes and the Trust Indenture may be assumed in whole by Lessee, in which case Owner Trustee shall be released and discharged from all such obligations. In connection with such an assumption, the holder of this Series 1 Note may be required to exchange this Series 1 Note for a new Note evidencing such assumption.

There shall be maintained at the Paying Agent Office a register for the purpose of registering transfers and exchanges of Notes in the manner provided in the Trust Indenture. The transfer of this Series 1 Note is registrable, as provided in the Trust Indenture, upon surrender of this Series 1 Note for registration of transfer duly accompanied by a written instrument of transfer duly executed by or on behalf of the registered holder hereof, together with the amount of any applicable transfer taxes. Prior to due presentment for registration of transfer of this Series 1 Note, Owner Trustee and Indenture Trustee may treat the person in whose name this Series 1 Note is registered as the owner hereof for the purpose of receiving payments of principal, premium, if any, and interest hereon and for all other purposes whatsoever, whether or not this Series 1 Note be overdue, and neither Owner Trustee nor Indenture Trustee shall be affected by notice to the contrary.

This Series 1 Note shall be governed by the laws of the State of New York.

IN WITNESS WHEREOF, Owner Trustee has caused this Series 1 Note to be duly executed as of the date hereof.

CBT TRUST COMPANY OF FLORIDA,
NATIONAL ASSOCIATION, not in its
individual capacity but solely as
Owner Trustee under the Trust
Agreement referred to herein,

by

Authorized Officer

[Form of Certificate of Authentication]

This Note is one of the Series 1 Notes referred to
in the within mentioned Trust Indenture.

MORGAN GUARANTY TRUST
COMPANY OF NEW YORK, as
Authenticating Agent,

by

Authorized Officer

SCHEDULE
TO
SERIES 1 NOTE

<u>Date</u>	<u>Percentage of Original Principal Amount Payable</u>
June 15, 1985	8
December 15, 1985	
June 15, 1986	
December 15, 1986	
June 15, 1987	
December 15, 1987	
June 15, 1988	
December 15, 1988	
June 15, 1989	
December 15, 1989	
June 15, 1990	
December 15, 1990	
June 15, 1991	
December 15, 1991	
June 15, 1992	
December 15, 1992	
June 15, 1993	
December 15, 1993	
June 15, 1994	
December 15, 1994	
June 15, 1995	
December 15, 1995	
June 15, 1996	
December 15, 1996	
June 15, 1997	
December 15, 1997	
June 15, 1998	
December 15, 1998	
June 15, 1999	
December 15, 1999	

100.00000000%

EXHIBIT B
to
TRUST INDENTURE

[Form of Series 2 Note]

SEMINOLE UNIT 2 NONRECOURSE NOTE, SERIES 2

Issued at: New York, New York

Issue Date: December 7, 1984

CBT Trust Company of Florida, National Association, not in its individual capacity but solely as Owner Trustee (herein in such capacity called "Owner Trustee") under that certain Trust Agreement dated as of August 1, 1984 (herein called the "Trust Agreement"), between the Owner Participant named therein and Owner Trustee, hereby promises to pay to _____, or registered assigns, the principal sum of (\$ _____), together with interest (computed on the basis of a 360-day year of twelve 30-day months) on the aggregate amount of such principal sum remaining unpaid from time to time from the date of this Series 2 Note until due and payable (whether due at maturity or by prepayment, acceleration or otherwise) at the rate of 14-1/2% per annum (or, with respect to all or part of such principal sum, the Variable NCSC Rate, the Fixed NCSC Rate or the applicable Seven-Year NCSC Rate, all under the circumstances and at the times described in Section 2(e) of the Participation Agreement, unless such rate exceeds any applicable usury limitation law from time to time in which event such rate shall be the maximum rate permitted by such law for the duration of the application of such limitation). Interest on this Series 2 Note shall be due and payable semiannually commencing on December 15, 1984, and on each June 15 and December 15 thereafter until this Series 2 Note is paid in full. The principal of this Series 2 Note shall be due and payable in 20 consecutive semiannual installments on each June 15 and December 15, commencing on June 15, 2000, and ending on December 15, 2009, each such installment of principal to be equal to that percentage of the original principal amount hereof set forth in the Schedule attached hereto in the column headed "Percentage of Original Principal Amount Payable" with respect to the date of such installment, provided that installments may be reduced as provided in Section 2.08 of the Indenture and that the last such installment of principal shall be equal to the then unpaid balance hereof.

Interest on any overdue principal and premium, if any, and (to the extent permitted by applicable law) any overdue interest shall be paid, on demand, from the due date

thereof at a rate equal to the greater of (a) 1% per annum (computed on the basis of a 360-day year of twelve 30-day months) in excess of the interest rate (or respective interest rates) borne by this Series 2 Note at such due date and (b) 1% per annum (computed on the basis of a 360-day year of twelve 30-day months) in excess of the Prime Rate for the period during which any such principal, premium or interest shall be overdue.

In the event any date on which a payment is due under this Series 2 Note is not a Business Day, then such payment need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on the date on which such payment was due, together with interest on such payment (to the extent permitted by applicable law) for the period from and including such date to but not including such next succeeding Business Day with respect to the portion of this Series 2 Note which does not bear interest at the Fixed NCSC Rate, Variable NCSC Rate or Seven-Year NCSC Rate.

All payments of principal, premium, if any, and interest to be made by Owner Trustee hereunder and under the Trust Indenture and Security Agreement, dated as of December 7, 1984, as at any time amended or supplemented in accordance with the provisions thereof (the "Trust Indenture", the terms defined therein not otherwise defined herein being used herein with the same meanings), between Owner Trustee and Southeast Bank, N.A. ("Indenture Trustee"), shall be made only from the Indenture Estate and Indenture Trustee shall have no obligation for the payment thereof except to the extent that Indenture Trustee shall have sufficient income or proceeds from the Indenture Estate to make such payments in accordance with the terms of Article III of the Trust Indenture. The holder hereof, by its acceptance of this Series 2 Note, agrees that such holder will look solely to the income and proceeds from the Indenture Estate to the extent available for distribution to the holder hereof as above provided, and that, except under certain provisions of the Participation Agreement and as expressly provided in the Indenture, none of Owner Participant, Owner Trustee nor Indenture Trustee is or shall be personally liable to the holder hereof for any amounts payable under this Series 2 Note or for any performance to be rendered under the Indenture or any other Operative Document or Debt Operative Document or for any liability thereunder.

Principal and premium, if any, and interest shall be payable, in the manner provided in the Trust Indenture,

on presentment of this Series 2 Note at the Paying Agent Office, or as otherwise provided in the Trust Indenture. In no event shall payments be made in Florida.

The holder hereof, by its acceptance of this Series 2 Note, agrees that each payment received by it hereunder shall be applied in the manner set forth in Section 2.08 of the Trust Indenture, that it will duly note on the Schedule hereto or by other appropriate means all payments of principal or interest made hereon and any change in the interest rate applicable hereto and that it will not in any event transfer or otherwise dispose of this Series 2 Note unless and until all such notations have been duly made.

This Series 2 Note is one of the Series 2 Notes referred to in the Trust Indenture. The Trust Indenture permits the issuance of additional series of Notes, as provided in the Trust Indenture, and the several series may be for varying aggregate principal amounts and may have different maturity dates, interest rates, redemption provisions and other terms. The properties of the Owner Trustee included in the Indenture Estate are pledged or mortgaged to Indenture Trustee to the extent provided in the Trust Indenture as security for the payment of the principal of and premium, if any, and interest on the Series 2 Notes and all other Notes issued and outstanding from time to time under the Trust Indenture. Reference is hereby made to the Trust Indenture for a statement of the rights of the holder of, and the nature and extent of the security for, this Series 2 Note and of the rights of, and the nature and extent of the security for, the holders of the other Notes and of certain rights of Owner Trustee and Owner Participant, as well as for a statement of the terms and conditions of the trusts created by the Trust Indenture, to all of which terms and conditions the holder hereof agrees by its acceptance of this Series 2 Note.

This Series 2 Note is subject to redemption in whole or in part only as contemplated by the Trust Indenture and with the premiums therein specified and in the circumstances therein described.

In case an Indenture Event of Default shall occur and be continuing, the unpaid balance of the principal of the Notes together with all accrued but unpaid interest thereon may, subject to certain rights of Owner Trustee and Owner Participant contained or referred to in the Indenture,

be declared or may become due and payable in the manner and with the effect provided in the Trust Indenture.

Under the circumstances provided in the Trust Indenture, the obligations of Owner Trustee under the Notes and the Trust Indenture may be assumed in whole by Lessee, in which case Owner Trustee shall be released and discharged from all such obligations. In connection with such an assumption, the holder of this Series 2 Note may be required to exchange this Series 2 Note for a new Note evidencing such assumption.

There shall be maintained at the Paying Agent Office a register for the purpose of registering transfers and exchanges of Notes in the manner provided in the Trust Indenture. The transfer of this Series 2 Note is registrable, as provided in the Trust Indenture, upon surrender of this Series 2 Note for registration of transfer duly accompanied by a written instrument of transfer duly executed by or on behalf of the registered holder hereof, together with the amount of any applicable transfer taxes. Prior to due presentment for registration of transfer of this Series 2 Note, Owner Trustee and Indenture Trustee may treat the person in whose name this Series 2 Note is registered as the owner hereof for the purpose of receiving payments of principal, premium, if any, and interest hereon and for all other purposes whatsoever, whether or not this Series 2 Note be overdue, and neither Owner Trustee nor Indenture Trustee shall be affected by notice to the contrary.

This Series 2 Note shall be governed by the laws of the State of New York.

IN WITNESS WHEREOF, Owner Trustee has caused this Series 2 Note to be duly executed as of the date hereof.

CBT TRUST COMPANY OF FLORIDA,
NATIONAL ASSOCIATION, not in its
individual capacity but solely as
Owner Trustee under the Trust
Agreement referred to herein,

by

Authorized Officer

[Form of Certificate of Authentication]

This Note is one of the Series 2 Notes referred to in the within mentioned Trust Indenture.

MORGAN GUARANTY TRUST COMPANY
OF NEW YORK,
as Authenticating Agent,

by

Authorized Officer

SCHEDULE
TO
SERIES 2 NOTE

<u>Date</u>	<u>Percentage of Original Principal Amount Payable</u>
June 15, 2000	%
December 15, 2000	
June 15, 2001	
December 15, 2001	
June 15, 2002	
December 15, 2002	
June 15, 2003	
December 15, 2003	
June 15, 2004	
December 15, 2004	
June 15, 2005	
December 15, 2005	
June 15, 2006	
December 15, 2006	
June 15, 2007	
December 15, 2007	
June 15, 2008	
December 15, 2008	
June 15, 2009	
December 15, 2009	

100.00000000%

multiple of \$5,000 at the time such installment becomes due. Under the circumstances described in the Trust Indenture, such installments may be satisfied in whole or in part by the delivery to Authority Trustee of Authority Bonds.

Interest on any overdue principal and premium, if any, and (to the extent permitted by applicable law) any overdue interest shall be paid, on demand, from the due date thereof at the rate of interest specified above or, to the extent this Series 3 Note bears interest at the Variable NCSC Rate, the Fixed NCSC Rate or the Seven-Year NCSC Rate, at 1% per annum in excess of the interest rate borne by this Series 3 Note at such due date (computed on the basis of a 360-day year of twelve 30-day months) for the period during which any such principal, premium or interest shall be overdue.

In the event any date on which a payment is due under this Series 3 Note is not a Business Day, then such payment need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on the date on which such payment was due, and no interest shall accrue for the period from and including such date to and including such next succeeding Business Day in respect of such payment.

All payments of principal, premium, if any, and interest to be made by Owner Trustee hereunder and under the Trust Indenture and Security Agreement, dated as of December 7, 1984, as at any time amended or supplemented in accordance with the provisions thereof (the "Trust Indenture", the terms defined therein not otherwise defined herein being used herein with the same meanings), between Owner Trustee and Southeast Bank, N.A. ("Indenture Trustee"), shall be made only from the Indenture Estate and Indenture Trustee shall have no obligation for the payment thereof except to the extent that Indenture Trustee shall have sufficient income or proceeds from the Indenture Estate to make such payments in accordance with the terms of Article III of the Trust Indenture. The holder hereof, by its acceptance of this Series 3 Note, agrees that such holder will look solely to the income and proceeds from the Indenture Estate to the extent available for distribution to the holder hereof as above provided, and that, except under certain provisions of the Participation Agreement and as expressly provided in the Indenture, none of Owner Participant, Owner Trustee nor Indenture Trustee is or shall be personally liable to the holder hereof for any amounts payable under this Series 3 Note or for any performance to be rendered under the Indenture or any other Operative Document or Debt Operative Document or for any liability thereunder.

Principal and premium, if any, and interest shall be payable, in the manner provided in the Trust Indenture, on presentment of this Series 3 Note at the Paying Agent Office, or as otherwise provided in the Trust Indenture. In no event shall payments be made in Florida.

The holder hereof, by its acceptance of this Series 3 Note, agrees that each payment received by it hereunder shall be applied in the manner set forth in Section 2.08 of the Trust Indenture, that it will duly note on the Schedule hereto or by other appropriate means all payments of principal or interest made hereon and any change in the interest rate applicable hereto and that it will not in any event transfer or otherwise dispose of this Series 3 Note unless and until all such notations have been duly made.

This Series 3 Note is one of the Series 3 Notes referred to in the Trust Indenture. The Trust Indenture permits the issuance of additional series of Notes, as provided in Section 2.03 of the Trust Indenture, and the several series may be for varying aggregate principal amounts and may have different maturity dates, interest rates, redemption provisions and other terms. The properties of the Owner Trustee included in the Indenture Estate are pledged or mortgaged to Indenture Trustee to the extent provided in the Trust Indenture as security for the payment of the principal of and premium, if any, and interest on the Series 3 Notes and all other Notes issued and outstanding from time to time under the Trust Indenture. Reference is hereby made to the Trust Indenture for a statement of the rights of the holder of, and the nature and extent of the security for, this Series 3 Note and of the rights of, and the nature and extent of the security for, the holders of the other Notes and of certain rights of Owner Trustee and Owner Participant, as well as for a statement of the terms and conditions of the trusts created by the Trust Indenture, to all of which terms and conditions the holder hereof agrees by its acceptance of this Series 3 Note.

This Series 3 Note is subject to redemption in whole or in part only as contemplated by the Trust Indenture and with the premiums therein specified and in the circumstances therein described.

In case an Indenture Event of Default shall occur and be continuing, the unpaid balance of the principal of the Notes together with all accrued but unpaid interest thereon may, subject to certain rights of Owner Trustee and

Owner Participant contained or referred to in the Indenture, be declared or may become due and payable in the manner and with the effect provided in the Trust Indenture.

Under the circumstances provided in the Trust Indenture, the obligations of Owner Trustee under the Notes and the Trust Indenture may be assumed in whole by Lessee, in which case Owner Trustee shall be released and discharged from all such obligations. In connection with such an assumption, the holder of this Series 3 Note may be required to exchange this Series 3 Note for a new Note evidencing such assumption.

There shall be maintained at the Paying Agent Office a register for the purpose of registering transfers and exchanges of Notes in the manner provided in the Trust Indenture. The transfer of this Series 3 Note is registrable, as provided in the Trust Indenture, upon surrender of this Series 3 Note for registration of transfer duly accompanied by a written instrument of transfer duly executed by or on behalf of the registered holder hereof, together with the amount of any applicable transfer taxes. Prior to due presentment for registration of transfer of this Series 3 Note, Owner Trustee and Indenture Trustee may treat the person in whose name this Series 3 Note is registered as the owner hereof for the purpose of receiving payments of principal, premium, if any, and interest hereon and for all other purposes whatsoever, whether or not this Series 3 Note be overdue, and neither Owner Trustee nor Indenture Trustee shall be affected by notice to the contrary.

This Series 3 Note shall be governed by the laws of the State of New York.

IN WITNESS WHEREOF, Owner Trustee has caused this Series 3 Note to be duly executed as of the date hereof.

CBT TRUST COMPANY OF FLORIDA,
NATIONAL ASSOCIATION, not in its
individual capacity but solely as
Owner Trustee under the Trust
Agreement referred to herein,

by

Authorized Officer

SCHEDULE
TO
SERIES 3 NOTE

<u>Date</u>	<u>Percentage of Original Principal Amount Payable</u>
December 15, 2004	%
June 15, 2005	
December 15, 2005	
June 15, 2006	
December 15, 2006	
June 15, 2007	
December 15, 2007	
June 15, 2008	
December 15, 2008	
June 15, 2009	
December 15, 2009	

100.00%

tication in New York, New York. You agree to notify the Owner Trustee, Indenture Trustee, each holder of a Note, NCSC and the Collateral Trust Trustee of any change of address of the Paying Agent Office, which office is now your Corporate Trust Department at 30 West Broadway, New York, New York 10015;

(ii) subject to paragraph 4 below, to hold all moneys received by you as such paying agent in trust for the benefit of the holders of the Notes, NCSC, the Indenture Trustee, the Collateral Trust Trustee and the holders of the Collateral Trust Notes;

(iii) to make payments of principal and interest as outlined in Schedule A (subject to Section 2.13 of the Indenture, as the same may be amended from time to time by the Owner Trustee by written notice to you as paying agent (with copies of such notice to NCSC, Indenture Trustee and Collateral Trust Trustee) at least two business days prior to a payment date or, in the case of interest on the Series 3 Note, as notified to you by Morgan Guaranty Trust Company of New York as trustee ("Authority Trustee") under the Indenture of Trust dated as of October 15, 1984) to the holders of the Notes at the address for payments specified in the register on the date specified in such Schedule before 12:00 noon, New York time, in immediately available funds but only to the extent moneys are actually received by you as paying agent (provided, however, until such time as the Collateral Trust Trustee has notified you in writing at least two business days prior to a payment date that the pledge by NCSC referred to above has been released, all such payments shall be made to, or as directed by, the Collateral Trust Trustee). In addition, it is expected that as paying agent you will receive funds in excess of the amount required to make the principal and interest payments outlined in Schedule A and you are hereby directed to pay such excess funds to the Indenture Trustee forthwith upon receipt (any payments to Indenture Trustee are to be made by crediting an account of Indenture Trustee maintained at the Paying Agent Office or to such other address outside the State of Florida as the Indenture Trustee shall furnish to you in

writing). If Indenture Trustee notifies you in writing at least two business days prior to a payment date that an Indenture Event of Default has occurred and is continuing, all amounts held or received by you shall be paid over to Indenture Trustee forthwith as aforesaid, until such time as Indenture Trustee notifies you to the contrary. However, as paying agent you are under no duty to inquire as to whether Schedule A has been modified, whether the pledge by NCSC has been released or whether an Indenture Event of Default has occurred nor to make adjustments of payments which may be required due to the failure to receive a notice two business days prior to the making of any payment;

(iv) notwithstanding any provision hereof or of the Indenture you will not make any payments to an account whose payment address on your records is in the State of Florida unless first approved by Owner Trustee in writing;

(v) to maintain a register, which will provide for the registration, registration of transfer and exchange of Notes, and to register, register the transfer of and exchange Notes, all in accordance with Sections 2.04, 2.09 and 2.10 of the Indenture;

(vi) to authenticate Notes in accordance with Section 2.04 of the Indenture and to cancel as authenticating agent your certificate of authentication on Notes delivered to you for payment or redemption in full or registration of transfer or exchange. You shall deliver the cancelled Notes to the Owner Trustee c/o The Connecticut Bank and Trust Company, National Association, One Constitution Plaza, Hartford, Connecticut 06115, Attention: Corporate Trust Department, or such other address as Owner Trustee may notify you from time to time;

(vii) to promptly advise the Owner Trustee, The Connecticut Bank and Trust Company, National Association, the Indenture Trustee, NCSC, the Collateral Trust Trustee and the Authority Trustee of the non-receipt of funds to make payment on the Notes; and

(viii) to take such action as may be necessary to discharge all liens on all moneys you receive as paying agent which arise by reason of your acts or omissions which are not related to the performance of your obligations hereunder.

3. You shall hold all moneys received by you in the account of Seminole Electric Cooperative, Inc. ("Lessee") with you at the Paying Agent Office designated "Seminole Rent Security Account", in trust for Owner Trustee and, by reason of the assignment thereof to Indenture Trustee contained in the Indenture, Indenture Trustee. Such moneys shall be invested by you in accordance with Lessee's instructions either in (i) obligations of the United States of America, or fully guaranteed as to interest and principal by the United States of America, (ii) certificates of deposit of any commercial bank incorporated under the laws of the United States of America or any state thereof or the District of Columbia which bank is a member of the Federal Reserve System and has a combined capital and surplus of not less than \$800,000,000, (iii) commercial paper, rated P-1 by Moody's Investors Services, Inc., or A-1 by Standard and Poor's Corporation, other than any such obligation, certificate of deposit or commercial paper issued by Indenture Trustee, any Lender, any Series A Note Purchaser, any Series B Note Purchaser, Collateral Trust Trustee, Paying Agent, Authority, Authority Trustee, CFC or Loan Participant or (iv) repurchase agreements with any commercial bank incorporated under the laws of the United States of America or any state thereof or the District of Columbia, which bank is a member of the Federal Reserve System and has a combined capital and surplus of not less than \$800,000,000 secured by obligations referred to in (i) above having a market value at the time of purchase at least equal to their purchase price, which obligations shall have been deposited with you; provided that no investment described in clauses (i) through (iv) above shall be made if the same does not by its terms mature on or before the next payment date. All income and profits resulting from the investment or reinvestment of funds in the account shall be promptly paid to Lessee or its order. You shall not be liable for any loss resulting from the investment of funds in

accordance with the provisions hereof. You shall not exercise any rights of setoff or counterclaim against the moneys so deposited and shall apply the same to meet the payments due to the holders of the Notes on the next payment date. Any balance shall be retained in such account and shall be disbursed in accordance with Lessee's instructions.

In addition you are hereby required to inform Indenture Trustee and NCSC of the amount of the balance in such account on each date which is three days (or if such date is not a business day on the business day next preceding such date) prior to each such payment date. You shall have no liability to ensure that the balance in such account from time to time is sufficient to make the payments due on each payment date.

4. Subject to Section 2.13 of the Indenture, your appointment shall continue so long as any of the Notes are outstanding unless sooner terminated by the Owner Trustee on thirty days' notice to you in writing. Upon termination of your appointment hereunder you will pay over to the successor paying agent designated by the Owner Trustee (subject to Section 2.13 of the Indenture), or failing such designation, to the Indenture Trustee, all amounts held by you pursuant to the terms hereof.
5. You may resign at any time by giving written notice thereof to the Owner Trustee, but such resignation shall not become effective until a successor paying agent, registrar and authenticating agent shall have been appointed hereunder and shall have accepted such appointment in writing. If no successor paying agent, registrar and authenticating agent shall have been appointed within thirty days after the giving of a notice of resignation, you may petition any court of competent jurisdiction for the appointment of a successor paying agent, registrar and authenticating agent.
6. (i) None of the Owner Trustee, The Connecticut Bank and Trust Company, National Association, the Indenture Trustee, any holder of a Note, NCSC, the Collateral Trust Trustee or the

Authority Trustee shall have any claim against you in respect of any liability any of such persons may incur due to performance by you of your duties pursuant hereto.

(ii) You shall incur no liability to anyone in acting upon any signature, instrument, notice, resolution, request, consent, order, certificate, report, opinion, bond or other document or paper believed by you to be genuine and believed by you in good faith to be signed by the proper party or parties. In the administration of the duties hereunder, you may perform your powers and duties hereunder directly or through agents or attorneys and may consult with counsel, accountants and other skilled persons to be selected and employed by you, and you shall not be liable for anything done, suffered or omitted in good faith by you in accordance with the advice or opinion, within the scope of such persons' competence, of any such counsel, accountants or other skilled persons and not contrary to this Agreement.

(iii) You are an "Indemnitee" as defined in Appendix A to the Lease Agreement between Owner Trustee and Lessee dated as of December 7, 1984, and the Lessee has agreed to indemnify you pursuant to and in accordance with the terms of Article XIII of such Lease.

7. The Indenture Trustee shall not be liable for any fees or compensation payable to you for services hereunder.
8. The Owner Trustee agrees to pay you by way of compensation for your services hereunder the sum of \$3,500 per annum or for any part thereof, payable yearly in advance, plus \$25 for each investment made or liquidated pursuant to paragraph 3 above, together with reimbursement for any expenses (including counsel fees) reasonably incurred by you in the performance of your duties as paying agent, registrar and authenticating agent. The above sums are to be billed by you to the address specified in paragraph 2(vi) above.

9. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

Please indicate your acceptance hereof by signing and returning to us a copy of this Agreement.

Very truly yours,

CBT TRUST COMPANY OF FLORIDA,
NATIONAL ASSOCIATION, not in its
individual capacity but solely
as Owner Trustee under the Trust
Agreement dated as of August 1,
1984, with the Owner Participant
named therein,

By

Vice President

Accepted, acknowledged and agreed.

MORGAN GUARANTY TRUST COMPANY
OF NEW YORK,

By

SCHEDULE A

	Principal			Interest			Total	
	Series 1	Series 2	Series 3	Series 1	Series 2	Series 3	Series 1	Series 2
December 15, 1984								
June 15, 1985								
December 15, 1985								
June 15, 1986								
December 15, 1986								
June 15, 1987								
December 15, 1987								
June 15, 1988								
December 15, 1988								
June 15, 1989								
December 15, 1989								
June 15, 1990								
December 15, 1990								
June 15, 1991								
December 15, 1991								
June 15, 1992								
December 15, 1992								
June 15, 1993								
December 15, 1993								
June 15, 1994								
December 15, 1994								
June 15, 1995								
December 15, 1995								
June 15, 1996								
December 15, 1996								
June 15, 1997								
December 15, 1997								
June 15, 1998								
December 15, 1998								

As per
para-
graph
2(iii)

	Principal			Interest			Total	
	Series 1	Series 2	Series 3	Series 1	Series 2	Series 3	Series 1	Series 2
June 15, 1999								
December 15, 1999								
June 15, 2000								
December 15, 2000								
June 15, 2001								
December 15, 2001								
June 15, 2002								
December 15, 2002								
June 15, 2003								
December 15, 2003								
June 15, 2004								
December 15, 2004								
June 15, 2005								
December 15, 2005								
June 15, 2006								
December 15, 2006								
June 15, 2007								
December 15, 2007								
June 15, 2008								
December 15, 2008								
June 15, 2009								
December 15, 2009								

As per
para-
graph
2(iii)

Prepared by and Returned to:
Danny P. Jackson
HOLLAND & KNIGHT
P.O. Box 1288
Tampa, Florida 33601

EXHIBIT E
to
TRUST INDENTURE

MORTGAGE

Date: As of December 7, 1984.

Mortgagor: CBT Trust Company of Florida, National Association, a national banking association, not in its individual capacity but solely as trustee under a Trust Agreement with the Owner Participant named therein dated as of August 1, 1984 ("Mortgagor").

Mortgagee: Southeast Bank, N.A., a national banking association, not in its individual capacity but solely as trustee under a Trust Indenture and Security Agreement dated as of December 7, 1984 (the "Indenture"), with Mortgagor for the benefit of certain Noteholders identified therein ("Mortgagee").

Mortgaged Property: Mortgagor hereby mortgages to Mortgagee, and grants to Mortgagee a security interest in, the following described property, but only to the extent that either: (a) such property constitutes real property; or (b) a security interest in such property in favor of the Mortgagee can be perfected only by the proper filing and recordation of a mortgage in the official records of Putnam County, Florida:

- (1) all right, title and interest of Owner Trustee in and to the Facility; the Facility includes, without limitation, all assets included in or hereafter incorporated into the 620 MW (rated capacity) coal-fired steam electric generating unit located on the Site described in Attachment 1

hereto (the "Site"), designated by Seminole Electric Cooperative, Inc. as Seminole Unit 2, but specifically excluding the Retained Assets;

- (2) all right, title and interest of the Mortgagor in, to and under the Bill of Sale, the Ground Lease, the Lease, the Support Agreement, the Construction Contracts, the Construction Contracts Assignment, the Fuel Contracts, the Assignment of Fuel Contracts, the Assigned Coal Transportation Leases and the Assignment of Coal Transportation Leases (collectively the "Granting Clause Documents"), including without limitation (x) all amounts of Rent, insurance proceeds and condemnation, requisition and other awards and payments of any kind for or with respect to any part of the Trust Estate as contemplated in the Granting Clause Documents and (y) all rights of Mortgagor to exercise any election or option or to make any decision or determination or to give or receive any notice, consent, waiver or approval or to take any other action under or in respect of any Granting Clause Document, as well as all the rights, powers and remedies on the part of Mortgagor, whether arising under any Granting Clause Document or by statute or at law or equity or otherwise, arising out of any Default or Event of Default;
- (3) all right, title and interest of Mortgagor in and to the Construction Fund and the Special Construction Fund;

- (4) all moneys and securities deposited or required to be deposited with Mortgagee pursuant to any term of the Indenture or the Lease and held or required to be held by Mortgagee under the Indenture;
- (5) all rents (including Rent), issues, profits, products, revenues and other income of all property from time to time subjected or required to be subjected to the lien of the Indenture, and all right, title and interest of every nature whatsoever of Mortgagor in and to the same and every part thereof;
- (6) all right, title and interest of Mortgagor in and to any right to restitution from Lessee or any other party to a Granting Clause Document in respect of any determination of invalidity of any Granting Clause Document;
- (7) all other property of every kind and description, real, personal and mixed, and interests therein now held or hereafter acquired by Mortgagor pursuant to any term of any Granting Clause Document, whether located on the Site, the Plant Site described in Attachment 2 hereto or elsewhere and whether or not subjected to the lien of the Indenture by indenture supplemental thereto; and
- (8) all proceeds of the foregoing.

BUT EXCLUDING all Excepted Payments and SUBJECT TO the rights of Mortgagor and Owner Participant

under the Indenture. The property subject to this Mortgage is referred to herein as the "Mortgaged Property". For the avoidance of doubt it is agreed and confirmed that the Mortgaged Property does not include any property which is not released by the REA Consent or in respect of which the REA, CFC and Columbia Bank for Cooperatives have not agreed to subordinate their interests under the REA Mortgage or the Subordinated Mortgage, as the case may be, pursuant to the REA Consent.

1. Definitions. Capitalized terms used herein not otherwise defined have the meanings ascribed to them in the Ground and Common Facilities Lease and Easement dated December 7, 1984, between Mortgagor, as Ground Lessee, and Seminole Electric Cooperative, Inc., as Ground Lessor.

2. Secured Obligations. This Mortgage is given pursuant to and in connection with the execution and delivery of the Indenture and is given and recorded to perfect the security interest in the Mortgaged Property given to secure the Mortgagor's obligations to the holders of the Notes issued and outstanding from time to time under the Indenture and to secure the Mortgagor's other obligations thereunder, all to the extent and as provided in the Indenture; provided, however, that the maximum principal amount secured hereby shall not at any time exceed \$900,000,000. The obligations secured by this Mortgage shall be satisfied not later than December 31, 2200.

3. Limitations on Recovery. Mortgagee shall not be entitled to recover under this Mortgage an amount in excess of \$,000,000; provided, however, that if the value of, or the proceeds realized pursuant to the exercise of remedies under the Indenture with respect to, the Mortgaged Property is at any time, whether at the time Mortgagee exercises remedies under the Indenture or otherwise, determined or deemed to or shall exceed \$,000,000, then Mortgagee shall be entitled to recover under this Mortgage an amount up to such greater amount. Any proceeds realized pursuant to the exercise of remedies with respect to this Mortgage in excess of the amount of the obligations secured hereby (as specified in Section 2 above) shall be the property of Mortgagor.

4. Land and Personalty Excluded. This Mortgage does not extend to or encumber any property other than the Mortgaged Property. Certain other property of Mortgagor is subject to a security interest in favor of Mortgagee that is perfected by Uniform Commercial Code financing statements filed with the Florida Secretary of State and the Clerk of the Circuit Court of Putnam County, Florida. Any and all property placed on, or attached to, the Mortgaged Property shall be to the maximum extent allowed by law considered for all purposes to be, and to remain, personal property irrespective of any affixation or annexation, and to the maximum extent allowed by law shall not become a permanent accession to the Mortgaged Property, and the security interest therein in favor of Mortgagee shall be perfected by Uniform Commercial Code financing statements filed as aforesaid.

5. Rights, Obligations and Immunities. The rights, obligations and immunities of Mortgagor and Mortgagee with respect to the Mortgaged Property, the Notes and all other matters are set forth in the Indenture, the terms of which are incorporated herein by reference except as to the amount of the obligations secured hereby, which shall be the amount specified in Section 2. Without limiting the foregoing, as more fully provided in the Indenture, the obligations of Mortgagor with respect to the Mortgaged Property are limited as to recourse as set forth in the Indenture and payable only from the Indenture Estate.

6. Remedies. Mortgagee's remedies for a breach of the obligations secured hereby are set forth in the Indenture and are only those set forth in the Indenture, including without limitation remedies at law or in equity as provided in the Indenture.

7. Indenture. For the avoidance of doubt the purpose of this Mortgage is to grant, confirm and record the mortgage created hereby and by the Indenture and not to alter any of the terms of the Indenture.

IN WITNESS WHEREOF, Mortgagor and Mortgagee have executed this Mortgage as of the date first above written.

MORTGAGOR:

CBT TRUST COMPANY OF FLORIDA,
NATIONAL ASSOCIATION, a
national banking association,
not in its individual capacity
but solely as trustee under a
Trust Agreement with the Owner
Participant named therein
dated as of August 1, 1984,

by

Vice President

[SEAL]

Attest:

Assistant Secretary

Witnesses:

Site

Commencing at the northwest corner of Section 7, Township 9 South, Range 27 East, Putnam County, Florida, said northwest corner of Section 7 being a Hudson Pulp & Paper Company (Georgia-Pacific Corporation) brass disc in a concrete monument (C.M.); run thence south $00^{\circ}06'40''$ west, 1323.54 feet to a concrete monument marking a property corner (the southwest corner of the NW-1/4 of NW-1/4 of Section 7) of the Seminole Electric Cooperative power plant property; thence north $89^{\circ}18'23''$ east, 3292.54 feet to the POINT OF BEGINNING; run thence north 400.00 feet; thence east 400.00 feet; thence north 950.00 feet; thence west 335.00 feet; thence north 800.00 feet; thence east 1250.00 feet; thence south 800.00 feet; thence west 875.00 feet; thence south 950.00 feet; thence east 980.00 feet; thence south 1282.00 feet; thence east 1200.00 feet; thence south 718.00 feet; thence west 2620.00 feet; thence north 1600.00 feet to the point of beginning.

Plant Site

IN TOWNSHIP 8 SOUTH, RANGE 27 EAST, PUTNAM COUNTY, FLORIDA:

Section 31: The SE-1/4 LESS the N-1/2 of NE-1/4 of SE-1/4, and that part of the SE-1/4 of SW-1/4 lying east of the railroad right-of-way of Seaboard System Railroad, Inc.

IN TOWNSHIP 9 SOUTH, RANGE 27 EAST, PUTNAM COUNTY, FLORIDA:

Section 5: The W-1/4.

Section 6: All that part of the section lying east of the railroad right-of-way of Seaboard System Railroad, Inc.

Section 7: All LESS the S-1/2 of SW-1/4 of SW-1/4 and LESS the SE-1/4 of SW-1/4.

Section 8: The W-1/4, the S-3/4 of E-1/2 of W-1/2, and the S-3/4 of W-1/2 of E-1/2.

Section 17: The NW-1/4 of NW-1/4, and the west 66 feet of SW-1/4 of NW-1/4 (the NW-1/4 of NW-1/4 being equivalent to U.S. Government Lot 4, and the SW-1/4 of NW-1/4 being equivalent to U.S. Government Lot 5), LESS the right-of-way for State Road 209 (also known as River Road).

Section 18: The N-1/2 of NE-1/4 (the N-1/2 of NE-1/4 being equivalent to U.S. Government Lots 1 and 2); and

That part of the SW-1/4 of Section 18 described as: commence at the point of intersection of the south right-of-way line of State Road 209 and the east boundary of the SW-1/4 of Section 18 and run thence west along the south right-of-way line of State Road 209 a distance of 200 feet to the POINT OF BEGINNING, and from that point of beginning run south to the St. Johns River (the point of intersection with the St. Johns River

being referred to as "Point A"), thence begin again at the POINT OF BEGINNING, and run west along the south right-of-way line of State Road 209 a distance of 200 feet, thence south to the St. Johns River, thence north and easterly along the river to Point A; said land being otherwise described as the west 200 feet of the east 400 feet of U.S. Government Lot 10 in Section 18, Township 9 South, Range 27 East, Putnam County, Florida.

IN TOWNSHIP 9 SOUTH, RANGE 26 EAST, PUTNAM COUNTY, FLORIDA:

Section 1: That part of the SE-1/4 of SE-1/4 lying east of the railroad right-of-way of Seaboard System Railroad, Inc.

Section 12: That part of the NE-1/4 of NE-1/4 lying east of the railroad right-of-way of Seaboard System Railroad, Inc.

TOGETHER WITH a pipeline easement granted by Ruey F. Hodapp, Jr. and Carol R. Hodapp, his wife, and Daniel E. Hodapp and Dorsie C. Hodapp, his wife, to Seminole Electric Cooperative, Inc., by easement instrument dated October 9, 1978, recorded in Official Records Book 366, page 1907, as amended by an instrument dated February 25, 1980, recorded in Official Records Book 389, page 212, public records of Putnam County, Florida, over the following described property:

Commencing at a concrete monument at the southwest corner of Government Lot No. 2 in Section 18, Township 9 South, Range 27 East, Putnam County, Florida, said corner being the POINT OF BEGINNING; thence south 08°05'06" west a distance of 1,303.03 feet to the north right-of-way of State Route 209; thence south 89°39'25" west along said right-of-way, a distance of 101.09 feet; thence north 08°05'06" east a distance of 2,014.47 feet; thence south 00°05'02" east a distance of 703.77 feet to the point of beginning.

TOGETHER WITH a pipeline easement ("Statement Easement") granted by the Board of Trustees of the Internal Improvement

CERTIFICATE

STATE OF New York

COUNTY OF New York

I, James Lettiere, a notary public in the State of New York, have compared the copy of this document entitled "Trust Indenture and Security Agreement" with the original and have found the copy to be complete and identical in all respects to the original document.

Dated this 7 day of December, 1984.

[SEAL]

James Lettiere
Notary Public

My Commission Expires:

JAMES LETTIERE
Notary Public, State of New York
No. 4702137
Qualified in Kings County
Certificate filed in New York County
Commission Expires March 30, 1985

Trust Fund of the State of Florida to Seminole Electric Cooperative, Inc., by instrument dated December 3, 1984, recorded in Official Records Book , page , public records of Putnam County, Florida, over the following described property:

A parcel of sovereignty land in the St. Johns River abutting Section 18, Township 9 South, Range 27 East, Putnam County, Florida, described below:

Commence at the southwest corner of U.S. Government Lot 2 of Section 18, Township 9 South, Range 27 East, run thence south $00^{\circ}05'02''$ east, 1354.97 feet to the south right-of-way of State Road 209, as now layed out and in use; thence south $89^{\circ}39'25''$ west 194.63 feet along the south right-of-way of State Road 209 to a concrete monument; thence south $00^{\circ}51'00''$ east 948.60 feet to a concrete monument on the waters' edge of the St. Johns River and the POINT OF BEGINNING of the herein described easement; thence continue south $00^{\circ}51'00''$ east 347.60 feet from the point of beginning; thence $35^{\circ}19'53''$ east 611.07 feet; thence south $54^{\circ}40'07''$ west 50.00 feet; thence north $35^{\circ}19'53''$ west 487.17 feet; thence south $88^{\circ}59'07''$ west 224.70 feet; thence north $01^{\circ}00'53''$ west 400.00 feet to a concrete monument on the waters edge of the St. Johns River; thence northeasterly along the St. Johns River 212.06 feet to a concrete monument and the point of beginning.

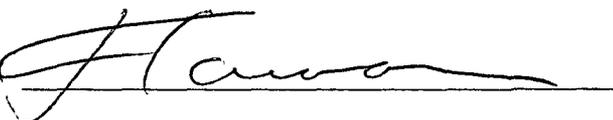
ACKNOWLEDGEMENT OF TRUST INDENTURE
AND SECURITY AGREEMENT

STATE OF New York

COUNTY OF New York

On this 7 day of December, 1984 before me personally appeared, F. Kawam, to me personally known, who being by me duly sworn, says that he is the V.P. of CBT Trust Company of Florida, National Association, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

CBT TRUST COMPANY OF FLORIDA,
NATIONAL ASSOCIATION

By: 

[SEAL]


Notary Public

My Commission Expires:

JAMES LETTIERE
Notary Public, State of New York
No. 4702137
Qualified in Kings County
Certificate filed in New York County
Commission Expires March 30, 1985