

NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST

Authority Applicants

Financial Addendum Form

January 2, 2010

DATE DUE: March 22, 2010

Authority: _____
Project No. _____

FOR AUTHORITIES
New Jersey Environmental Infrastructure Trust

THE INFORMATION CONTAINED IN THIS DOCUMENT MAY BE USED FOR THE FOLLOWING PURPOSES:

1. Review by the New Jersey Environmental Infrastructure Trust and its consultants.
2. Evaluation by the Rating Agencies, Insurance Companies and others concerned with the credit characteristics of the Trust Bonds.

INSTRUCTIONS:

1. To the greatest extent possible, all information is to be completed on this form. Please mark "N/A" (Not Applicable) where appropriate.
2. If additional pages are needed, they are to be clearly marked with the Authority name and the item number and inserted behind the page that contains the original question.
3. Please ensure that your Bond Counsel has reviewed this form and all attachments, and that a representative from your Bond Counsel has completed the "Appointment and Review of Bond Counsel" page contained herein.
4. If you and your Bond Counsel are unsure how to respond to a particular question, please call Frank Scangarella at the Trust at (609) 219-8600.

Date Due: March 22, 2010

If you are unable to submit your completed FAF on or before March 22, 2010, you must contact the Trust to request an extension. Failure to timely submit your completed FAF could jeopardize your ability to participate in the Trust's 2010 Financing Program. Extensions will be granted at the Trust's discretion only due to extraordinary circumstances.

DOCUMENT CHECKLIST

The following documents are to be submitted with each copy of the completed Financial Addendum Form:

Section I

- _____ 1. Copy of Authority's Contact List
- _____ 2. Signed Affidavit
- _____ 3. Signed "Appointment and Review of Bond Counsel"

Section II

- _____ 1. Copies of any existing general bond resolution and draft series resolutions authorizing this project's financing and the issuance of bonds to the Trust and the State. (2.1)
- _____ 2. Copy of form of authorizing resolution (only if materially different from Exhibit 2.2).
- _____ 3. Copy of form of award certificate or confirmatory resolution (only if materially different from Exhibit 2.3(a) or (b)).
- _____ 4. Copy of Litigation language. (2.4)
- _____ 5. One copy of Local Finance Board Application only to Dennis Hart., Richard T. Nolan, Esq. and Clifford T. Roness, Esq. (upon submission thereof to LFB). (2.5)
- _____ 6. Certified copy of the resolution of the Local Finance Board approving the bonds or notes (immediately upon receipt thereof). (2.6)
- _____ 7. Copies of any other resolutions adopted by the Local Finance Board in connection with the financing of this project immediately upon receipt thereof.
- _____ 8. Attach a copy of all service agreements and/or deficiency agreements, and all amendments thereto, to which the authority is a party. ***If no service and/or deficiency agreements are in place, please contact the Trust immediately.*** Indicate if the bonds to be issued by the Authority to the Trust and the State will NOT be entitled to the benefits of the service agreement(s) and/or deficiency agreements(s) (absent any indication, the Trust and the State will presume said agreement(s) will run to the Trust and the State). (2.8)
- _____ 9. Provide a listing of each series of the Authority's outstanding bonds including the outstanding principal amount. Include all indebtedness on a parity with or subordinated to the Authority's

Authority: _____
Project No. _____

senior lien debt. (2.9)

Section III

- _____ 1. Copy of Reimbursement Resolution (for those authorities seeking pre-award approval). (3.8)

- _____ 2. Copy of Final Official Statement (or draft Preliminary Official Statement, if applicable, if financing has not been completed) for any indebtedness to be refunded by the proceeds of the Environmental Infrastructure Bonds, Series 2010. (3.9(c))

**SECTION I
INTRODUCTION**

A. DISTRIBUTION

Copies of this Addendum should be sent to the following for receipt no later than the close of business on March 22, 2010.

Maryclaire D'Andrea, Acting Executive Director

Mailing Address:

New Jersey Environmental Infrastructure Trust
P.O.Box 440
Trenton, NJ 08625

Location:

New Jersey Environmental Infrastructure Trust
3131 Princeton Pike, Bldg. 6 -Suite 201
Lawrenceville, NJ 08648

Phone: (609) 219-8600

Fax: (609) 219-8620

Clifford T. Rones, Esq. (General Counsel)

Deputy Attorney General

Division of Law

Financial Section

Hughes Justice Complex

Market and New Warren Streets

P.O.Box 112

Trenton, NJ 08625

Phone: (609) 292-1537

Fax: (609) 777-3514

Richard T. Nolan, Esq. (Bond Counsel)

McCarter & English, LLP

Four Gateway Center

100 Mulberry Street

Newark, NJ 07102

Phone: (973) 639-2096

Fax: (973) 624-7070

Barbara Bisgaier (Financial Advisor)

Public Financial Management, Inc.

2 Logan Square, Suite 1600

Philadelphia, PA 19103

Phone: (215) 567-6100

Fax: (215) 567-4180

B. APPLICANT EMPLOYEE IDENTIFICATION NUMBER (EIN) : _____

Authority: _____
Project No. _____

**Financial Background Information for an Authority Borrowing from
The Environmental Infrastructure Financing Program**

AFFIDAVIT

I, _____, the undersigned authorized representative of _____, the applicant for a New Jersey Environmental Infrastructure Trust loan and a New Jersey Environmental Infrastructure Fund loan, being duly sworn according to law, upon my oath depose and say that:

1. I have read and reviewed the information contained in this Addendum and in the attached documents to this Addendum.
2. The information contained in this Addendum and the documents submitted herewith are true, correct, and complete to the best of the applicant's knowledge, information and belief.
3. The documents attached to this Addendum are true and correct copies of documents contained in the applicant's files.
4. I understand that failure to comply with all requirements of the New Jersey Environmental Infrastructure Trust Financing Program for the year 2010, including adherence to all deadlines and submission of complete and accurate documents, may jeopardize *[insert applicant's name]* _____ participation in the New Jersey Environmental Infrastructure Trust Financing Program for the year 2010.

By execution of this affidavit, *[insert applicant's name]* _____ agrees to reimburse the Trust for any expenses incurred by or on behalf of the Trust in connection with the evaluation of the acceptability of any collateral, regardless of whether the loan is actually closed. The Trust will not undertake any expense without the prior notification to the borrower.

Dated: _____, 2010

Signature of Authorized Representative

Name/Title of Authorized Representative
(typed)

Sworn to and subscribed
before me this ____ day
of _____ 2010.

[notary public]

Authority: _____
Project No. _____

**APPOINTMENT OF BOND COUNSEL TO THE APPLICANT
AND REVIEW THEREBY OF THE FINANCIAL ADDENDUM FORM**

I, the undersigned, hereby acknowledge that the law firm of _____ has been appointed as bond counsel to _____, in connection with its participation in the New Jersey Environmental Infrastructure Financing Program for the year 2010.

I further acknowledge that I have reviewed this Financial Addendum Form, including the responses provided by the Applicant and the exhibits and attachments hereto, and that, notwithstanding the fact that the information contained herein remains subject to change, to my knowledge, the information provided by the Applicant in this Financial Addendum Form is responsive to the questions presented as of the date of submission hereof.

I further acknowledge that failure of _____ to comply with all requirements of the New Jersey Environmental Infrastructure Trust Financing Program for the year 2010, including adherence to all deadlines and submission of complete and accurate documents, may jeopardize *[insert applicant's name]* _____ participation in the New Jersey Environmental Infrastructure Trust Financing Program for the year 2010.

Dated: _____, 2010

Name of Firm

Signature of Bond Counsel

Print Name

Authority: _____
Project No. _____

SECTION II

AUTHORITY RESOLUTIONS, LITIGATION, LOCAL FINANCE BOARD APPROVAL, TAX COVENANTS, SERVICE AGREEMENTS AND PARITY DEBT

NOTE: YOUR BOND COUNSEL MUST REVIEW SECTION II PRIOR TO YOUR SUBMISSION OF THIS FINANCIAL ADDENDUM FORM.

II. AUTHORITY RESOLUTIONS, LITIGATION, LOCAL FINANCE BOARD APPROVAL, TAX COVENANTS, SERVICE AGREEMENTS AND PARITY DEBT

[NOTE: YOUR BOND COUNSEL *MUST* REVIEW SECTION II PRIOR TO YOUR SUBMISSION OF THIS FINANCIAL ADDENDUM FORM.]

2.1 GENERAL AND SERIES BOND RESOLUTION(S)

Attach a draft copy of the proposed or, if applicable, existing copy of the general and series bond resolution(s) authorizing the project financing and the issuance of bonds or notes to both the Trust and the State in connection therewith. These resolutions need not be adopted at the time of submission of the Financial Addendum Form, but **must be adopted prior to August 16, 2010.**

(a) Date of Final Adoption:

(b) Title of Resolution:

(c) Maximum principal amount of bonds authorized by the series resolution for this financing:
\$ _____.

2.2 SUGGESTED FORM OF RESOLUTION AUTHORIZING EXECUTION OF AGREEMENTS

Attached as Exhibit 2.2 is a suggested form of a resolution authorizing authorized representatives of the Authority to execute an Escrow Agreement and Trust and Fund Loan Agreements. If the form intended to be used varies from the exhibit in any material respect, disclose the variations and supply a form of the proposed resolution. This resolution need not be adopted at the time of submission of the Financial Addendum Form, but **must be adopted prior to August 16, 2010.**

_____ Will use suggested form of resolution set forth in Exhibit.

_____ Alternate form of resolution attached.

(a) Date of Final Adoption:

(b) Title of Resolution:

(c) Maximum principal amount of bonds authorized by the series resolution for this financing:
\$ _____.

PLEASE NOTE: CERTIFIED COPIES OF ALL OF THE ABOVE-REFERENCED RESOLUTIONS DULY ADOPTED IN ACCORDANCE WITH LAW (INCLUDING THE PASSAGE OF ALL ESTOPPEL PERIODS) MUST BE SUBMITTED TO THE TRUST AND THE STATE PRIOR TO AUGUST 16, 2010.

2.3 SUGGESTED FORM OF AWARD CERTIFICATE OR CONFIRMATORY RESOLUTION

Attached as Exhibit 2.3(a) is a suggested form of award certificate. Attached as Exhibit 2.3(b) is a suggested form of confirmatory resolution. After the Authority receives the debt service schedules from the Trust (approximately October 22, 2010) and prior to the pre-closing date for the Environmental Infrastructure Bonds, Series 2010 on November 1, 2010, the award certificate should be executed by an authorized officer of the Authority or the confirmatory resolution should be adopted by the Authority confirming all final terms of the sale. If the form intended to be used varies from the exhibits in any material respect, disclose the variations and supply a form of the proposed resolution.

- _____ Will use suggested form of certificate set forth in Exhibit 2.3(a).
- _____ Will use suggested form of resolution set forth in Exhibit 2.3(b).
- _____ Alternate form of certificate or resolution attached.

If the Authority intends to adopt a confirmatory resolution, please list the anticipated meeting dates of the governing body of the Authority between the estimated date of receipt of the debt service schedules (i.e. 10/22/10) and the date prior to the pre-closing date (i.e. 11/1/10). If a scheduled meeting date does not currently exist, schedule a meeting within this time frame as soon as possible and identify such date below.

Date of meeting at which confirmatory resolution will be adopted: _____, 2010.

2.4 LITIGATION

Provide a brief description (including projected liability) of (a) any threatened litigation, (b) any litigation in which the applicant is a defendant or (c) any other proceeding involving a court, administrative body of any other government entity relating to any existing debt of the local unit, the financial condition of the local unit or any other material item that would or should be disclosed in any offering document under federal securities laws were the local unit issuing its bonds directly to the general public. To the extent litigation exists, edit the suggested language regarding Litigation below:

There is no litigation or other proceeding pending or to the knowledge of counsel to the Authority, after due inquiry, threatened in any court or other tribunal of competent jurisdiction (either State or Federal) (i) questioning the creation, organization or existence of the Authority or any Service area Local Units, (ii) questioning the validity, legality or enforceability of the Loan Agreements, the Escrow Agreement, Service Contract[s], Direct Authority Service Contract[s], Indirect authority Service Contract[s], the Loan, the authority's bond resolution or the Local Unit Bond, (iii) questioning the undertaking or completion of the Project, (iv) questioning the imposition or collection of the Annual Charges (as defined in the Service Contract) or any annual charges under the Direct Authority Service Contract[s] or Indirect authority Service Contract[s], (v) otherwise challenging the authority's ability to consummate the transactions contemplated by the Loan, the Loan Agreements, the Escrow Agreement, Service Contract[s] Direct Authority Service Contract[s], Indirect Authority Service Contract[s]

or (vi) if adversely decided, would have a material adverse impact on the financial condition of the Authority.

2.5 LOCAL FINANCE BOARD APPLICATIONS

N.J.S.A. 58:11B-9(a) of the Environmental Infrastructure Trust Act requires that the bonds to be issued to the Trust by the local unit be approved by the Local Finance Board in the Division of Local Government Services, Department of Community Affairs. This is a requirement with respect to the bonds to be issued to the State as well. In addition, N.J.S.A. 40A:5A-6 of the Local Authorities Fiscal Control Law requires that the Local Finance Board render findings with respect to the Trust Loan Bond and the Fund Loan Bond. All local unit bonds must be approved by the Local Finance Board no later than its July 14, 2010 hearing. The Local Finance Board application deadline for this hearing is June 23, 2010. Please refer to the instructions provided by the Trust in the Memorandum to Local Government Borrowers included herewith (ESPECIALLY THE INSTRUCTIONS REGARDING AUTHORIZATION AMOUNTS) and state the following:

- (a) When application has been or is expected to be filed with the Local Finance Board.
- (b) When the local government unit was heard or is expected to be heard on its application by the Local Finance Board.
- (c) Maximum amount of Bonds requested/authorized by Local Finance Board to be issued.
- (d) Please indicate below which other Local Finance Board actions will be applied for or have been received in participation in the Financing Program.

| <u>Applied for</u> | | <u>Received</u> | | | |
|--------------------|-----|-----------------|-----|------------------|---|
| Yes | No | Yes | No | | |
| ___ | ___ | ___ | ___ | 40A:5A-6,-7,-8 | Issuance of findings and recommendations regarding proposed project financing or proposed deficiency agreement with authority |
| ___ | ___ | ___ | ___ | 40A:5A – 24 | Approval to roll over temporary debt later than three years from original date of issuance |
| ___ | ___ | ___ | ___ | Other LFB action | (list with statutory citation) |

Immediately upon submission thereof to the Local Finance Board, please submit copies of your completed Local Finance Board application (and any amendments or supplements thereto) to Maryclaire D’Andrea, Richard T. Nolan, Esq., and Clifford T. Rones, Esq. at the respective addresses set forth on page 4 hereof.

Authority: _____
Project No. _____

2.6 SUBMISSION OF RESOLUTIONS OF LOCAL FINANCE BOARD

As soon as it is issued, please provide a *certified copy* of the resolution of the Local Finance Board approving the bonds or notes to be issued to the Trust and to the State (with respect to the matching loan from the Environmental Infrastructure Fund). Please also provide a *certified copy* of any other resolution adopted by the Local Finance Board in connection with the Authority's receipt of project financing from the Trust and the State. Also provide a copy of the Group Affidavit of the board members of the Authority recognizing the findings of the Local Finance Board.

NOTE: *Certified copies of the above-referenced Local Finance Board resolution(s) must be submitted to the Trust as soon as they are available from the Local Finance Board.*

2.7 TAX RELATED COVENANTS

The Authority will be required to give certain covenants relating to the use of its loan proceeds as set forth in Exhibit 2.7. These covenants will enable bond counsel to the Trust to issue its opinion that interest on the Environmental Infrastructure Bonds, Series 2010 will not be included in the gross income of the owners thereof for Federal income tax purposes. Respond as to whether the Authority anticipates any problem in agreeing to these covenants and any private use issues that the Trust should be aware of. **PLEASE NOTE** that the local unit bonds to be issued to the Trust and the State need not be tax exempt. "**PLEASE NOTE** that the Trust is considering issuing its Bonds with respect to the 2010 Financing Program as Build America Bonds, rather than as conventional tax-exempt bonds. In such case, the tax covenants that are included in the Trust Loan Agreement may differ, as needed, from those set forth in Exhibit 2.10. The Trust will promptly notify Borrowers of any changes to the tax covenants that become necessary as a result of its intent to issue its Bonds as Build America Bonds."

(a) I have read the tax covenants set forth in Exhibit 2.7.

The local unit _____does/_____does not anticipate any problem in agreeing to these comments. If it does anticipate problems, please explain.

(b) Please identify any private use issues the Trust should be aware of or indicate "None."

2.8 SERVICE AGREEMENTS AND/OR DEFICIENCY AGREEMENTS: Attach a copy of all service agreements and/or deficiency agreements, and all amendments thereto, to which the authority is a party. ***If no service and/or deficiency agreements are in place, please indicate below and contact the Trust immediately.*** Indicate if the bonds to be issued by the Authority to the Trust and the State will NOT be entitled to the benefits of the service agreement(s) and/or deficiency agreements(s) (absent any indication, the Trust and the State will presume said agreement(s) will run to the Trust and the State).

2.9 AUTHORITY DEBT SERVICE RESERVE FUND/SUBORDINATED BONDS

Is the Authority required by its bond resolution to fund a debt service reserve fund for the Authority bonds to be issued to the Trust and the State? _____ What is the expected source of

Authority: _____
Project No. _____

such money? _____.

Please note that the Financing Program does not require that the Authority create or fund a debt service reserve fund as security for either or both of the Trust Loan Bond or the Fund Loan Bond. As a result, it is not permissible to use the proceeds of the Trust Loan or the Fund Loan to fund a Trust Loan Bond or a Fund Loan Bond debt service reserve fund that may be required by the terms of the Authority indenture or general bond resolution. If the Authority indenture or general bond resolution does impose such a debt service reserve fund requirement, the Authority will be required to fund such a required debt service reserve fund from its own sources, other than the Financing Program. (See Exhibit 2.7 for a discussion of certain implications related to the Authority's funding of its own debt service reserve fund.)

Please further note that in instances in which an Authority is required by its indenture or general bond resolution to fund a debt service reserve fund for some of its bonds ("senior lien bonds"), but not for others ("subordinate bonds"), the Financing Program will permit the Authority to issue "subordinate bonds" to the Trust and the State with the consent thereof and provided that such "subordinate bonds" (i) are secured by service, deficiency or other agreements of municipalities that possess and pledge the general obligation taxing power of such municipalities to secure their payment obligations pursuant to such service, deficiency and other agreements, (ii) would have an investment grade rating if issued pursuant to a public offering, and (iii) contain the same rate covenant as the Authority's senior lien bonds.

If the Authority can satisfy all of the conditions set forth above, please indicate if the Authority seeks the consent of the Trust and the State to issue "subordinate bonds" to, respectively, the Trust and the State. **YES** **NO**

2.10 Provide a listing of each series of the Authority's outstanding bonds including the outstanding principal amount. Include all indebtedness on a parity with or subordinated to the Authority's senior lien debt.

Authority: _____
Project No. _____

SECTION III

2010 PROJECT INFORMATION

Authority: _____

Project No. _____

3. 2010 FINANCING INFORMATION

PLEASE COMPLETE THE FOLLOWING QUESTIONS CAREFULLY. YOUR ANSWERS WILL PROVIDE THE BASIS FOR THE REPAYMENT TERMS OF YOUR TRUST AND FUND LOANS.

3.1 Project Description

Please provide a brief description of the project.

3.2 Construction Schedule (the final deadline for revising the borrower's draw schedule is August 16, 2010) (in responding to this question, you MUST specify a month)

(a) Estimated Construction Start Date: Month: _____; Year: _____.

(b) Estimated Construction Completion Date: Month: _____; Year: _____.

(c) Does the applicant intend to borrow for "reserve capacity": ____ Yes ____ No

(d) Is the project a well project?: ____ Yes ____ No

(Reserve capacity permits the borrower to construct excess plant capacity. Unless the project is a "Smart Growth" project, the Trust will not subsidize the cost of reserve capacity construction through the zero interest Fund Loan, but will, at the option of the borrower, finance 100% of reserve capacity costs at market rates through a Trust Loan. Borrowers requesting this option will also be required to finance through the Trust Loan the debt service reserve fund amount associated with the reserve capacity portion of the Trust Loan, to the extent that the Trust establishes a debt service reserve fund).

3.3 Payment Dates

Payment dates on the Trust's bonds will be each March 1 and September 1. Authority borrowers will make their debt service payments on each February 1 and August 1 unless prohibited from doing so by an outstanding bond ordinance. If this issue exists, indicate the date or dates upon which debt service payments must be made. The Trust will not permit alternative payment dates for any other reason.

3.4 No Capitalized Interest

If you do not wish to capitalize interest, indicate that by checking here. ____

A borrower that elects **NOT** to capitalize interest will make a first interest payment on August 1, 2011

Authority: _____
Project No. _____

and a first principal payment on August 1, 2012, with respect to the Trust Loan, and a first principal payment on August 1, 2011, with respect to the Fund Loan.

3.5 Capitalized Interest

If you wish to capitalize interest, indicate that by checking here. ____

Circle the date through which you wish to capitalize interest.

8/1/11 2/1/12 8/1/12 2/1/13 8/1/13

This date must meet the following requirements:

- 1) be no more than six months after the scheduled construction completion date or, if the project is to be undertaken for private use, no later than the construction completion date; **AND**
- 2) be either February 1 or August 1.

For example, if your scheduled construction completion date is May 2012, you may capitalize interest through August 1, 2012 and your first current payment of interest will be on February 1, 2013.

If you capitalize interest, your first principal payment will be on the August 1 next succeeding your scheduled construction completion date.

3.6 Final Maturity Date

Indicate your final principal payment date: August 1, 20___. (This may be no later than August 1, 2030.)

Note: At escrow closing, the borrower will receive a preliminary amortization schedule. The final amortization schedule will be determined at the time of the sale of the Trust Bonds. This final amortization schedule cannot and will not be altered even if the borrower experiences construction delays and has not drawn down the entire balance of its Trust Loan and Fund Loan by the date scheduled for payment to the Trust and State.

3.7 Unallowable Costs

Please provide descriptions as to how the Authority plans to finance 1) the unallowable costs, if any, of the project, and 2) the allowable costs, if any, not covered by the Trust and Fund loans made in this State fiscal year's funding cycle. **-OR-**

Please state if the Authority will have no such unallowable costs.

*Note that the Trust and State will **not** disburse any loan proceeds unless the Authority has on hand moneys to pay all unallowable costs (including any remaining local soft costs), non-Trust/Fund financed allowable costs and cost overruns. Whether the Authority can satisfy the requirement by*

Authority: _____

Project No. _____

having funds available is determined on a case-by-case basis by the Trust, and the Trust should be contacted accordingly.

3.8 Reimbursement

For those Authorities who wish to receive pre-award approval for their project, such authority **MUST** adopt a reimbursement resolution in substantially the form attached hereto as Exhibit 3.8 **PRIOR** to their expenditure of any monies (other than monies to pay engineering expenses) for costs of the project. When this action is approved by the Trust, the Trust will issue its pre-award approval. Pre-award approval is required from each of the Trust and DEP.

(a) Date of Reimbursement Resolution:

(b) Maximum amount authorized by resolution to be reimbursed: \$_____.

3.09 Refunding

(Complete this Section 3.09 only if Trust Loan will refund outstanding notes or bonds of the Authority, **including an interim loan from the Trust.**)

3.09(a) Has any outstanding indebtedness (including bonds, project notes, bond anticipation notes, improvement authority loans, etc.) been issued to finance the project costs and is it intended that this indebtedness be refunded by a portion of the proceeds of the Environmental Infrastructure Bonds, Series 2010?

3.09(b) Is it intended that such indebtedness will be issued prior to the issuance of the Environmental Infrastructure Bonds, Series 2010 (estimated date of issuance being November 4, 2010)?

3.09(c) If yes to either question 3.09(a) or 3.09(b), please complete Exhibit 3.09(c) for *each* applicable debt issue and supply a copy of the final official statement (or draft preliminary official statement if financing has not been completed) for each such issue.

3.10 BROWNFIELDS OR LANDFILL CLOSURE PROJECT: The following questions must be answered if this application relates to a brownfields or landfill closure project.

(a.) Will all of the costs to be financed with loan proceeds be “capital expenditures” under Treasury Regulations Section 1.150-1 and Rev. Rule 94-38, 1994-1 C.B. 35?

(b.) Who currently owns the property that is the subject of the environmental remediation? If the property is currently owned by the state or local unit borrower, how and when was the

property acquired?

- (c.) Who will own the property during the term of the bonds?
- (d.) What are the expected sources of repayments of the loan?
- (e.) Is any other person or organization expected to contribute to the repayment of the loan from the Trust?
- (f.) Will the loan obligation be secured by any payments other than the general obligation of the local unit borrower?
- (g.) Will any existing buildings, structures or equipment, which have been previously placed in service, be acquired with proceeds? If yes, will that buildings, structures or equipment be disposed of during the course of the environmental remediation?

EXHIBITS

EXHIBIT 2.2

**RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF LOAN AGREEMENTS
TO BE EXECUTED BY THE [NAME OF LOCAL UNIT] AND EACH OF THE NEW JERSEY
ENVIRONMENTAL INFRASTRUCTURE TRUST AND THE STATE OF NEW JERSEY,
ACTING BY AND THROUGH THE DEPARTMENT OF ENVIRONMENTAL PROTECTION,
AND FURTHER AUTHORIZING THE EXECUTION AND DELIVERY OF AN
ESCROW AGREEMENT [AND A CONTINUING DISCLOSURE AGREEMENT],
ALL PURSUANT TO THE 2010 NEW JERSEY ENVIRONMENTAL
INFRASTRUCTURE TRUST FINANCING PROGRAM**

WHEREAS, the [Name of Local Unit] (the "Local Unit"), in the County of [County], New Jersey, has determined that there exists a need within the service area of the Local Unit to [acquire, construct, renovate or install] [refinance] the Project (the "Project") as defined in each of that certain Loan Agreement (the "Trust Loan Agreement") to be entered into by and between the Local Unit and the New Jersey Environmental Infrastructure Trust (the "Trust") and that certain Loan Agreement (the "Fund Loan Agreement", and together with the Trust Loan Agreement, the "Loan Agreements") to be entered into by and between the Local Unit and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection (the "State"), all pursuant to the 2010 New Jersey Environmental Infrastructure Trust Financing Program (the "Program");

WHEREAS, the Local Unit has determined to [finance] [refinance] the acquisition, construction, renovation or installation of the Project with the proceeds of a loan to be made by each of the Trust (the "Trust Loan") and the State (the "Fund Loan", and together with the Trust Loan, the "Loans") pursuant to the Trust Loan Agreement and the Fund Loan Agreement, respectively;

WHEREAS, to evidence the Loans, each of the Trust and the State require the Local Unit to authorize, execute and deliver the Local Unit's _____ Bonds, Series _____, to the Trust in an aggregate principal amount not to exceed \$ _____ (the "Trust Loan Bond") and _____ Bonds, Series _____, to the State in an aggregate principal amount not to exceed \$ _____ (the "Fund Loan Bond", and together with the Trust Loan Bond, the "Local Unit Bonds") pursuant to the terms of applicable law and the Loan Agreements; [and]

[WHEREAS, in order to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission (the "SEC") pursuant to the Securities Exchange Act of 1934, as amended (the "Securities Exchange Act"), including any successor regulation or statute thereto ("Rule 15c2-12"), the Trust has determined that the Local Unit and, if applicable, certain related local government units are material "obligated persons" in connection with the issuance of the bonds of the Trust to be issued to fund the Trust Loan (the "Trust Bonds"), as the term "obligated person" is defined in Rule 15c2-12;]

[WHEREAS, as a result of such determination, the Local Unit must enter into a Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") with the trustee for the Trust Bonds and the Trust for the purpose of satisfying Rule 15c2-12 and the purposes and intent thereof, as Rule 15c2-12, its purposes and intent may hereafter be interpreted from time to time by the SEC or any court of competent jurisdiction; and]

WHEREAS, the Trust and the State have expressed their desire to close in escrow the making of the Loans, the issuance of the Local Unit Bonds and the execution and delivery of the Loan Agreements [and the Continuing Disclosure Agreement], all pursuant to the terms of an Escrow Agreement (the "Escrow Agreement") to be entered into by and among the Trust, the State, the Local Unit, the escrow agent named therein and [Name of Trustee], as trustee for the holders of the Local Unit Bonds.

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Local Unit as follows:

Section 1. The Trust Loan Agreement, the Fund Loan Agreement[, the Continuing Disclosure Agreement] and the Escrow Agreement (collectively, the "Financing Documents") are hereby authorized to be executed and delivered on behalf of the Local Unit by either the [Title] or the [Title] in substantially the forms attached hereto as Exhibits A, B[,] [and] C [and D], respectively, with such changes as the [Title] or the [Title] (each an "Authorized Officer"), in their respective sole discretion, after consultation with counsel and any advisors to the Local Unit (collectively, the "Local Unit Consultants") and after further consultation with the Trust, the State and their representatives, agents, counsel and advisors (collectively, the "Program Consultants", and together

with the Local Unit Consultants, the "Consultants"), shall determine, such determination to be conclusively evidenced by the execution of such Financing Documents by an Authorized Officer as determined hereunder. The Secretary of the Local Unit is hereby authorized to attest to the execution of the Financing Documents by an Authorized Officer of the Local Unit as determined hereunder and to affix the corporate seal of the Local Unit to such Financing Documents.

[Section 2. The Local Unit hereby authorizes the preparation and distribution of financial statements and demographic and other information concerning the Local Unit and any related government entity, if applicable, contained in a "Preliminary Official Statement" and final "Official Statement" to be issued in connection with the marketing of the Trust Bonds. In furtherance of such authorization, the Local Unit hereby severally directs the Authorized Officers to take such action as the particular Authorized Officer, after consultation with the Consultants, deems necessary, desirable or convenient in connection with the preparation and distribution of such information for inclusion in the Preliminary Official Statement and the final Official Statement.]

Section [2] [3]. The Authorized Officers of the Local Unit are hereby further severally authorized to (i) execute and deliver, and the Secretary of the Local Unit is hereby further authorized to attest to such execution and to affix the corporate seal of the Local Unit to, any document, instrument or closing certificate deemed necessary, desirable or convenient by the Authorized Officers or the Secretary of the Local Unit, as applicable, in their respective sole discretion, after consultation with the Consultants, to be executed in connection with the execution and delivery of the Financing Documents and the consummation of the transactions contemplated thereby, which determination shall be conclusively evidenced by the execution of each such certificate or other document by the party authorized hereunder to execute such certificate or other document, and (ii) perform such other actions as the Authorized Officers deem necessary, desirable or convenient in relation to the execution and delivery thereof. [Such closing certificates shall include, without limitation, (a) a determination that any information provided by the Local Unit in connection with the preparation and distribution of the (i) Preliminary Official Statement is "deemed final" for the purposes and within the meaning of Rule 15c2-12 and (ii) Official Statement constitutes a final Official Statement for the purposes and within the meaning of Rule 15c2-12, (b) a determination that the Continuing Disclosure Agreement complies with Rule 15c2-12, and (c) a determination that any information provided by or on behalf of the Local Unit or relating to the Local Unit, the Loan Agreements, the Escrow Agreement, the Continuing Disclosure Agreement or the transactions contemplated thereby in connection with the preparation and distribution of the Preliminary Official Statement and the Official Statement complies with Section 10 and Rule 10b-5 of the Securities Exchange Act.]

Section [3] [4]. This resolution shall take effect immediately.

Section [4] [5]. Upon the adoption hereof, the Secretary of the Local Unit shall forward certified copies of this resolution to [Name of Local Unit Bond Counsel], bond counsel to the Local Unit, and Richard T. Nolan, Esq., McCarter & English, LLP, Bond Counsel to the Trust.

EXHIBIT 2.3(a)

AWARD CERTIFICATE

I, _____, _____ of [Name of Local Unit](the "Local Unit"), by virtue of the authority conferred upon me pursuant to the provisions of a resolution of the Local Unit adopted on _____, 2010 and entitled: "[Title of Resolution]", and in particular Section ___ thereof, hereby certify, determine and approve that:

1. The [Name of Local Unit] (the "Local Unit"), in the County of [County], New Jersey, has determined that there exists a need within the Local Unit to [acquire, construct, renovate or install] [refinance] the Project (the "Project") as defined in each of that certain Loan Agreement (the "Trust Loan Agreement") to be entered into by and between the Local Unit and the New Jersey Environmental Infrastructure Trust (the "Trust") and that certain Loan Agreement (the "Fund Loan Agreement", and together with the Trust Loan Agreement, the "Loan Agreements") to be entered into by and between the Local Unit and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection (the "State"), all pursuant to the 2010 New Jersey Environmental Infrastructure Trust Financing Program (the "Program").

2. The Local Unit has determined to [finance] [refinance] the acquisition, construction, renovation or installation of the Project with the proceeds of a loan to be made by each of the Trust (the "Trust Loan") and the State (the "Fund Loan", and together with the Trust Loan, the "Loans") pursuant to the Trust Loan Agreement and the Fund Loan Agreement, respectively.

3. To evidence the Loans, each of the Trust and the State require the Local Unit to authorize, execute, attest and deliver the Local Unit's _____ Bonds, Series _____, to the Trust in an aggregate principal amount not to exceed \$ _____ (the "Trust Loan Bond") and _____ Bonds, Series _____, to the State in an aggregate principal amount not to exceed \$ _____ (the "Fund Loan Bond", and together with the Trust Loan Bond, the "Local Unit Bonds") pursuant to the terms of applicable law, the Loan Agreements and the Escrow Agreement dated __, 2010 (the "Escrow Agreement") by and among the Trust, the State, the Local Unit and the escrow agent named therein.

4. In accordance with the terms of the Escrow Agreement, the Trust has sold its bonds to fund the Trust Loan, thereby enabling the Local Unit to confirm the exact aggregate principal amount of and debt service schedule for the Local Unit Bonds.

5. The sale of the Trust Loan Bond to the Trust and the Fund Loan Bond to the State is hereby confirmed. The Trust Loan Bond shall be released from escrow in accordance with the terms of the Escrow Agreement and thereby issued in accordance with the principal loan amount, interest rates and maturity schedule set forth in Schedule A attached hereto and made a part hereof. The Fund Loan Bond shall be released from escrow in accordance with the terms of the Escrow Agreement and thereby issued in accordance with the maturity schedule set forth in Schedule B attached hereto and made a part hereof.

IN WITNESS WHEREOF, I have hereunto set my name this _____ day of October, 2010.

Name, Title

IN WITNESS WHEREOF, I have hereunto set
My name and affixed the Seal of the [Name of Local Unit],
in the County of _____, New Jersey
this _____ day of October, 2010.

Authorized Officer

EXHIBIT 2.3(b)

**RESOLUTION CONFIRMING THE DETAILS OF THE SALE OF _____ BONDS,
SERIES _____, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$ _____ OF THE
[NAME OF LOCAL UNIT], IN THE COUNTY OF [COUNTY], NEW JERSEY, TO THE
NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST PURSUANT TO THE 2010
NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST FINANCING PROGRAM**

WHEREAS, the [Name of Local Unit] (the "Local Unit"), in the County of [County], New Jersey, has determined that there exists a need within the service area of the Local Unit to [acquire, construct, renovate or install] [refinance] the Project (the "Project") as defined in each of that certain Loan Agreement (the "Trust Loan Agreement") to be entered into by and between the Local Unit and the New Jersey Environmental Infrastructure Trust (the "Trust") and that certain Loan Agreement (the "Fund Loan Agreement", and together with the Trust Loan Agreement, the "Loan Agreements") to be entered into by and between the Local Unit and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection (the "State"), all pursuant to the 2010 New Jersey Environmental Infrastructure Trust Financing Program (the "Program");

WHEREAS, the Local Unit has determined to [finance] [refinance] the acquisition, construction, renovation or installation of the Project with the proceeds of a loan to be made by each of the Trust (the "Trust Loan") and the State (the "Fund Loan", and together with the Trust Loan, the "Loans") pursuant to the Trust Loan Agreement and the Fund Loan Agreement, respectively;

WHEREAS, to evidence the Loans, each of the Trust and the State require the Local Unit to authorize, execute and deliver the Local Unit's _____ Bonds, Series _____, to the Trust in an aggregate principal amount not to exceed \$ _____ (the "Trust Loan Bond") and _____ Bonds, Series _____, to the State in an aggregate principal amount not to exceed \$ _____ (the "Fund Loan Bond", and together with the Trust Loan Bond, the "Local Unit Bonds") pursuant to the terms of applicable law, the Loan Agreements and the Escrow Agreement dated _____, 2010 (the "Escrow Agreement") by and among the Trust, the State, the Local Unit, the escrow agent named therein and [Name of Trustee], as trustee for the holders of the Local Unit Bonds; and

WHEREAS, in accordance with the terms of the Escrow Agreement, the Trust has sold its bonds to fund the Trust Loan, thereby enabling the Local Unit to confirm the exact aggregate principal amount of and debt service schedule for the Local Unit Bonds.

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Local Unit as follows:

Section 1. The sale of the Trust Loan Bond to the Trust and the Fund Loan Bond to the State is hereby confirmed. The Trust Loan Bond shall be released from escrow in accordance with the terms of the Escrow Agreement and thereby issued in accordance with the principal loan amount, interest rates and maturity schedule set forth in **Schedule A** attached hereto and made a part hereof. The Fund Loan Bond shall be released from escrow in accordance with the terms of the Escrow Agreement and thereby issued in accordance with the maturity schedule set forth in **Schedule B** attached hereto and made a part hereof.

Section 2. This resolution shall take effect immediately.

Section 3. Upon the adoption hereof, the Secretary of the Local Unit shall forward certified copies of this resolution to [Name of Local Unit Bond Counsel], bond counsel to the Local Unit, and Richard T. Nolan, Esq., McCarter & English, LLP, Bond Counsel to the Trust.

[DRAFT]
EXHIBIT 2.7

TAX RELATED COVENANTS FOR AUTHORITY LOCAL UNITS

(f) Exclusion of Interest from Federal Gross Income and Compliance with Code.

(i) The Local Unit covenants and agrees that it shall not take any action or omit to take any action that would result in the loss of the exclusion of the interest on any Trust Bonds now or hereinafter issued from gross income for purposes of federal income taxation as that status is governed by Section 103(a) of the Code.

(ii) The Local Unit shall not take any action or omit to take any action that would cause its Local Unit Bond or the Trust Bonds (assuming solely for this purpose that the proceeds of the Trust Bonds loaned to the Local Unit represent all of the proceeds of the Trust Bonds) to be "private activity bonds" within the meaning of Section 141(a) of the Code. Accordingly, unless the Local Unit receives the prior written approval of the Trust, the Local Unit shall not (A) permit any of the proceeds of the Trust Bonds loaned to the Local Unit or the Project financed or refinanced with the proceeds of the Trust Bonds loaned to the Local Unit to be used (directly or indirectly) in any manner that would constitute "private business use" within the meaning of Section 141(b)(6) of the Code, (B) use (directly or indirectly) any of the proceeds of the Trust Bonds loaned to the Local Unit to make or finance loans to persons other than "governmental units" (as such term is used in Section 141(c) of the Code), or (C) use (directly or indirectly) any of the proceeds of the Trust Bonds loaned to the Local Unit to acquire any "nongovernmental output property" within the meaning of Section 141(d)(2) of the Code.

(iii) The Local Unit shall not directly or indirectly use or permit the use of any proceeds of the Trust Bonds (or amounts replaced with such proceeds) or any other funds or take any action or omit to take any action that would cause the Trust Bonds (assuming solely for this purpose that the proceeds of the Trust Bonds loaned to the Local Unit represent all of the proceeds of the Trust Bonds) to be "arbitrage bonds" within the meaning of Section 148(a) of the Code.

(iv) The Local Unit shall not directly or indirectly use or permit the use of any proceeds of the Trust Bonds to pay the principal of or the interest or redemption premium on or any other amount in connection with the retirement or redemption of any issue of state or local governmental obligations ("refinancing of indebtedness"), unless the Local Unit shall (A) establish to the satisfaction of the Trust, prior to the issuance of the Trust Bonds, that such refinancing of indebtedness will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Trust Bonds, and (B) provide to the Trust an opinion of Bond Counsel to that effect in form and substance satisfactory to the Trust.

(v) The Local Unit shall not directly or indirectly use or permit the use of any proceeds of the Trust Bonds to reimburse the Local Unit for an expenditure with respect to a Cost of the Local Unit's Project paid by the Local Unit prior to the issuance of the Trust Bonds, unless (A) the allocation by the Local Unit of the proceeds of the Trust Bonds to reimburse such expenditure complies with the requirements of Treasury Regulations §1.150-2 necessary to enable the reimbursement allocation to be treated as an expenditure of the proceeds of the Trust Bonds for purposes of applying Sections 103 and 141-150, inclusive, of the Code, or (B) such proceeds of the Trust Bonds will be used for refinancing of indebtedness that was used to pay Costs of the Local Unit's Project or to reimburse the Local Unit for expenditures with respect to Costs of the Local Unit's Project paid by the Local Unit prior to the issuance of such indebtedness in accordance with a reimbursement allocation for such expenditures that complies with the requirements of Treasury Regulations §1.150-2.

(vi) The Local Unit shall not directly or indirectly use or permit the use of any proceeds of the Trust Bonds to pay any Cost of the Local Unit's Project that does not constitute a "capital expenditure" within the meaning of Treasury Regulations §1.150-1.

(vii) The Local Unit shall not use the proceeds of the Trust Bonds (assuming solely for this purpose that the proceeds of the Trust Bonds loaned to the Local Unit represent all of the proceeds of the Trust Bonds) in any manner that would cause the Trust Bonds to be considered "federally guaranteed" within the meaning of Section 149(b) of the Code or "hedge bonds" within the meaning of Section 149(g) of the Code.

(viii) The Local Unit shall not issue any debt obligations that (A) are sold at substantially the same time as the Trust Bonds and finance or refinance the Loan made to the Local Unit, (B) are sold pursuant to the same plan of financing as the Trust Bonds and finance or refinance the Loan made to the Local Unit, and (C) are reasonably expected to be paid out of substantially the same source of funds as the Trust Bonds and finance or refinance the Loan made to the Local Unit.

(ix) Neither the Local Unit nor any "related party" (within the meaning of Treasury Regulations §1.150-1) shall purchase Trust Bonds in an amount related to the amount of the Loan.

(x) The Local Unit will not issue or permit to be issued obligations that will constitute an "advance refunding" of the Local Unit Bond within the meaning of Section 149(d)(5) of the Code without the express written consent of the Trust, which consent may only be delivered by the Trust after the Trust has received notice from the Local Unit of such contemplated action no later than sixty (60) days prior to any such contemplated action, and which consent is in the sole discretion of the Trust.

[(xi) The Local Unit will not have a reserve or replacement fund (within the meaning of Section 148(d)(1) of the Code) allocable to the Local Unit Bond evidencing the Loan.]

[(xi) The Local Unit has a reserve or replacement fund (within the meaning of Section 148(d)(1) of the Code) that is allocable to the Local Unit Bond evidencing the Loan, and such reserve or replacement fund is financed with indebtedness of the Local Unit the interest on which is excluded from gross income for purposes of federal income taxation. Accordingly, amounts held in the reserve or replacement fund allocable to the Local Unit Bond evidencing the Loan shall be invested by the Local Unit at a yield not in excess of the yield on the Trust Bonds throughout the term of the Loan, unless the Local Unit receives prior written approval of the Trust. Amounts in the reserve or replacement fund allocable to the Local Unit Bond evidencing the Loan will be held in a segregated account and invested separately from any other moneys so that such amounts will not be held in a "commingled fund" (within the meaning of Treasury Regulations §1.148-1(b)). The investment restrictions contained in this subsection shall not apply in the event the Trust receives an opinion of Bond Counsel to the effect that non-compliance with such restrictions will not affect the exclusion from gross income of the interest on the Trust Bonds.]

[(xi) The Local Unit has a reserve or replacement fund (within the meaning of Section 148(d)(1) of the Code) that is allocable to the Local Unit Bond evidencing the Loan, and such reserve or replacement fund is not financed with indebtedness of the Local Unit the interest on which is excluded from gross income for purposes of federal income taxation. Accordingly, amounts held in the reserve or replacement fund allocable to the Local Unit Bond evidencing the Loan shall be invested by the Local Unit at a yield not in excess of the yield on the Trust Bonds throughout the term of the Loan, unless the Local Unit receives prior written approval of the Trust. Amounts in the reserve or replacement fund allocable to the Local Unit Bond evidencing the Loan will be held in a segregated account and invested separately from any other moneys so that such amounts will not be held in a "commingled fund" (within the meaning of Treasury Regulations §1.148-1(b)). The investment restrictions contained in this subsection shall not apply in the event the Trust receives an opinion of Bond Counsel to the effect that non-compliance with such restrictions will not affect the exclusion from gross income of the interest on the Trust Bonds.]

(xii) No "gross proceeds" of the Trust Bonds held by the Local Unit (other than amounts in a "bona fide debt service fund") will be held in a "commingled fund" (as such terms are defined in Treasury Regulations §1.148-1(b)).

(xiii) Based upon all of the objective facts and circumstances in existence on the date of issuance of the Trust Bonds used to finance the Project, (A) within six months of the date of issuance of the Trust Bonds used to finance the Project, the Local Unit will incur a substantial binding obligation to a third party to expend on the Project at least five percent (5%) of the "net sale proceeds" (within the meaning of Treasury Regulations §1.148-1) of the Loan used to finance the Project (treating an obligation as not being binding if it is subject to contingencies within the control of the Local Unit, the Trust or a "related party" (within the meaning of Treasury Regulations §1.150-1)), (B) completion of the Project and the allocation to expenditures of the "net sale proceeds" of the Loan used to finance the Project will proceed with due diligence, and (C) all of the proceeds of the Loan used to finance the Project (other than amounts deposited into the Debt Service Reserve Fund allocable to that portion of the Loan used to finance reserve capacity, if any) and investment earnings thereon will be spent prior to the period ending three (3) years subsequent to the date of issuance of the Trust Bonds used to finance the Project. Accordingly, the proceeds of the Loan deposited in the Project Loan Account used to finance the Project will be eligible for the 3-year arbitrage temporary period since the expenditure test, time test and due diligence test, as set forth in Treasury Regulations §1.148-2(e)(2), will be satisfied.

(xiv) The weighted average maturity of the Loan does not exceed 120% of the average reasonably expected economic life of the Project financed or refinanced with the Loan, determined in the same manner as under Section 147(b) of the Code. Accordingly, the term of the Loan will not be longer than is reasonably necessary for the governmental purposes of the Loan within the meaning of Treasury Regulations §1.148-1(c)(4).

(xv) The Local Unit shall only enter into service contracts (including management contracts), with respect to any portion of the Project financed by the Trust Bonds, with a "governmental unit" (within the meaning of Section 141 of the Code) or only when such contract complies with Rev. Proc. 97-13, 1997-1 I.R.B. 18, or successor provisions applicable to the Trust Bonds *provided*, that the Borrower delivers an opinion of Bond Counsel, in form and substance satisfactory to the Trust, to the effect that the entering into of such contracts by the Borrower will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Trust Bonds.

For purposes of this subsection and subsection (h) of this Section 2.02, quoted terms shall have the meanings given thereto by Section 148 of the Code, including, particularly, Treasury Regulations §§1.148-1 through 1.148-11, inclusive, as supplemented or amended, to the extent applicable to the Trust Bonds, and any successor Treasury Regulations applicable to the Trust Bonds.

(h) Records and Accounts.

(i) The Local Unit shall keep accurate records and accounts for its Environmental Infrastructure System (the "System Records") separate and distinct from its other records and accounts (the "General Records"). Such System Records shall be audited annually by an independent registered municipal accountant, which may be part of the annual audit of the General Records of the Local Unit. Such System Records and General Records shall be made available for inspection by the Trust at any reasonable time upon prior written notice, and a copy of such annual audit(s) therefor, including all written comments and recommendations of such accountant, shall be furnished to the Trust within 150 days of the close of the fiscal year being so audited or, with the consent of the Trust, such additional period as may be provided by law.

(ii) Unless otherwise advised in writing by the Trust, in furtherance of the covenant of the Local Unit contained in subsection (f) of this Section 2.02 not to cause the Trust Bonds to be arbitrage bonds, the Local Unit shall keep, or cause to be kept, accurate records of each investment it makes in any "nonpurpose investment" acquired with, or otherwise allocated to, "gross proceeds" of the Trust Bonds not held by the Trustee and each "expenditure" it makes allocated to "gross proceeds" of the Trust Bonds. Such records shall include the purchase price, including any constructive "payments" (or in the case of a "payment" constituting a deemed acquisition of a "nonpurpose investment" (e.g., a "nonpurpose investment" first allocated to "gross proceeds" of the Trust Bonds after it is actually acquired because it is deposited in a sinking fund for the Trust Bonds)), the "fair market value" of the "nonpurpose investment" on the date first allocated to the "gross proceeds" of the Trust Bonds, nominal interest rate, dated date, maturity date, type of property, frequency of periodic payments, period of compounding, yield to maturity, amount actually or constructively received on disposition (or in the case of a "receipt" constituting a deemed disposition of a "nonpurpose investment" (e.g., a "nonpurpose investment" that ceases to be allocated to the "gross proceeds" of the Trust Bonds because it is removed from a sinking fund for the Trust Bonds)), the "fair market value" of the "nonpurpose investment" on the date it ceases to be allocated to the "gross proceeds" of the Trust Bonds, the purchase date and disposition date of the "nonpurpose investment" and evidence of the "fair market value" of such property on the purchase date and disposition date (or deemed purchase or disposition date) for each such "nonpurpose investment". The purchase date, disposition date and the date of determination of "fair market value" shall be the date on which a contract

to purchase or sell the "nonpurpose investment" becomes binding, i.e., the trade date rather than the settlement date. For purposes of the calculation of purchase price and disposition price, brokerage or selling commissions, administrative expenses or similar expenses shall not increase the purchase price of an item and shall not reduce the amount actually or constructively received upon disposition of an item, except to the extent such costs constitute "qualified administrative costs".

(iii) Within thirty (30) days of the last day of the fifth and each succeeding fifth "bond year" (which, unless otherwise advised by the Trust, shall be the five-year period ending on the date five years subsequent to the date immediately preceding the date of issuance of the Trust Bonds and each succeeding fifth "bond year") and within thirty (30) days of the date the last bond that is part of the Trust Bonds is discharged (or on any other periodic basis requested in writing by the Trust), the Local Unit shall (A) calculate, or cause to be calculated, the "rebate amount" as of the "computation date" or "final computation date" attributable to any "nonpurpose investment" made by the Local Unit and (B) remit the following to the Trust: (1) an amount of money that when added to the "future value" as of the "computation date" of any previous payments made to the Trust on account of rebate equals the "rebate amount", (2) the calculations supporting the "rebate amount" attributable to any "nonpurpose investment" made by the Local Unit allocated to "gross proceeds" of the Trust Bonds, and (3) any other information requested by the Trust relating to compliance with Section 148 of the Code (e.g., information related to any "nonpurpose investment" of the Local Unit for purposes of application of the "universal cap").

(iv) The Local Unit covenants and agrees that it will account for "gross proceeds" of the Trust Bonds, investments allocable to the Trust Bonds and expenditures of "gross proceeds" of the Trust Bonds in accordance with Treasury Regulations §1.148-6. All allocations of "gross proceeds" of the Trust Bonds to expenditures will be recorded on the books of the Local Unit kept in connection with the Trust Bonds no later than 18 months after the later of the date the particular Cost of the Local Unit's Project is paid or the date the portion of the project financed by the Trust Bonds is placed in service. All allocations of proceeds of the Trust Bonds to expenditures will be made no later than the date that is 60 days after the fifth anniversary of the date the Trust Bonds are issued or the date 60 days after the retirement of the Trust Bonds, if earlier. Such records and accounts will include the particular Cost paid, the date of the payment and the party to whom the payment was made.

EXHIBIT 3.8

**RESOLUTION OF THE [NAME OF LOCAL UNIT] DECLARING ITS
OFFICIAL INTENT TO REIMBURSE EXPENDITURES FOR PROJECT
COSTS FROM THE PROCEEDS OF DEBT OBLIGATIONS IN CONNECTION
WITH ITS PARTICIPATION IN THE 2010 NEW JERSEY ENVIRONMENTAL
INFRASTRUCTURE TRUST FINANCING PROGRAM**

WHEREAS, the [Name of Local Unit] (the "Borrower") intends to acquire, construct, renovate and/or install the environmental infrastructure project more fully described in **Exhibit A** attached hereto (the "Project");

WHEREAS, the Borrower intends to finance the Project with debt obligations of the Borrower (the "Project Debt Obligations") but may pay for certain costs of the Project (the "Project Costs") prior to the issuance of the Project Debt Obligations with funds of the Borrower that are not borrowed funds;

WHEREAS, the Borrower reasonably anticipates that obligations, the interest on which is excluded from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), will be issued by the New Jersey Environmental Infrastructure Trust (the "Issuer") to finance the Project on a long-term basis by making a loan to the Borrower with the proceeds of the Issuer's obligations (the "Project Bonds"); and

WHEREAS, the Borrower desires to preserve its right to treat an allocation of proceeds of the Project Debt Obligations to the reimbursement of Project Costs paid prior to the issuance of the Project Debt Obligations as an expenditure for such Project Costs to be reimbursed for purposes of Sections 103 and 141 through 150, inclusive, of the Code.

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Borrower as follows:

Section 1. The Borrower reasonably expects to reimburse its expenditure of Project Costs paid prior to the issuance of the Project Debt Obligations with proceeds of its Project Debt Obligations.

Section 2. This resolution is intended to be and hereby is a declaration of the Borrower's official intent to reimburse the expenditure of Project Costs paid prior to the issuance of the Project Debt Obligations with the proceeds of a borrowing to be incurred by the Borrower, in accordance with Treasury Regulations §150-2.

Section 3. The maximum principal amount of the Project Debt Obligations expected to be issued to finance the Project is \$_____.

Section 4. The Project Costs to be reimbursed with the proceeds of the Project Debt Obligations will be "capital expenditures" in accordance with the meaning of Section 150 of the Code.

Section 5. No reimbursement allocation will employ an "abusive arbitrage device" under Treasury Regulations §1.148-10 to avoid the arbitrage restrictions or to avoid the restrictions under Sections 142 through 147, inclusive, of the Code. The proceeds of the Project Bonds used to reimburse the Borrower for Project Costs, or funds corresponding to such amounts, will not be used in a manner that results in the creation of "replacement proceeds", including "sinking funds", "pledged funds" or funds subject to a "negative pledge" (as such terms are defined in Treasury Regulations §1.148-1), of the Project Debt Obligations or another issue of debt obligations of the Borrower, other than amounts deposited into a "bona fide debt service fund" (as defined in Treasury Regulations §1.148-1).

Section 6. All reimbursement allocations will occur not later than 18 months after the later of (i) the date the expenditure from a source other than the Project Debt Obligations is paid, or (ii) the date the Project is "placed in service" (within the meaning of Treasury Regulations §1.150-2) or abandoned, but in no event more than 3 years after the expenditure is paid.

Section 7. This resolution shall take effect immediately.

EXHIBIT 3.09(c)

REFUNDING WORKSHEET

Borrower: _____

1. Name of Refunded Obligation: _____

2. Original Principal Amount of Refunded Obligation: _____
3. Dated Date of Refunded Obligation: _____
4. Date of Issuance of Refunded Obligation: _____
5. Outstanding Principal Amount of Refunded Obligation: _____
6. Date of Maturity of Refunded Obligation: _____
7. Redemption Provisions of Refunded Obligation (earliest redemption date, redemption price, etc.): _____
8. Date Trust Bond Proceeds will be used to repay the Refunded Obligation: _____
9. Will all of the bonds or notes that are part of Refunded Obligation be refunded with Trust Bond Proceeds and the Fund Loan? Yes No
10. What Amount of Refunded Obligation will be Refunded with both Trust Bond Proceeds and the Fund Loan? \$ _____
11. If less than all of the Refunded Obligation will be repaid with Trust Bond Proceeds and the Fund Loan, how will the balance of Refunded Obligation be satisfied? _____
12. Total Amount of Unspent Proceeds of the Refunded Obligation: \$ _____
13. Amount of Unspent Proceeds attributable to the portion of the Refunded Obligation that will be repaid with Trust Bond Proceeds and the Fund Loan? \$ _____

14. Is the Refunded Obligation part of a Series of Refundings? Yes No

If a Series of Refundings, list each Date of Issuance and each Principal Amount and Maturity for the portion of the Refunded Obligation to be repaid from Trust Bond Proceeds and the Fund Loan:

| | | | |
|--|-------|-------|-------|
| Date(s) New Money Notes or Bonds were Issued | _____ | _____ | _____ |
| Principal Amount Issued on each date | _____ | _____ | _____ |
| Maturity Date | _____ | _____ | _____ |

15. Has any portion of the Refunded Obligation been advance refunded? Yes No

Special Issues or Concerns: _____

16. Provide a copy of the tax and arbitrage certificate executed in connection with the issuance of the Refunded Obligation and the original financing if the Refunded Obligations are part of a series of refundings.