

Agenda Item #: 5B-1

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: May 20, 2008

Consent Regular
 Public Hearing

Department

Submitted By: COUNTY ATTORNEY

Submitted For:

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to adopt: a resolution authorizing amendments to the Indenture of Trust and Loan Agreement for the County's issuance of up to \$13,000,000 Variable Rate Demand Revenue Bonds (The Palm Beach Jewish Community Campus Corporation Project), Series 1997 (the "Bonds"), authorizing a remarketing circular for the Bonds and providing for an effective date.

Summary: The Bonds were authorized by Resolution R-1997-1060 on August 19, 1997 and issued on October 1, 1997. The proceeds were used by The Palm Beach Jewish Community Campus Corporation (the "Company") to build facilities at Jog Road and Gateway Boulevard and at North Military Trail and Community Boulevard. The Bonds are secured by bond insurance issued by AMBAC and by a liquidity facility from The Northern Trust Company. Due to the rating downgrade of AMBAC, the Bond documents are being amended to add a letter of credit to be provided by The Northern Trust Company. **The Bonds are payable solely from revenues derived from the Company, and neither the taxing power nor the faith and credit of the County, nor any County funds, shall be pledged to pay principal or redemption premiums, if any, or interest on the Bonds.** Districts 5 and 2 (PFK)

Background and Justification: The proceeds of the bonds were used by the Palm Beach Jewish community Campus Corporation to build social service facilities at Jog Road and Gateway Boulevard and at North Military Trail and Community Boulevard.

Attachment:

- 1. Resolution

Recommended by: DM Numan 5/9/08
Department Director Date

Approved by: N/A

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2008	2009	2010	2011	2012
Capital Expenditures	<u>0</u>	—	—	—	—
Operating Costs	<u>0</u>	—	—	—	—
External Revenues	<u>0</u>	—	—	—	—
Program Income (County)	<u>0</u>	—	—	—	—
In-Kind Match (County)	<u>0</u>	—	—	—	—
NET FISCAL IMPACT	<u>0</u>	—	—	—	—
# ADDITIONAL FTE POSITIONS (Cumulative)	<u>0</u>	—	—	—	—

Is Item Included in Current Budget? Yes ___ No ___

Budget Account No.: Fund ___ Department ___ Unit ___ Object ___
Reporting Category ___

B. Recommended Sources of Funds/Summary of Fiscal Impact:

C. Departmental Fiscal Review: All costs to be borne by Applicant. No fiscal impact costs to Palm Beach County.

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

<p><i>John A. Long</i> 5/12/08 OFMB 5/12/08</p>	<p><i>N/A</i></p> <hr/> <p>Contract Dev. and Control</p>
---	--

B. Legal Sufficiency:

Paul F. [Signature]
5/18/08
Assistant County Attorney

C. Other Department Review:

Department Director

THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.

RESOLUTION NO. R-2008-

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, RELATING TO THE COUNTY'S VARIABLE RATE DEMAND REVENUE BONDS (THE PALM BEACH JEWISH COMMUNITY CAMPUS CORPORATION PROJECT), SERIES 1997; AUTHORIZING AMENDMENTS TO THE INDENTURE OF TRUST AND LOAN AGREEMENT FOR THE BONDS; AUTHORIZING A REMARKETING CIRCULAR FOR THE BONDS; AND PROVIDING AN EFFECTNE DATE.

WHEREAS, by Resolution No. R-97-1 060 (the "Bond Resolution"), adopted August 19, 1997 Palm Beach County, Florida (the "Issuer") authorized the issuance of its Variable Rate Demand Revenue Bonds (The Palm Beach Jewish Community Campus Corporation Project) Series 1997 (the "Bonds"); and

WHEREAS, The Palm Beach Jewish Community Campus Corporation (the "Borrower") has requested that the Issuer approve amendments to the Indenture and Agreement (as defined in the Bond Resolution) to facilitate additional credit enhancement for the Bonds in the form of a letter of credit;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY THAT:

Section 1. Amendment of Indenture. The First Amendment to Indenture of Trust, in the form thereof attached hereto as Exhibit "A," with such changes, alterations and corrections as may be approved by the Chairperson, such approval to be presumed by the execution thereof by the Chairperson, is hereby approved by the Issuer, and the Issuer hereby authorizes and directs the Chairperson to execute the First Amendment to Indenture of Trust and the Clerk to attest thereto under the official seal of the Issuer.

Section 2. Amendment of Agreement. The First Amendment to Loan Agreement, in the form thereof attached hereto as Exhibit "B," with such changes, alterations and corrections as may be approved by the Chairperson, such approval to be presumed by the execution thereof by the Chairperson, is hereby approved by the Issuer, and the Issuer hereby authorizes and directs the Chairperson to execute the First Amendment to Loan Agreement and the Clerk to attest thereto under the official seal of the Issuer.

Section 3. Remarketing Circular. The Issuer authorizes the preparation of a remarketing circular for the Bonds to describe the transaction being implemented pursuant to the First Amendment to Indenture of Trust and the First Amendment to Loan Agreement, which shall be in such form as approved by the Office of the County Attorney, and upon such approval, the Chairperson is authorized and directed to execute the remarketing circular.

Section 4. General Authority. The Chairperson, and any other member of the County Commission of the Issuer, the Clerk, the County Attorney, and any other appropriate employee of the Issuer, are hereby each authorized to execute, publish, file and record such other documents, instruments, notices, and records and to take such other actions as shall be necessary or desirable to accomplish the purposes of this Resolution. In the event the Chairperson is unavailable to execute any document authorized hereby, any other member of the County Commission may take such action.

Section 5 Repealer. All resolutions or parts thereof of the Issuer in conflict with the provisions herein contained are, to the extent of any such conflict, hereby superseded and repealed.

Section 6 Effective Date. This Resolution shall take effect immediately upon its adoption.

The foregoing Resolution was offered by Commissioner _____ who moved its adoption. The motion was seconded by Commissioner _____, and upon being put to a vote, the motion passed as follows:

Commissioner Addie Greene - Chairperson
Commissioner Jeff Koons- Vice Chair
Commissioner Karen T. Marcus
Commissioner Robert Kanjian
Commissioner Mary McCarty
Commissioner Burt Aaronson
Commissioner Jess Santamaria

The Chairperson thereupon declared the Resolution duly passed and adopted this _____ day of _____, 2008.

PALM BEACH COUNTY, FLORIDA, BY ITS BOARD OF
COUNTY COMMISSIONERS
Sharon R. Bock, Clerk and Comptroller

By: _____
Deputy Clerk

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

By _____
County Attorney

FIRST AMENDMENT TO
INDENTURE OF TRUST

by and between

THE BANK OF NEW YORK TRUST COMPANY, N.A.
as Trustee

and

PALM BEACH COUNTY, FLORIDA,
as Issuer

FIRST AMENDMENT TO
INDENTURE OF TRUST

THIS FIRST AMENDMENT TO INDENTURE OF TRUST (this "First Amendment"), is dated as of June __, 2008, and is between The Bank of New York Trust Company, N.A. (the "Trustee") and Palm Beach County, Florida (the "Issuer"), and amends the Indenture of Trust (the "Original Indenture"), dated as of October 1, 1997, between the Issuer and American National Bank and Trust Company of Chicago. Terms used herein in capitalized form and not otherwise defined herein have the meanings ascribed thereto in the Original Indenture, and the provisions of Section 2.02 of the Original Indenture are applicable hereto.

WITNESSETH:

WHEREAS, pursuant to the Original Indenture the Issuer issued the Bonds; and

WHEREAS, the Bond Insurer issued the Bond Insurance Policy and the Bank issued the Liquidity Facility; and

WHEREAS, it is desirable that the Original Indenture be amended to allow for additional security to be provided for the Bonds in the form of a letter of credit;

NOW, THEREFORE, THE ISSUER AND THE TRUSTEE AGREE:

Section 1. The definition of "Bond Payments" contained in Section 2.01 of the Original Indenture is amended to provide:

"Bond Payments " means the payments made by the Borrower pursuant to Section 5.02(a) of the Agreement.

Section 2. The following definitions are added to Section 2.01 of the Original Indenture:

"Eligible Moneys" means:

(a) any of the following moneys that, until applied, are held in a separate and segregated account under this Indenture in which only Eligible Moneys are held:

(1) proceeds from the remarketing of any Bonds tendered for purchase pursuant to this Indenture and purchased by any Person other than the Issuer, the Borrower or the Guarantor (or any "insider," as defined in the United States Bankruptcy Code, of the Issuer, the Borrower or the Guarantor);

(2) moneys drawn under the Letter of Credit that are applied directly to the payment of principal or purchase price of, or premium, if any, or interest on the Bonds;

(3) moneys deposited in the Sinking Fund that have been continuously on deposit with the Trustee for a period of at least 367 days during which no petition in bankruptcy (or other bankruptcy or similar proceedings) is pending or has been filed by or against the Borrower, the Issuer or the Guarantor (or any "insider," as defined in the United States Bankruptcy Code, of the Borrower, the Issuer or the Guarantor) under the United States Bankruptcy Code, as now or hereafter in effect, or other applicable state or federal bankruptcy, insolvency, reorganization or similar law for the relief of debtors, as now or hereafter in effect;

(4) any other moneys or securities, if there is delivered to the Trustee an Opinion of Counsel from legal counsel nationally recognized for having expertise in bankruptcy matters (who, for purposes of such opinion, may assume that no Bondholder is an "insider," as defined in the United States Bankruptcy Code) to the effect that the use of such moneys or securities to pay the principal or purchase price of, or premium, if any, or interest on the Bonds would not constitute a voidable preferential payment in the event of the occurrence of the filing of a petition in bankruptcy (or other commencement of bankruptcy or similar proceedings) by or against the Borrower, the Guarantor or the Issuer (or any "insider," as defined in the United States Bankruptcy Code, of the Borrower, the Guarantor or the Issuer) under the United States Bankruptcy Code, or other applicable state or federal bankruptcy, insolvency, reorganization or similar law for the relief of debtors, as now or hereafter in effect; and

(5) earnings derived from the investment of any of the foregoing;

provided that such proceeds, moneys or income shall not be deemed to be Eligible Moneys or available for payment of the Bonds if, among other things, an injunction, restraining order or stay is in effect preventing such proceeds, moneys or income from being applied to make such payment.

"End Date" means the date as of which the Borrower shall have elected that the Letter of Credit Period shall terminate in accordance with Section 3.09(K) hereof.

"Letter of Credit" means initially the irrevocable direct-pay letter of credit issued by the Bank to the Trustee on the date of commencement of the Letter of Credit Period pursuant to the Standby Bond Purchase Agreement, and any extensions thereof, and any replacement letter of credit issued pursuant to Section 3.24 hereof.

"Letter of Credit Period" means the period from and including _____, 2008, to and including the End Date.

"Liquidity Facility" means (i) during the Letter of Credit Period, the Letter of Credit and (ii) at any other time, the Standby Bond Purchase Agreement and any Alternate Liquidity Facility.

"Standby Bond Purchase Agreement" means (i) during the Letter of Credit Period, the agreement between the Liquidity Facility Issuer and the Borrower pursuant to which the Letter of Credit is issued and (ii) at any other time, the Standby Bond Purchase Agreement, dated October 1, 1997, by and among the Borrower, the Bank and the Trustee, including any amendments and supplements thereto, and any Alternate liquidity Facility issued pursuant to Section 3.24 hereof.

Section 3. The last sentence of the second paragraph of Section 3.09(A) of the Original Indenture is amended to provide:

All Bonds must be in the same Mode, and during the Letter of Credit Period the Bonds may only be in the Daily Rate Mode or Floating Rate Mode.

Section 4. Section 3.09(K) is added to the Original Indenture providing:

The Borrower may terminate the Letter of Credit Period by written notice to the Trustee setting forth the End Date. The End Date must be the first Business Day of a month.

Section 5. Section 3.09(G) is amended by the addition of clause (vii) providing:

(vi) Mandatory Tender on End Date. The Bonds shall be subject to mandatory tender and purchase, in whole, on the End Date, at a price equal to the principal amount thereof plus accrued interest through and including the day prior to the tender and purchase date.

Section 6. Section 3.09(G)(v) is amended by the addition of the following sentence at the end thereof:

In connection with a mandatory tender in accordance with Section 3.09(G)(vi), notice shall be given in the manner provided in the preceding paragraph with respect to mandatory tenders pursuant to Section 3.09(G)(iv).

Section 7. Section 3.11 (e) is amended by the addition of the following paragraph:

Notwithstanding the first sentence of the preceding paragraph, during the Letter of Credit Period, prior to 11:00 a.m. on the purchase date the Trustee shall draw funds under the Letter of Credit in an amount equal to the sum of (1) the purchase price of any tendered Bonds (or beneficial interests therein) not remarketed (if the Remarketing Agent fails to notify the Trustee of Bonds remarketed as provided in Section 3.11(c) or (d) above, the Trustee shall assume that the tendered Bonds have not been remarketed); and (2) any tendered Bonds (or beneficial interests therein) remarketed and for which payment has not been received, such drawing to be in accordance with the terms of the Letter of Credit.

Section 8. Section 3.11(k) is added to the Original Indenture providing:

Bonds tendered for purchase on the End Date shall not be remarketed unless on or before the End Date the Borrower shall have provided the Trustee either (i) the items described in Section 3.24(a)(ii) or (ii) a Liquidity Facility to be effective on the End Date and the written consent and approval of the Bond Insurer.

Section 9. Section 3.15(c) is added to provide:

(c) Upon receipt by the Trustee and the Bond Insurer of (i) written notice from the Bank stating that the Bank is entitled to require the Bonds to be redeemed pursuant to the terms of the Standby Bond Purchase Agreement and directing that the Bonds be redeemed pursuant to this Section 3.15(c) and (ii) an Opinion of Counsel stating that following the payment of the redemption price with proceeds of a drawing on the Letter of Credit the Bonds will no longer be considered Outstanding under the Trust Agreement, then the Bonds shall be subject to redemption in whole on the date the Trustee receives such notice, at the price equal to the principal amount thereof plus accrued interest to the redemption date. Any such redemption is an optional redemption, and the redemption price due on such date is not, by virtue of such redemption, "Due for Payment" within the meaning of the Bond Insurance Policy.

Section 10. The first paragraph of Section 3.17 of the Original Indenture is amended by the addition of the following sentence:

In the case of a redemption pursuant to Section 3.15(c), notice of redemption shall be given by the Trustee to the Bondholders promptly (and in any case within one Business day after) upon receipt of the notice from the Bank directing the redemption.

Section 11. Section 3.19 of the Original Indenture is amended by the addition of the following sentence at the end thereof:

In the case of any optional redemption pursuant to Section 3.15(a), the Trustee shall select any Bank Bonds for redemption prior to any other Bonds.

Section 12. Sections 5.02 and 5.03 of the Original Indenture are amended to provide:

SECTION 5.02. Creation of Funds and Accounts.

There are hereby created and ordered to be established in the custody of the Trustee the following special trust funds and accounts with respect to the Bonds, to be designated as follows:

(a) "Sinking Fund," and within such fund three separate and segregated trust accounts designated the "Eligible Moneys Account," the "Non-Eligible Moneys Account" and the "Letter of Credit Account."

- (b) "Rebate Fund."
- (c) "Collateral Fund."

All moneys deposited with or paid to the Trustee for each of said Funds shall be held by the Trustee in trust and shall be applied only in accordance with the provisions of this Indenture, and, until used or applied as herein provided, shall constitute part of the Trust Estate and be subject to the lien, terms and provisions hereof and shall not be commingled with any other funds of the Trustee.

The Letter of Credit Account shall be established and maintained as an "Eligible Account." An "Eligible Account" is an account that is either (a) maintained with a federal or state-chartered depository institution or trust company that has a Standard & Poor's short-term debt rating of at least 'A-2' (or, if no short-term debt rating, a long-term debt rating of 'BBB+'); or (b) maintained with the corporate trust department of a federal depository institution or state-chartered depository institution subject to regulations regarding fiduciary funds on deposit, which, in either case, has corporate trust powers and is acting in its fiduciary capacity. In the event that an account required to be an "Eligible Account" no longer complies with the foregoing requirement, the Trustee shall promptly (and, in any case, within not more than 30 calendar days) move such account to another financial institution such that the Eligible Account requirement will again be satisfied.

SECTION 5.03. Sinking Fund.

The Trustee shall deposit and credit to the applicable account in the Sinking Fund, as and when received, the following:

- (a) All Bond Payments shall be deposited and credited to the Non-Eligible Moneys Account of the Sinking Fund.
- (b) All moneys drawn by the Trustee under the Letter of Credit to pay scheduled principal and interest on the Bonds shall be deposited and credited to the Letter of Credit Account of the Sinking Fund and shall not be commingled with any other moneys held by the Trustee.
- (c) All other moneys received by the Trustee under and pursuant to any of the provisions of this Indenture or the Agreement, when accompanied by written directions from the person depositing such moneys that such moneys are to be paid into the applicable account of the Sinking Fund.

Any amounts paid to the Trustee that do not constitute Eligible Moneys shall be held in the Non-Eligible Moneys Account and shall not be commingled with any other moneys held by the Trustee. At such time as moneys in the Non-Eligible Moneys Account shall constitute Eligible Moneys, they shall be transferred to the Eligible Moneys Account.

Moneys in the Sinking Fund shall be held in trust and shall be applied in accordance with the provisions of this Indenture to pay the principal of and interest on the Bonds as the same become due and payable, using moneys in the Letter of Credit Account, the Eligible Moneys Account and the Non-Eligible Moneys Account, in that order.

The Trustee, prior to noon on the Business Day next preceding each date on which principal is due and payable on the Bonds (including upon redemption or acceleration, but not including in connection with a purchase of Bonds upon optional or mandatory tender pursuant to Section 3.09(G)), shall draw on the Letter of Credit the full amount required for the purpose of paying the principal of and interest to become due and payable on the Bonds (other than Bank Bonds) on such date. Such drawing shall be made in a timely manner under the terms of the Letter of Credit in order that the Trustee may realize funds thereunder in sufficient time to pay Bondholders on the payment date as provided herein. All amounts drawn under the Letter of Credit for the payment of principal and interest on Bonds (other than in connection with a purchase of Bonds upon optional or mandatory tender pursuant to Section 3.09(G)) shall be held by the Trustee in the Letter of Credit Account in the Sinking Fund and used only for the purposes set forth herein. In drawing on the Letter of Credit, the Trustee will be acting on behalf of the Bondholders by facilitating payment of their Bonds and not on behalf of the Issuer or Borrower and will not be subject to the control of either. In the event the Bank fails to honor a properly presented drawing upon the Letter of Credit for the payment of principal and interest on Bonds (other than in connection with a purchase of Bonds upon optional or mandatory tender pursuant to Section 3.09(G)), the Trustee shall provide notice thereof to the Borrower, which notice shall demand payment by the Borrower, pursuant to its obligations in the Agreement, of any and all amounts then due and payable with respect to the Bonds.

The principal and interest on Bonds paid (including upon redemption or acceleration, but not including in connection with a purchase of Bonds upon optional or mandatory tender pursuant to Section 3.09(G)), with proceeds of a drawing under the Letter of Credit shall, upon such payment, no longer be Outstanding for any purpose, including but not limited to Section 14.02(e) hereof.

Section 13. Sections 3.24(f) and (g) of the Original Indenture are created providing:

(f) If at any time an Alternate Liquidity Facility is delivered to the Trustee, together with the other documents and opinions required by this Indenture, then the Trustee shall accept such Alternate Liquidity Facility and promptly (but not sooner than the first Business Day after the effective date of the Alternate Liquidity Facility) surrender the Liquidity Facility previously in effect to the issuer thereof, in accordance with the terms thereof, for cancellation. If at any time there shall cease to be any Bonds Outstanding under this Indenture, or if the

Liquidity Facility expires in accordance with its terms, the Trustee shall promptly (but not sooner than the first Business Day after the occurrence of such event) surrender the Liquidity Facility to the issuer thereof, in accordance with the terms thereof, for cancellation. The Trustee shall comply with the procedures set forth in the Liquidity Facility relating to the termination thereof.

(g) In the event of a drawing under the Liquidity Facility to pay the purchase price of Bonds upon a mandatory purchase date relating to the issuance and delivery of an Alternate Liquidity Facility, the Trustee shall draw moneys under the Liquidity Facility in effect on and prior to such mandatory purchase date and shall not draw upon the Alternate Liquidity Facility that will become effective on or after such mandatory purchase date.

Section 14. Section 7.07 of the Original Indenture is amended by the addition of "the Liquidity Facility Issuer," after the words "the Borrower".

Section 15. Section 8.14 of the Original Indenture is created providing:

Unless an Event of Default described in Section 8.01(a) has occurred and the Liquidity Facility Issuer has wrongfully dishonored a drawing on the Liquidity Facility causing or contributing to such Event of Default, there may be no acceleration of the principal of the Bonds as provided in Section 8.02.

Section 16. The final sentence of Section 9.02 of the Original Indenture is amended to provide:

The Trustee may not seek indemnification pursuant to this Section 9.02 as a condition to declaring the principal of or interest on the Bonds to be due and payable under Section 802, to drawing on or requesting a purchase of Bonds under the Liquidity Facility or to making any payment of principal, purchase price, premium or interest on the Bonds.

Section 17. Section 9.05 of the Original Indenture is amended by the addition of the following sentence:

Notwithstanding the foregoing, during the Letter of Credit period the Trustee shall have no right to payment from the proceeds of a drawing on the Letter of Credit.

Section 18. The final sentence of Section 11.01 of the Original Indenture is amended by adding the words "and the Credit Facility Issuer" after the words "the Bond Insurer".

Section 19. Section 14.01 (a) of the Original Indenture is amended to provide:

No provision of this Indenture may be amended without the written consent of the Bond Insurer.

Section 20. The first two sentences of Section 14.02(a) of the Original Indenture are amended to provide:

If on any date on which principal of or interest on the Bonds is "Due for Payment" within the meaning of the Bond Insurance Policy and funds sufficient for such payment are not available hereunder after the Trustee has complied with the provisions of Section 5.03 hereof regarding drawing on the Letter of Credit the Trustee shall so notify the Bond Insurer.

Section 21 Section 14.05(a) of the Original Indenture is amended to provide:

No provision of this Indenture may be amended without the written consent of the Liquidity Facility Issuer.

Section 22. Sections 14.05(e) and (f) are added to the Original Indenture providing:

(e) The Bank shall be subrogated to the rights of the Trustee and Bondholders pursuant to the Bond Insurance Policy in an amount (the "Deficiency") and to the extent the Bank pays (a "Covered Payment") principal or interest on Bonds that shall have become "Due for Payment" within the meaning of the Bond Insurance Policy and the Bank has not been reimbursed for such payment by the Borrower in accordance with the Agreement and the Standby Bond Purchase Agreement. To exercise such rights of subrogation as to a Covered Payment the Bank must notify the Trustee and the Bond Insurer by 5:00 p.m. on the date sixty days after a Covered Payment that the Bank is making a claim (a "Claim") under the Bond Insurance Policy, which claim shall (i) specifically reference the Policy Number of the Bond Insurance Policy and shall be presented to the Bond Insurer at its address specified herein or pursuant hereto, (ii) the date of the Covered Payment and (iii) the amount of the Covered Payment. Upon payment of a Claim, the provisions of Section 14.02(f) shall apply to the same extent as if the Bond Insurer had made such payment directly on the Bonds.

In the event the Bank does not make a Claim within sixty days after a Covered Payment, the Bond Insurer shall have no further obligation to the Bank with respect thereto, and a principal amount of the Bonds equal to the Deficiency shall be deemed fully discharged in accordance herewith.

(f) If, at the time of a redemption of Bonds pursuant to Section 3.15(c) hereof, the Bond Insurer has previously paid a Claim to the Bank or has made a payment under the Bond Insurance Policy to the Insurance Trustee as provided therein, and for which the Bond Insurer has not been reimbursed, then the rights of the Bank to payment from the Borrower for amounts due hereunder and under the Standby Bond Purchase Agreement shall be subordinate to the rights of the Bond Insurer hereunder and under the Agreement, and the Bank shall not accept any payment, whether hereunder, under the Agreement or otherwise, in satisfaction of amounts owing to it pursuant to the Standby Bond Purchase Agreement, unless and until

the Bond Insurer shall have been reimbursed all amounts owing to it hereunder and under the Agreement, including but not limited to costs incurred by the Bond Insurer in the enforcement of its rights hereunder and thereunder.

Section 23. Section 15.04(a) of the Original Indenture is amended by adding the words "the End Date or" before the words "the expiration".

Section 24. The Bonds shall be modified to incorporate the terms of this First Amendment.

Section 25. Except as amended hereby the Original Indenture remains in full force and effect.

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this First Amendment to Indenture of Trust be duly executed by their duly authorized officers, as of the day and year first above written.

PALM BEACH COUNTY, FLORIDA

[SEAL]

By: _____
Title: Chairperson
Board of County Commissioners

ATTEST: Sharon R. Bock

By: _____
Title: Clerk of the Circuit Court and ex-officio
Clerk to the Board of County Commissioners
and Comptroller

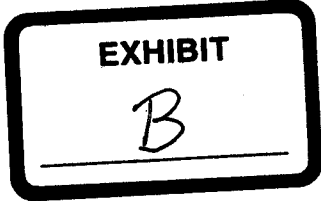
Approved as to form and legal sufficiency for the Issuer

By: _____
Assistant County Attorney

THE BANK OF NEW YORK TRUST COMPANY, N.A.,
as Trustee

By: _____
Title: Vice President

The consents of the Borrower, Liquidity Facility Issuer and Bond Insurer to the foregoing First Amendment to Indenture of Trust are signified by the signatures below.



FIRST AMENDMENT TO
FINANCING AGREEMENT

by and between

THE PALM BEACH JEWISH COMMUNITY CAMPUS CORPORATION,
as Borrower

and

PALM BEACH COUNTY, FLORIDA,
as Issuer

FIRST AMENDMENT TO
FINANCING AGREEMENT

THIS FIRST AMENDMENT TO FINANCING AGREEMENT (this "First Amendment"), is dated as of June __, 2008, and is between The Palm Beach Jewish Community Campus Corporation (the "Borrower") and Palm Beach County, Florida (the "Issuer"), and amends the Financing Agreement (the "Original Agreement"), dated as of October 1, 1997, between the Issuer and the Borrower. Terms used herein in capitalized form and not otherwise defined herein have the meanings ascribed thereto in the Original Agreement.

Section 1. Section 5.02(a) of the Original Agreement is amended by the addition thereto of a second paragraph providing:

During the Letter of Credit Period, the Borrower shall receive a credit against its obligations to make the Bond Payments and the obligation of the Company to make any such payment hereunder shall be deemed satisfied and discharged to the extent of the corresponding payment made by the Bank to the Trustee under the Letter of Credit; provided further, however, that to the extent such payment is not made under the Letter of Credit (other than in connection with a purchase of Bonds upon optional or mandatory tender pursuant to Section 3.09(G) of the Indenture), the Borrower is obligated to make full payment.

Section 2. Section 5.02(f) is deleted from the Original Indenture.

Section 3. Section 9.07 of the Original Agreement is amended by the addition of the following sentence at the end thereof:

At such time as no Bonds are Outstanding and no amounts are owed the Bond Insurer hereunder or under the Indenture, this Section 9.07 shall be applied by substituting the words "Liquidity Facility Issuer" for the words "Bond Insurer" and the words "Liquidity Facility" for the words "Bond Insurance Policy."

Section 4. Section 9.08 is added to the Original Agreement providing:

SECTION 9.08 Indemnification of Bond Insurer. The Borrower shall reimburse the Bond Insurer for any amounts paid to the Bank and the Bondholders under the Bond Insurance Policy and all costs of collection thereof and enforcement of the Indenture and any other documents executed in connection with the Bonds, together with interest thereon, from the date paid or incurred by the Bond Insurer until payment thereof in full by the Borrower, payable at the Insurer Payment Rate (as hereinafter defined), including without limitation (to the extent permitted by applicable law) interest on claims paid by the Insurer in respect of interest on the Bonds. Such payment obligation shall be payable on demand and on a parity with, and from the same sources and secured by the same security as, regularly scheduled principal and interest payments in respect of the Bonds, other than the

Letter of Credit. For purposes of the foregoing, "Insurer Payment Rate" shall mean the lesser of (a) the maximum rate permissible under applicable usury or similar laws limiting interest rates and (b) the greater of (i) the then applicable highest allowable rate of interest on the Bonds and (ii) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank, N.A. ("Chase") at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by Chase) plus 3 percent. The Insurer Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event that Chase ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the Bond Insurer shall specify.