

Recipient: «Borrower_Name»

Loan Number: «Loan_No»

TAX CERTIFICATE

Certain terms that are used herein and that are defined or used in the Internal Revenue Code of 1986, as amended (the "Code"), or in the Treasury Regulations issued thereunder are explained in general terms in Definitions attached to this Certificate and made a part hereof.

The undersigned officials of «Borrower_Name» (the "Borrower") hereby certify that we are the duly appointed, qualified, and acting officials of the Borrower set forth under our respective signatures, and that we have all authority necessary to execute this Certificate on behalf of the Borrower, and we hereby certify for and on behalf of the Borrower that:

1. In General

1.1. We are familiar with the loan in the authorized principal amount not to exceed \$«Loan_Amount1» (the "Loan"), being made by the Georgia Environmental Finance Authority (the "Lender") to the Borrower pursuant to the terms of a Loan Agreement, dated the date hereof, between the Lender and the Borrower, for the purpose of providing funds that will be used to permanently finance the costs of certain replacements, additions, extensions, and improvements to the Borrower's environmental facilities (the "System"). The Loan is a draw-down loan, in which the Lender will advance loan amounts to the Borrower to pay for eligible costs only after such costs have been incurred by the Borrower. Proceeds of the Loan will not be invested before they are used to pay eligible costs. The Borrower reasonably expects to draw the full amount of the Loan to pay eligible costs within the 3-year period beginning on the "issue date."

2. Private Activity Bond Test

2.1. Either (a) no more than ten percent of the proceeds of the Loan are to be used for any "private business use"; or

(b) the payment of the principal of, or the interest on, no more than ten percent of the proceeds of the Loan is (under the terms of the Loan or any underlying arrangement) directly or indirectly (1) secured by any interest in (A) property used or to be used for a "private business use," or (B) payments in respect of such property, or (2) to be derived from payments (whether or not to the Borrower) in respect of property, or borrowed money, used or to be used for a "private business use."

2.2. No proceeds of the Loan are to be used for any "private business use," which use is not related to any "government use" of such proceeds.

2.3. The proceeds of the Loan that are to be used for any “private business use” will not exceed the proceeds of the Loan that are to be used for the “government use” to which such “private business use” relates.

2.4. The amount of the proceeds of the Loan that are to be used (directly or indirectly) to make or finance loans to persons other than governmental units will not exceed the lesser of five percent of such proceeds or \$5,000,000.

2.5. Without limiting the general nature of the certifications set forth above, the Borrower certifies as follows:

(i) The Borrower will own and operate the System.

(ii) The System will be available for general public use.

(iii) Use of the System by any person other than a governmental unit will be on the same basis as use by other members of the general public. No portion of the services, facilities, and commodities provided by the System will be made available to any one customer (other than a state or local governmental unit), or limited group of customers (other than state or local governmental units), on a basis other than the same basis as such services, facilities, and commodities are made available to the general public. The Borrower may, however, grant volume discounts to reasonable classifications of private users, if other private users in the same classifications are entitled to the same volume discounts.

(iv) The Borrower knows of no facts or circumstances surrounding the capital improvements to be financed by the Loan that would indicate that the primary purpose of the capital improvements to be financed by the Loan is to benefit one private user or a limited number of private users.

3. Contracts and Other Arrangements

3.1. The Borrower has not entered into and will not enter into any output or take or take-or-pay contracts or other preferred arrangements with any entity other than a state or local governmental unit with respect to the services, facilities, and commodities provided by the System.

3.2. The Borrower has not entered into and will not enter into any lease or other contract providing for use of the System with any entity other than a state or local governmental unit.

3.3. The Borrower has not entered into and will not enter into a “management contract” involving the System with any entity other than a state or local governmental unit, unless it is a “qualified management contract.”

3.4. The Borrower has not entered into and will not enter into any other arrangements with any entity other than a state or local governmental unit that convey

special legal entitlements to the services, facilities, and commodities provided by the System.

4. Section 149 Matters

4.1. The Loan is not and will not be “federally guaranteed.”

4.2. The Borrower reasonably expects that at least 85 percent of the spendable proceeds of the Loan will be used to carry out the governmental purposes of the Loan within the 3-year period beginning on the “issue date.” Not more than 50 percent of the proceeds of the Loan will be invested in nonpurpose investments having a substantially guaranteed yield for 4 years or more.

To the best of our knowledge, information, and belief, there are no other facts, estimates, or circumstances that would materially change any of the foregoing certifications. The representations contained in this Certificate are made for the benefit of the Lender and may be relied upon by the Lender in determining whether or not the interest on the Loan is subject to income taxation by the United States under existing statutes, regulations, and decisions.

Dated: _____

«**BORROWER_NAME**»

Signature: _____

Print Name: _____

Title: _____

(SEAL)

Attest Signature: _____

Print Name: _____

Title: _____

DEFINITIONS

The following definitions are furnished only as general guidelines. For complete definitions, competent tax counsel should be consulted.

“Adjusted Gross Revenues”

“Adjusted gross revenues” means gross revenues of all or a portion of the property to be financed or refinanced by the Loan, less allowances for bad debts and contractual and similar allowances.

“Capitation Fee”

“Capitation fee” means a fixed periodic amount for each person for whom the “service provider” or the “qualified user” assumes the responsibility to provide all needed services for a specified period so long as the quantity and type of services actually provided to covered persons varies substantially.

“Federally Guaranteed”

(1) An obligation will be considered to be “federally guaranteed” if:

(a) the payment of principal or interest with respect to such obligation is guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof),

(b) such obligation is issued as part of an issue and 5% or more of the proceeds of such issue are to be -

(i) used in making loans the payment of principal or interest with respect to which are to be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof), or

(ii) invested (directly or indirectly) in federally insured deposits or accounts, or

(c) the payment of principal or interest on such obligation is otherwise indirectly guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof).

(2) A federally insured deposit or account means any deposit or account in a financial institution to the extent such deposit or account is insured under federal law by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the National Credit Union Administration, or any similar federally chartered corporation.

(3) An obligation will not be treated as federally guaranteed if the obligation is guaranteed by:

(a) the Federal Housing Administration, the Veteran's Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, or the Government National Mortgage Association, or

(b) the Student Loan Marketing Association.

(4) The provisions prohibiting an obligation from being federally guaranteed are inapplicable to:

(a) proceeds of an issue invested for an initial temporary period until such proceeds are needed for the purpose for which such issue was issued,

(b) investments of a bona fide debt service fund,

(c) investments of a reserve that meets the requirements of Section 148(d) of the Code,

(d) investments in bonds issued by the United States Treasury, or

(e) other investments permitted under regulations.

"Government Use"

"Government use" means any use other than a "private business use."

"Issue Date"

"Issue date" means the first date on which the aggregate draws under the Loan exceed the lesser of \$50,000 or 5 percent of \$«Loan_Amount1».

"Management Contract"

"Management contract" means a management, service, or incentive payment contract between the Borrower and a "service provider" under which the "service provider" provides services involving all, a portion, or any function of the property to be financed or refinanced by the Loan.

"Penalties"

"Penalties" for terminating a contract include a limitation on the Borrower's right to compete with the "service provider"; a requirement that the Borrower purchase equipment, goods, or services from the "service provider"; and a requirement that the Borrower pay liquidated damages for cancellation of the contract. In contrast, a requirement effective on cancellation that the Borrower reimburse the "service provider" for ordinary and necessary expenses or a restriction on the Borrower against hiring key personnel of the "service provider" is generally not a contract termination penalty. Another contract between the "service provider" and the Borrower, such as a loan or guarantee by the "service provider," is treated as creating a contract termination penalty

if that contract contains terms that are not customary or arm's-length that could operate to prevent the Borrower from terminating the contract (for example, provisions under which the contract terminates if the "management contract" is terminated or that place substantial restrictions on the selection of a substitute "service provider").

"Periodic Fixed Fee"

"Periodic fixed fee" means a stated dollar amount for services rendered for a specified period of time. For example, a stated dollar amount per month is a periodic fixed fee. The stated dollar amount may automatically increase according to a specified, objective, external standard that is not linked to the output or efficiency of the property to be financed or refinanced by the Loan. For example, the Consumer Price Index and similar external indices that track increases in prices in an area or increases in revenues or costs in an industry are objective external standards. "Capitation fees" and "per-unit fees" are not periodic fixed fees.

"Per-Unit Fee"

"Per-unit fee" means a fee based on a unit of service provided specified in the contract or otherwise specifically determined by an independent third party or the Borrower.

"Private Business Use"

"Private business use" means use (directly or indirectly) in a trade or business carried on by any person other than a governmental unit. For purposes of the preceding sentence, use as a member of the general public is not taken into account, and any activity carried on by a person other than a natural person is treated as a trade or business.

"Qualified Management Contract"

"Qualified management contract" means a "management contract" that meets the requirements set forth in (a), (b), and (c) below.

(a) General compensation requirements. The contract must provide for reasonable compensation for services rendered with no compensation based, in whole or in part, on a share of net profits from the operation of the property to be financed or refinanced by the Loan. Compensation based on (1) a "capitation fee," (2) a "per-unit fee," or (3) a percentage of gross revenues (or "adjusted gross revenues") of the property to be financed or refinanced by the Loan or a percentage of expenses from the property to be financed or refinanced by the Loan, but not both, is generally not considered to be based on a share of net profits. Reimbursement of the "service provider" for actual and direct expenses paid by the "service provider" to unrelated parties is not by itself treated as compensation. A productivity reward equal to a stated dollar amount based on increases or decreases in gross revenues (or "adjusted gross revenues"), or reductions in total expenses (but not both increases in gross revenues (or

“adjusted gross revenues”) and reductions in total expenses) in any annual period during the term of the contract, generally does not cause the compensation to be based on a share of net profits.

(b) Permissible arrangements. The “management contract” must be described in paragraph (1), (2), (3), (4), or (5) below.

(1) 95 percent periodic fixed fee arrangements. At least 95 percent of the compensation for services for each annual period during the term of the contract is based on a “periodic fixed fee.” The term of the contract, including all “renewal options,” must not exceed the lesser of 80 percent of the reasonably expected useful life of the financed property and 20 years. For purposes of this paragraph (1), a fee does not fail to qualify as a “periodic fixed fee” as a result of a one-time incentive award during the term of the contract under which compensation automatically increases when a gross revenue or expense target (but not both) is reached if that award is equal to a single, stated dollar amount.

(2) 80 percent periodic fixed fee arrangements. At least 80 percent of the compensation for services for each annual period during the term of the contract is based on a “periodic fixed fee.” The term of the contract, including all “renewal options,” must not exceed the lesser of 80 percent of the reasonably expected useful life of the financed property and 20 years. For purposes of this paragraph (2), a fee does not fail to qualify as a periodic fixed fee as a result of a one-time incentive award during the term of the contract under which compensation automatically increases when a gross revenue or expense target (but not both) is reached if that award is equal to a single, stated dollar amount.

(3) 50 percent periodic fixed fee arrangements. Either at least 50 percent of the compensation for services for each annual period during the term of the contract is based on a “periodic fixed fee” or all of the compensation for services is based on a “capitation fee” or a combination of a “capitation fee” and a “periodic fixed fee.” The term of the contract, including all “renewal options,” must not exceed 5 years. The contract must be terminable by the Borrower on reasonable notice, without penalty or cause, at the end of the third year of the contract term.

(4) Per-unit fee arrangements in certain 3-year contracts. All of the compensation for services is based on a “per-unit fee” or a combination of a “per-unit fee” and a “periodic fixed fee.” The term of the contract, including all “renewal options,” must not exceed 3 years. The contract must be terminable by the Borrower on reasonable notice, without penalty or cause, at the end of the second year of the contract term.

(5) Percentage of revenue or expense fee arrangements in certain 2-year contracts. All of the compensation for services is based on a

percentage of fees charged or a combination of a “per-unit fee” and a percentage of revenue or expense fee. The term of the contract, including “renewal options,” must not exceed 2 years. The contract must be terminable by the Borrower on reasonable notice, without penalty or cause, at the end of the first year of the contract term. This paragraph (5) applies only to contracts under which the “service provider” primarily provides services to third parties.

(c) No Circumstances Substantially Limiting Exercise of Rights. The “service provider” must not have any role or relationship with the Borrower that, in effect, substantially limits the Borrower’s ability to exercise its rights, including cancellation rights, under the contract, based on all the facts and circumstances. This requirement is satisfied if:

(1) not more than 20 percent of the voting power of the governing body of the Borrower in the aggregate is vested in the “service provider” and its directors, officers, shareholders, and employees;

(2) overlapping board members do not include the chief executive officers of the “service provider” or its governing body or the Borrower or its governing body; and

(3) the Borrower and the “service provider” under the contract are not related parties, as defined in Treasury Regulation Section 1.150-1(b).

“Qualified User”

“Qualified user” means any state or local governmental unit.

“Renewal Option”

“Renewal option” means a provision under which the “service provider” has a legally enforceable right to renew the contract.

“Service Provider”

“Service provider” means any person other than a “qualified user” that provides services under a contract to or for the benefit of the Borrower.