

OHS Draft 2/06/09

TERMINATION AGREEMENT

dated as of February 24, 2009

Among

THE CITY OF GAINESVILLE, FLORIDA,
doing business as
GAINESVILLE REGIONAL UTILITIES

BNY GATOR LLC,

THE BANK OF NEW YORK,

WILMINGTON TRUST COMPANY,

AME ASSET FUNDING, LLC,

AMBAC ASSURANCE CORPORATION,

AMBAC CAPITAL FUNDING, INC.,

AND

AMBAC CREDIT PRODUCTS, LLC

This **Termination Agreement** (this “**Agreement**”), dated as of February 24, 2009 among **THE CITY OF GAINESVILLE, FLORIDA**, doing business as GAINESVILLE REGIONAL UTILITIES, a municipal corporation organized under the Constitution and laws of the State of Florida (the “**Lessee**” or “**Gainesville**”), **BNY GATOR LLC**, a Delaware limited liability company (the “**Equity Investor**”), **WILMINGTON TRUST COMPANY**, a Delaware banking corporation (the “**Trustee**”), not in its individual capacity, except as otherwise expressly provided herein, but solely as Trustee under the Trust Agreement, **AME INVESTMENTS, LLC**, a Delaware limited liability company (the “**Lender**”), **AMBAC CAPITAL FUNDING, INC.**, a Delaware corporation (the “**GIC Issuer**”), **AME ASSET FUNDING, LLC**, a Delaware limited liability company (the “**Payment Undertaker**”), **AMBAC ASSURANCE CORPORATION**, a Wisconsin-domiciled stock insurance corporation (“**Ambac**”), **AMBAC CREDIT PROJECTS, LLC**, a Delaware limited liability company (the “**Beneficial Interest Purchaser**”), **THE BANK OF NEW YORK**, in its capacity as Collateral Agent under the Equity Collateral Agreement (the “**Collateral Agent**”) and **WILMINGTON TRUST COMPANY**, a Delaware banking corporation, in its capacity as Agent under the Equity Collateral Agreement (the “**Agent**”).

WITNESSETH:

Whereas, the Lessee, the Equity Investor, the Lender and the Trustee entered into a Participation Agreement, dated as of December 10, 1998 (the “**Participation Agreement**”), pursuant to which such parties agreed to enter into a transaction with respect to an undivided interest in Deerhaven Unit No. 1, an 81 MW gas/oil fired electric generating unit and Deerhaven Unit 2, a 251 (nameplate) coal fired electric generating unit.

Whereas, the Lessee leased to the Trustee the Real Property Portion of the Undivided Interest in Unit 2 and the Common Facilities and the Real Property Portion of the Undivided Interest in Unit 1, for a term of approximately 38 years pursuant to the Head Lease Agreement (Real Property), dated as of December 10, 1998 between the Lessee and the Trustee (the “**Head Lease (Real Property)**”).

Whereas, the Lessee leased to the Trustee the Personal Property Portion of the Undivided Interest in Unit 2 and the Common Facilities and the Personal Property Portion of the Undivided Interest in Unit 1, for a term of approximately 38 years pursuant to the Head Lease Agreement (Personal Property), dated as of December 10, 1998 between the Lessee and the Trustee (the “**Head Lease (Personal Property)**”), and together with the Head Lease (Real Property), the “**Head Leases**”).

Whereas, the Trustee leased to the Lessee the Undivided Interest of Unit 2 and the Common Facilities and the Undivided Interest of Unit 1 for a term of approximately 20 years, pursuant to the Facility Lease Agreement, dated as of December 10, 1998 between the Trustee and the Lessee (the “**Lease**”).

Whereas, the Trustee and the Lessee entered into the Lessee Leasehold Mortgage and Security Agreement, dated as of December 10, 1998 (the “**Lessee Leasehold Mortgage**”), pursuant to which, among other things, the Lessor granted a security interest in favor of the Lessee securing certain of its obligations under the Lease.

Whereas, the Lender and the Trustee entered into the Loan and Security Agreement, dated as of December 10, 1998 (the “**Loan Agreement**”), pursuant to which the Trustee issued certificates (the “**Loan Certificates**”) and pledged the Collateral as security for such Loan Certificates. The proceeds of the issuance of the Loan Certificates were applied by the Trustee to pay a portion of the rent due under the Head Leases.

Whereas, the Lender and the Trustee entered into the Assignment of Rents and Other Payments, dated as of December 10, 1998 (the “**Assignment of Rents**”), pursuant to which the Trustee assigned to Lender all of the right, title and interest of the Trustee in and to the Assigned Payments.

Whereas, the Lessee and the Payment Undertaker entered into the Payment Undertaking Agreement, dated as of December 10, 1998 (the “**Payment Undertaking Agreement**”), pursuant to which the Payment Undertaker agreed to make certain payments in consideration for the investment by the Lessee of the Specified Sum (as defined in the Payment Undertaking Agreement) and payment by the Lessee of the Payment Agreement Fee (as defined in the Payment Undertaking Agreement).

Whereas, Ambac issued the Financial Guaranty Insurance Policy No. SF0188BE (the “**Payment Undertaking Guaranty**”) guaranteeing certain payments required to be made by the Payment Undertaker pursuant to the Payment Undertaking Agreement.

Whereas, the Lessee and the Trustee entered into the Payment Undertaking Assignment Agreement I, dated as of December 10, 1998 (the “**Payment Undertaking Assignment Agreement I**”) pursuant to which the Lessee assigned, pledged and granted a security interest in all of its rights under the Payment Undertaking Agreement to the Trustee; and the Lender and the Trustee entered into the Payment Undertaking Assignment Agreement II, dated as of December 10, 1998 (the “**Payment Undertaking Assignment Agreement II**”) pursuant to which the Trustee assigned, pledged and granted a security interest in all of its rights under the Payment Undertaking Agreement to the Lender.

Whereas, the GIC Issuer and the Lessee entered into the Collateralized Investment Agreement, dated as of December 10, 1998 (the “**GIC**”), pursuant to which, among other things, the Lessee delivered and deposited the Investment Monies with the GIC Issuer.

Whereas, Ambac issued Financial Guaranty Insurance Policy No. FC0192BE, dated as of December 10, 1998 (the “**GIC Guaranty**”), pursuant to which, among other things, the Ambac guaranteed certain payment obligations of the GIC Issuer under the GIC.

Whereas, Ambac issued Surety Bond No. SF0191BE (the “**Surety Bond**”) guaranteeing certain payment obligations of the Lessee under the Lease and Ambac and the Lessee entered into the Insurance and Indemnity Agreement, dated as of December 10, 1998 (the “**Reimbursement Agreement**”), pursuant to which the Lessee agreed to reimburse Ambac for any payments made by Ambac pursuant to the Surety Bond.

Whereas, the Beneficial Interest Purchaser and the Equity Investor entered into the Master Agreement, dated as of December 10, 1998 (together with all of the associated Schedules and Confirmation, the “**Equity Swap**”) and in connection with the Equity Swap, Ambac issued the

Financial Guaranty Insurance Policy No. SF0190BE (the “**Equity Swap Guaranty**”) guaranteeing certain payments required to be made by the Beneficial Interest Purchaser pursuant to the Equity Swap.

Whereas, the Lessee and the Beneficial Interest Purchaser entered into the Master Agreement, dated as of December 10, 1998 (together with all of the associated Schedules and Confirmation, the “**Gainesville Swap**”) and in connection with the Gainesville Swap, Ambac issued the Financial Guaranty Insurance Policy No. SF0189BE (the “**Gainesville Swap Guaranty**”) guaranteeing certain payments required to be made by the Beneficial Interest Purchaser pursuant to the Gainesville Swap.

Whereas, the GIC Issuer, Ambac, the Trustee, the Equity Investor, the Beneficial Interest Purchaser, The Bank of New York, as Collateral Agent, The Wilmington Trust Company, as Agent, have entered into the Collateral Agency and Control Agreement (ACFI), dated as of December 10, 1998 (the “**Equity Collateral Agreement**”) pursuant to which the GIC Issuer granted a security interest for its obligations under the GIC.

Whereas, the Lessee, Ambac, the Trustee, the Equity Investor, the Beneficial Interest Purchaser, The Bank of New York, as Collateral Agent, The Wilmington Trust Company, as Agent, have entered into the Collateral Agency and Control Agreement (ACFI), dated as of December 10, 1998 (the “**Gainesville Collateral Agreement**”) providing, among other things, security for the obligations of the Lessee to the Secured Parties (as defined in the Gainesville Collateral Agreement).

Whereas, Gainesville desires to purchase the Undivided Interest from the Trustee and the Trustee, at the direction of the Equity Investor, has agreed to the purchase by Gainesville of the Undivided Interest.

Whereas, the Payment Undertaker has agreed to terminate its obligations under the Payment Undertaking Agreement, and in consideration therefore, the Payment Undertaker will pay, or cause to be paid, the Ambac Portion of the Equity Investor Consideration to the to the Equity Investor, and at the direction of the Equity Investor, the Trustee has agreed to the termination of the Payment Undertaking Agreement.

Whereas, in connection with Gainesville’s purchase of the Undivided Interest from the Trustee, Gainesville will convey (and the Trustee will convey any right it may have to receive) all of its rights, title and interest in the Payment Undertaking Agreement to the Lender (the “**Loan Consideration**”), and the Lender has agreed to accept such conveyance, and has agreed to deem such conveyance as, the termination payment under Section 3.2 under the Payment Undertaking Agreement as prepayment such that the principal of and interest on the Loan Certificate will be, and will be deemed to be, prepaid in full, and no payment of a premium, make-whole amount or breakage fee will be payable.

Whereas, concurrently with the transfer of the Undivided Interest from the Trustee to Gainesville, and (i) Gainesville’s payment of the Gainesville Portion of the Equity Investor Consideration, (ii) Ambac’s payment of the Ambac Portion of the Equity Investor Consideration and (iii) the deemed payment of the Loan Consideration, in each case, as set forth in this

Agreement, each of the parties hereto desires to terminate the Operative Documents, and release the Liens created thereby and agrees to take the other Actions set forth in this Agreement.

Now therefore, in consideration of the mutual covenants herein, the parties agree as follows:

Section 1 DEFINITIONS

- (a) Capitalized terms used in this Agreement, including the whereas clauses, which are not otherwise defined herein have the meanings assigned to them in Appendix A to the Participation Agreement. The rules of interpretation set forth in Appendix A to the Participation Agreement shall apply to this Agreement.

- (b) The following terms have the following meanings:
 - “**Action**” means each action taken, or to be taken, and each event occurring, or to occur, pursuant to this Agreement, including the actions described on Schedule 1 hereto.

 - “**Ambac Portion of the Equity Investor Consideration**” means \$125,227,001.02.

 - “**Effective Date**” means February 24, 2008.

 - “**Equity Investor Consideration**” means a cash payment in the amount of \$138,419,108.42.

 - “**Loan Consideration**” has the meaning given in the whereas clauses to this Agreement.

 - “**Gainesville Portion of the Equity Investor Consideration**” means \$13,192,107.40.

 - “**Surviving Provisions**” shall have the meaning given in Section 3 of this Agreement.

 - “**Surviving Documents**” means this Agreement, the Tax Indemnity Agreement and any other document or instrument executed or delivered in connection with the Actions contemplated hereby.

- (c) Each of the parties hereto agrees that the Surviving Documents shall constitute “**Operative Documents**” (and the definition of “Operative Documents” set forth in Appendix A to the Participation Agreement is hereby amended accordingly) for purposes of the Participation Agreement and the other Operative Documents.

Section 2 TERMINATION

- (a) Notwithstanding any provision to the contrary contained in the Surviving Documents or other Operative Documents, the following actions shall occur, and be deemed to occur simultaneously, in accordance with Schedule 1 attached hereto, on the Effective Date:
- (i) Ambac conveys the Ambac Portion of the Equity Investor Consideration to the Equity Investor.
 - (ii) Gainesville conveys the Gainesville Portion of the Equity Investor Consideration to the Equity Investor.
 - (iii) Gainesville conveys all of Gainesville's right, title and interest in (and the Trustee conveys any right it may have to receive payment under) the Payment Undertaking Agreement to the Lender, with the Parties agreeing that Gainesville shall be deemed to have transferred the Payment Undertaking Agreement to the Trustee, with the Trustee then conveying all of its right, title and interest in the Payment Undertaking Agreement to the Lender.
 - (iv) The Loan Certificate and the termination payment under Section 3.2 of the Payment Undertaking Agreement become immediately due and payable in full and the Lender accepts the Payment Undertaking Agreement assignment pursuant to clause (iii) above as constituting the prepayment in full of the principal of and the interest on the Loan Certificate, and no payment of a premium, make-whole amount or breakage fee will be payable.
 - (v) Each party to this Agreement releases any security interest it may have in, or granted pursuant to, the Payment Undertaking Agreement, the Loan Agreement, the GIC, the Payment Undertaking Assignment I, the Payment Undertaking Assignment II, the Lessee Leasehold Mortgage, the Collateral Agreements and any other Operative Documents, and any Lien granted pursuant to any of the foregoing is discharged and released and the Payment Undertaker and the GIC Issuer hereby release Gainesville from any obligation it may have under the Payment Undertaking Agreement and the GIC, respectively.
 - (vi) The Eligible Investments (as defined in the Equity Collateral Agreement) are released to ACFI or its designees.
- (b) Subject to completion of the Actions referred to in Section 2(a), on and as of the Effective Date:
- (i) the Loan Certificates are being surrendered for cancellation and marked "cancelled";

- (ii) (x) the Trustee shall be deemed to sell and transfer to Gainesville on an “as is, where is” basis and without any recourse or warranty (except as to the absence of the Trustee’s Liens) and Gainesville shall retain possession of, the Trustee’s Undivided Interest and (y) the Lease and the Head Leases are terminated;
- (iii) The Lender authorizes the Trustee and Gainesville to execute and file or cause to be filed all documents, instruments and UCC termination statements which may be necessary or advisable to reflect the termination and release of any Liens created in favor of the Lender pursuant to the Loan Agreement and the other Operative Documents;
- (iv) (x) the Lender authorizes the Trustee and Gainesville to execute and file or caused to be filed the Termination and Release of Assignment of Rents and Other Payments, as set forth on Schedule 2, (y) each of the Lessor and the Equity Investor authorizes the Trustee and Gainesville to execute and file or cause to be filed the Termination of Head Lease (Real Property) and the Termination of Lease, as set forth on Schedules 3 and 4, respectively, (y) each of the Lessee and the Lessor authorize Gainesville to execute and file or caused to be filed the Termination of Lessee Leasehold Mortgage and Security Agreement as set forth on Schedule 5, and (z) each of the foregoing authorize the foregoing authorized persons to execute all other documents, instruments and UCC termination statements which may be necessary or advisable to reflect the termination of the Assignment of Rents and Other Payments, the Head Leases, the Lease and the Lessee Leasehold Mortgage, and release of any right, title and interest of the Lessor, the Lender, or the Equity Investor in or to the Undivided Interest pursuant to the Head Leases, the Lease and the other Operative Documents;
- (v) Ambac, the Trustee and the Beneficial Interest Purchaser authorize the Agent and the Collateral Agent to execute and file all documents, instruments and UCC termination statements which may be necessary or advisable to reflect the termination and release of the Liens created in their favor pursuant to, or in connection with the Collateral Agreements and the other Operative Documents;
- (vi) each of the parties hereto authorize the Trustee, Gainesville, the Agent and the Collateral Agent, as applicable, to execute and file or cause to be filed all releases of mortgages, releases of leasehold or lien, termination statements or other documents in the real property record, or under the Uniform Commercial Code of Florida, Delaware, or any other applicable jurisdiction (including

the filing of the UCC termination statements for the instruments listed on Schedule 6), which may be necessary or advisable to reflect the termination and release of any Liens created in favor of the Lender, Equity Investor, Trustee and Ambac or any of its Affiliates, respectively, pursuant to the Operative Documents; and

- (vii) the Equity Investor and the Trustee hereby confirm (x) that Ambac is released from its obligations under the Surety Bond and the Equity Swap Guaranty and that they shall return the Surety Bond and the Equity Swap Guaranty to Ambac and Ambac confirms that it will promptly mark the Surety Bond and the Equity Swap Guaranty as cancelled and (y) that Gainesville is released from any obligation it may have under the Reimbursement Agreement (other than any indemnification or cost reimbursement provisions thereof, which shall survive to the extent provided in this Agreement).
 - (viii) Gainesville hereby confirms that Ambac is released from its obligations under the Gainesville Swap Guaranty and Gainesville shall return the Gainesville Swap Guaranty to Ambac and Ambac confirms that it will promptly mark the Gainesville Swap Guaranty as cancelled.
 - (ix) the parties hereto acknowledge and agree that the Gainesville Swap has been terminated and that neither Gainesville nor the Beneficial Interest Purchaser have any obligations under the Gainesville Swap.
 - (x) the parties hereto acknowledge and agree that the Equity Swap has been terminated and that neither the Equity Investor nor the Beneficial Interest Purchaser have any obligations under the Equity Swap.
- (c) Upon completion of the Actions contemplated by Section 2(a) and Section 2(b) above, all of the Operative Documents (other than the Surviving Documents and the Trust Agreement) shall be automatically terminated without necessity of any further action by any party hereto or by any other Person, provided that, notwithstanding the foregoing, the Surviving Provisions shall survive as provided in Section 3 of this Agreement. Except as provided in Section 3 of this Agreement, no party to this Agreement shall have any further liability or obligation to any other party with respect to such terminated Operative Documents.
- (d) Upon the consummation of the Actions contemplated by Sections 2(a), 2(b) and 2(c) (which shall occur no later than June 30, 2009), the Equity Investor shall execute, and instruct the Trustee, by delivery of a letter in the form attached hereto as Schedule 7 (which letter shall be delivered to the Trustee on or before June 30, 2009 (the “**Trust Termination Date**”)),

to execute and file (i) a Termination of Trust with the Alachua County, Florida land record and (ii) a certificate of cancellation of the Trust with the Secretary of State of the State of Delaware, each in the form set forth on Schedule 8 attached hereto, whereupon the Trust Agreement and the trusts governed thereby shall automatically terminate.

Section 3 SURVIVING PROVISIONS

- (a) The “**Surviving Provisions**” are as detailed in this Section 3(a):
- (i) The general indemnity provisions contained in Section 15(a) of the Participation Agreement shall survive the Effective Date with respect to Claims arising from events occurring or existing on or prior to the Effective Date or attributable to periods on or prior to the Effective Date, subject, in all events, to the exclusions set forth in Section 15(b) of the Participation Agreement other than clause (v) of Section 15(b) thereof.
 - (ii) The provisions contained in Section 16 (“**General Tax Indemnity**”) of the Participation Agreement shall survive the Effective Date with respect to Taxes arising from events occurring or existing on or prior to the Effective Date or attributable to periods ending on or prior to the Effective Date.
 - (iii) The Tax Indemnity Agreement shall survive in accordance with its terms with respect to Losses and Inclusions (as defined in the Tax Indemnity Agreement) arising from events occurring or existing on or prior to the Effective Date or attributable to periods ending on or prior to the Effective Date, provided, however, that (1) Gainesville shall in no event have any liability under the Tax Indemnity Agreement with respect to any Loss or Inclusion arising from or in connection with the execution, delivery, performance or non-performance of this Agreement and (2) the amount of any indemnity payable by Gainesville with respect to any Loss or Inclusion that does not arise from or in connection with the execution, delivery, performance or non-performance of this Agreement shall be appropriately reduced to the extent such Loss or Inclusion reduces the Federal, state and local income taxes payable by the Equity Investor in connection with the transactions contemplated by this Agreement.
 - (iv) The indemnification provisions, rights and entitlements of the Trustee under Article 7 of the Trust Agreement shall survive in accordance with the terms thereof.

- (b) Each party to this Agreement hereby acknowledges and agrees that the Surviving Documents and the Surviving Provisions, including each representation, warranty, covenant and agreement of the parties set forth herein or therein or contemplated hereby or thereby, are not intended to be subject to the termination and release provided for in Section 2 of this Agreement and shall survive any such termination and release.

Section 4 AGREEMENTS

- (a) Each party to this Agreement hereby:
 - (i) consents to each Action;
 - (ii) subject to completion of the Actions contemplated by Sections 2(a) and 2(b)(i) and (ii) of this Agreement, waives (A) any default of any provision of the Operative Documents resulting from, directly or indirectly, any Action, other than with respect to the representations, warranties and covenants in Section 6 hereof, and (B) to the extent such party has any rights in respect thereof, any default of any provision of the Operative Documents resulting, directly or indirectly, from any failure to comply with the requirement set forth in Section 11(c) of the Participation Agreement that Gainesville provide a replacement Qualifying Facility Lease Surety Bond, Qualifying Equity Swap or other acceptable credit enhancement;
 - (iii) subject to completion of the Actions contemplated by Sections 2(a) and 2(b)(i) and (ii) of this Agreement, waives, releases and discharges each and every Lien that it may possess pursuant to each Operative Document being terminated by this Agreement;
 - (iv) authorizes each other party to effect its respective Actions, to the extent such authorization would be required under any Operative Document;
 - (v) waives any right to notice of or request with respect to the Actions (or any of them) to the extent such notice would be required under any Operative Document and waives any other documents or certificates required under the Operative Documents to the extent not provided hereunder;
 - (vi) agrees to (i) cooperate fully with the other parties, (ii) execute such further instruments, documents and agreements as are necessary or appropriate to give effect to the releases referred to herein, including the filing of termination statements under the Uniform Commercial Code and (iii) give such further written assurances as may be reasonably requested by any other party to evidence and

reflect the Actions and to carry out and effectuate the provisions and purposes of this Agreement; and

- (vii) agrees that the Equity Investor Consideration shall for all purposes constitute “Excluded Payments” as that term is defined in the Participation Agreement.
- (b) The Parties expressly agree that, upon payment or conveyance by Gainesville to the Trustee of the Gainesville Portion of the Equity Investor Consideration and the taking of the other Actions described in Sections 2(a) and 2(b)(i) and (ii) of this Agreement, Gainesville’s obligations to pay (or cause to be paid) the Equity Investor Consideration under this Agreement and shall have been fully satisfied.
- (c) The Parties expressly agree that, upon receipt of the payments due under Section 2(a)(iii) of this Agreement, the Payment Undertaker will have fully discharged all of its obligations under the Payment Undertaking Agreement and after the date hereof will have no further obligation to any party under the Payment Undertaking Agreement.

Section 5 MISCELLANEOUS

- (a) No term, covenant, agreement or condition of this Agreement may be terminated, amended or compliance therewith waived (either generally or in a particular instance, retroactively or prospectively) except by an instrument or instruments in writing signed by the party or Person against whom enforcement of the termination, amendment or waiver is sought.
- (b) Notwithstanding anything contained in this Agreement to the contrary (except for any express provisions that the Trustee is responsible for in its individual capacity), no recourse in respect of this Agreement shall be had against the Trustee or against any institution or person which becomes a successor trustee or co-trustee or any officer, director, trustee, servant or direct or indirect parent or controlling person or persons of any of them; *provided, however*, that this Section 5(b) shall not be construed to prohibit any action or proceeding against any such Person for its own willful misconduct or gross negligence.

Section 6 REPRESENTATIONS AND WARRANTIES

- (a) Gainesville represents and warrants that:
 - (i) the execution, delivery and performance of this Agreement by it and its consummation of the Actions contemplated hereby do not conflict with, result in a breach of, or constitute a default under, any Applicable Law, or under any indenture, mortgage, deed of trust or other instrument or agreement to which it is a party or by which it or any of its assets may be bound;

- (ii) the execution, delivery and performance of this Agreement by it and its consummation of the Actions contemplated hereby have been duly authorized by all necessary action on its part, and do not and will not violate its Articles of Incorporation or By-Laws, and no further consent, authorization or approval of, or exemption by, or the giving of notice to, or the registration with or the taking of any other action by, any Governmental Authority or other governmental agency, is required for the execution, delivery and performance of this Agreement by it;
 - (iii) assuming due authorization, execution and delivery by each other party hereto, this Agreement constitutes its legal, valid and binding obligation and is enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium and other similar laws affecting the rights of creditors generally; and
 - (iv) it has the requisite power and authority to (a) enter into, exercise its rights and perform and comply with its obligations under, this Agreement and all other documents relating hereto and (b) take all actions relating to this Agreement and all other documents relating hereto.
- (b) Each of the Trustee, the Equity Investor, Collateral Agent, the Agent, the Equity Investor, Ambac, the Beneficial Interest Purchaser, the GIC Issuer and the Payment Undertaker represents and warrants that:
- (i) the execution, delivery and performance of this Agreement by it and its consummation of the transactions contemplated hereby do not conflict with, result in a breach of, or constitute a default under, any Applicable Law, or under any indenture, mortgage, deed of trust, or other instrument or agreement to which it is a party or by which it or any of its assets may be bound;
 - (ii) the execution, delivery and performance of this Agreement by it and the consummation of the transactions contemplated hereby have been duly authorized by all necessary governmental action, and no further consent, authorization or approval of, or exemption by, the giving of or notice to, or registration with or the taking of any other action by, any Governmental Authority or agency, is required for the execution, delivery and performance of this Agreement by it;
 - (iii) this Agreement constitutes its legal, valid and binding obligation and is enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency,

moratorium and other similar laws affecting the rights of creditors generally; and

- (iv) assuming due authorization, execution and delivery by each other party hereto, it has the requisite power and authority to (a) enter into, exercise its rights and perform and comply with its obligations under this Agreement and all other documents relating hereto and (b) take all actions relating to this Agreement and all other documents relating hereto.
- (c) Giving effect to the Actions,
 - (i) Gainesville represents and warrants that the Payment Undertaking Agreement is free and clear of all Liens attributable to it;
 - (ii) each of the Equity Investor and the Trustee represents and warrants that the Undivided Interest is free and clear of all Lessor's Liens or other Liens attributable to them;
 - (iii) the Collateral Agent represents and warrants that the Undivided Interest is free and clear of all Liens attributable to it.

Section 7 EXPENSES

All fees and expenses incurred by any of the parties hereto in connection with the negotiation, execution and delivery of this Agreement and giving effect to the terminations and releases contemplated hereby and thereby shall be for its own account.

Section 8 TRUSTEE AUTHORIZATION

By its execution hereof, the Equity Investor authorizes and directs the Trustee to execute, deliver and perform this Agreement and all other documents and agreements required to be executed by the Trustee which are referred to herein or as otherwise may be necessary in order to comply with this Agreement or to effectuate the transactions contemplated herein.

Section 9 WAIVER OF JURY TRIAL

EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY).

Section 10 GOVERNING LAW

THIS AGREEMENT, AND ANY DISPUTE ARISING OUT OF OR RELATING TO IT, INCLUDING ANY DISPUTE OVER RIGHTS IN THE FACILITY OWNER'S INTEREST, OR ANY PART THEREOF, SHALL IN ALL RESPECTS BE GOVERNED BY AND

CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK,
WITHOUT REGARD TO CHOICE OF LAW.

Section 11 COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed an original, and all such counterparts shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile, e-mail or other electronic form shall be as effective as delivery of a manually executed counterpart of this Agreement.

Section 12 SEVERABILITY

Any provision of this Agreement which is invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without invalidating, prohibiting the observance of or rendering unenforceable the remaining provisions hereof, and any such invalidity, illegality or unenforceability in any jurisdiction shall not invalidate, prohibit the observance of or render unenforceable such jurisdiction in any other jurisdiction.

Section 13 ENTIRE AGREEMENT

This Agreement, together with the documents, instruments and agreements required to be executed and delivered in connection herewith shall, except as expressly provided to the contrary herein, supersede all prior agreements and understandings of the parties with respect to the subject matter covered hereby.

Section 14 SURVIVAL

The Parties hereby agree that the Surviving Provisions and the Surviving Documents, including this Agreement, as provided under Section 3 of this Agreement shall survive the execution and delivery of this Agreement.

IN WITNESS WHEREOF, the parties have each caused this Termination Agreement to be duly executed as of the day and year first written above.

THE CITY OF GAINESVILLE, FLORIDA
doing business as
GAINESVILLE REGIONAL UTILITIES

By: _____
Name:
Title:

WILMINGTON TRUST COMPANY,
not in its individual capacity, except as
expressly provided herein, but solely
as Trustee

By: _____
Name:
Title:

BNY GATOR LLC

By: _____
Name:
Title:

THE BANK OF NEW YORK,
as Collateral Agent

By: _____
Name:
Title:

AMBAC ASSET FUNDING CORPORATION

By: _____
Name:
Title:

AME INVESTMENTS, LLC

By: _____
Name:
Title:

AMBAC CAPITAL FUNDING, INC.

By: _____
Name:
Title:

AMBAC CREDIT PRODUCTS, LLC

By: _____
Name:
Title:

SCHEDULE 1

SETTLEMENT CASH FLOWS AND DELIVERIES

1. Ambac pays the Ambac Portion of the Equity Investor Consideration of \$125,227,001.02 to the account referred to below on the Effective Date as partial payment of the Equity Investor Consideration.

Instructions for payment of cash:

[Insert Payment Instructions]
Ref: Gainesville

2. Gainesville shall pay \$13,192,107.40 to the account referred to below on the Effective Date as partial payment of the Equity Investor Consideration in satisfaction of the balance of the agreed consideration owed to the Trustee (for the benefit of the Equity Investor) for the purchase by Gainesville of all of the Trustee's Undivided Interest.

Instructions for payment of cash:

[Insert Payment Instructions]
Ref: Gainesville

3. The Eligible Investments (as defined in the Equity Collateral Agreement) are released to ACFI or its designees.

SCHEDULE 2

RECORDING REQUESTED AND WHEN RECORDED RETURN TO:

Orrick, Herrington & Sutcliffe LLP
666 Fifth Avenue,
New York, NY 10103
Attention: Jonathan Krause

[Tax PIN: _____]

RELEASE AND TERMINATION OF ASSIGNMENT OF RENTS AND OTHER PAYMENTS

THIS RELEASE AND TERMINATION OF ASSIGNMENT OF RENTS AND OTHER PAYMENTS (this "Assignment of Rents Termination") is made and executed as of the [__] day of February, 2009, by and between **WILMINGTON TRUST COMPANY**, a Delaware banking corporation, not in its individual capacity but solely as trustee under the Trust Agreement, dated as of December 10, 1998, between BNY Gator LLC and Wilmington Trust Company (the "Trustee") and **AME INVESTMENTS, LLC**, a Delaware limited liability company (the "Lender" and, together with the Trustee, the "Parties").

RECITALS:

WHEREAS, the Parties to this Assignment of Rents Termination or their predecessors in interest are parties to an Assignment of Rents and Other Payments, dated as of December 10, 1998 and filed for record _____, 199[___] as Instrument _____ in Book ____ page ___ of the Alachua County, Florida lands records (the "Assignment of Rents") with respect to the property set forth on Exhibit A attached hereto. Capitalized terms used but not defined herein shall have the respective meanings provided in or by reference in the Assignment of Rents.

WHEREAS, pursuant to Section 10 of the Assignment of Rents, upon full payment of the Loan and all other amounts owing by the Trustee under the Assignment of Rents and the other Operative Documents with interest thereon, the Lender shall release and terminate the Lien created by the Assignment of Rents upon the Assigned Payments (as such terms are defined therein).

WHEREAS, pursuant to the terms of a Termination Agreement, dated as of February [__], 2009 (the "Termination Agreement"), the Parties have agreed that, upon the closing of the transactions contemplated by the Termination Agreement (including the prepayment of the Loan and payment of other amounts, if any, owing by the Trustee to the Lender), and as a condition to that closing, the Assignment of Rents would be released and the agreements and arrangements among them and others would be terminated as described in the Termination Agreement.

WHEREAS, the Parties now are executing and delivering this Assignment of Rents Termination for the purpose of evidencing and providing record notice of the termination and release of the Assignment of Rents.

NOW, THEREFORE, for and in consideration of the foregoing preambles and pursuant to the terms of the Termination Agreement, the Parties hereby agree and acknowledge that the Assignment or Rents is terminated and released and rendered null and void and of no further force and effect as of the date of this Assignment of Rents Termination.

[Signatures begin on following page]

WILMINGTON TRUST COMPANY,
Not in its individual capacity but solely as trustee
under the Trust Agreement between it and the
Equity Investor

By: _____

Name:

Title:

STATE OF DELAWARE)
) SS:
COUNTY OF NEW CASTLE)

The foregoing instrument was acknowledged before me this ___ day of February, 2009, by _____ as _____ of Wilmington Trust Company, a Delaware banking corporation.

Witness my hand and official seal this ___ day of February, 2009.

(Official Seal)

Notary Public

My Commission Expires:

AME INVESTMENTS, LLC

By: _____

Name:

Title:

STATE OF _____)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ___ day of February, 2009,
by _____ as _____ of AME Investments LLC, a _____.

Witness my hand and official seal this ___ day of February, 2009.

(Official Seal)

Notary Public

My Commission Expires:

EXHIBIT A
DESCRIPTION OF REAL ESTATE

[To be inserted]

SCHEDULE 3

**RECORDING REQUESTED AND
WHEN RECORDED RETURN TO:**

Orrick, Herrington & Sutcliffe LLP
666 Fifth Avenue,
New York, NY 10103
Attention: Jonathan Krause

[Tax PIN: _____]

TERMINATION OF HEAD LEASE AGREEMENT (REAL PROPERTY)

THIS TERMINATION OF HEAD LEASE AGREEMENT (REAL PROPERTY) (this "Head Lease Termination") is made and executed as of the [__] day of February, 2009, by and among **THE CITY OF GAINESVILLE, FLORIDA**, doing business as GAINESVILLE REGIONAL UTILITIES, a municipal corporation organized under the Constitution and laws of the State of Florida ("Gainesville") and **WILMINGTON TRUST COMPANY**, a Delaware banking corporation, not in its individual capacity but solely as trustee under the Trust Agreement, dated as of December 10, 1998, between BNY Gator LLC and Wilmington Trust Company (the "Trustee" and, together with Gainesville, the "Parties").

RECITALS:

WHEREAS, the Parties to this Head Lease Termination or their predecessors in interest are parties to a Head Lease Agreement (Real Property), dated as of December 10, 1998 and filed for record _____, 199[___] as Instrument _____ in Book ____ page ____ of the Alachua County, Florida lands records (the "Head Lease") with respect to the property set forth on Exhibit A attached hereto. Capitalized terms used but not defined herein shall have the respective meanings provided in or by reference in the Head Lease.

WHEREAS, pursuant to the terms of a Termination Agreement, dated as of February [___], 2009 (the "Termination Agreement"), Gainesville and the Trustee have agreed that, upon the closing of the transactions contemplated by the Termination Agreement, and as a condition to that closing, the Head Lease along with other agreements and arrangements among them and others would be terminated as described in the Termination Agreement.

WHEREAS, the Parties now are executing and delivering this Head Lease Termination for the purpose of evidencing and providing record notice of the termination of the Head Lease and recording the release of its force and effect.

NOW, THEREFORE, for and in consideration of the foregoing preambles and pursuant to the terms of the Termination Agreement, the Parties hereby agree and acknowledge that the Head Lease is terminated and rendered null and void and of no further force and effect as of the date of this Head Lease Termination.

[Signatures begin on following page]

IN WITNESS WHEREOF, the Parties have executed this Head Agreement Termination as of the day and year set forth above.

THE CITY OF GAINESVILLE, FLORIDA
doing business as
GAINESVILLE REGIONAL UTILITIES

By: _____

Name:

Title:

STATE OF FLORIDA)
) SS:
COUNTY OF ALACHUA)

The foregoing instrument was acknowledged before me this ____ day of February, 2009, by _____ as _____ of The City of Gainesville, Florida, doing business as Gainesville Regional Utilities, a Florida municipal corporation, on behalf of said corporation.

Witness my hand and official seal this ____ day of February, 2009.

(Official Seal)

Notary Public

My Commission Expires:

WILMINGTON TRUST COMPANY,
Not in its individual capacity but solely as trustee
under the Trust Agreement between it and the
Equity Investor

By: _____
Name:
Title:

STATE OF DELAWARE)
) SS:
COUNTY OF NEW CASTLE)

The foregoing instrument was acknowledged before me this ____ day of February, 2009,
by _____ as _____ of Wilmington Trust Company, a Delaware banking
corporation.

Witness my hand and official seal this ____ day of February, 2009.

(Official Seal)

Notary Public

My Commission Expires:

EXHIBIT A
DESCRIPTION OF REAL ESTATE

[To be inserted]

SCHEDULE 4

RECORDING REQUESTED AND WHEN RECORDED RETURN TO:

Orrick, Herrington & Sutcliffe LLP
666 Fifth Avenue,
New York, NY 10103
Attention: Jonathan Krause

[Tax PIN: _____]

TERMINATION OF LEASE AGREEMENT

THIS TERMINATION OF LEASE AGREEMENT (this "Lease Agreement Termination") is made and executed as of the [__] day of February, 2009, by and among **THE CITY OF GAINESVILLE, FLORIDA**, doing business as GAINESVILLE REGIONAL UTILITIES, a municipal corporation organized under the Constitution and laws of the State of Florida ("Gainesville") and **WILMINGTON TRUST COMPANY**, a Delaware banking corporation, not in its individual capacity but solely as trustee under the Trust Agreement, dated as of December 10, 1998, between BNY Gator LLC and Wilmington Trust Company (the "Trustee" and, together with Gainesville, the "Parties").

RECITALS:

WHEREAS, the Parties to this Lease Agreement Termination or their predecessors in interest are parties to a Lease Agreement, dated as of December 10, 1998 and filed for record _____, 199[___] as Instrument _____ in Book ____ page ___ of the Alachua County, Florida lands records (the "Lease") with respect to the property set forth on Exhibit A attached hereto. Capitalized terms used but not defined herein shall have the respective meanings provided in or by reference in the Lease.

WHEREAS, pursuant to the terms of a Termination Agreement, dated as of February [___], 2009 (the "Termination Agreement"), Gainesville and the Trustee have agreed that, upon the closing of the transactions contemplated by the Termination Agreement, and as a condition to that closing, the Lease along with other agreements and arrangements among them and others would be terminated as described in the Termination Agreement.

WHEREAS, the Parties now are executing and delivering this Lease Agreement Termination for the purpose of evidencing and providing record notice of the termination of the Lease and recording the release of its force and effect.

NOW, THEREFORE, for and in consideration of the foregoing preambles and pursuant to the terms of the Termination Agreement, the Parties hereby agree and acknowledge that the Lease is terminated and rendered null and void and of no further force and effect as of the date of this Lease Agreement Termination.

[Signatures begin on following page]

IN WITNESS WHEREOF, the Parties have executed this Lease Agreement Termination as of the day and year set forth above.

THE CITY OF GAINESVILLE, FLORIDA
doing business as
GAINESVILLE REGIONAL UTILITIES

By: _____

Name:

Title:

WILMINGTON TRUST COMPANY,
Not in its individual capacity but solely as trustee
under the Trust Agreement between it and the
Equity Investor

By: _____
Name:
Title:

EXHIBIT A
DESCRIPTION OF REAL ESTATE

[To be inserted]

SCHEDULE 5

RECORDING REQUESTED AND WHEN RECORDED RETURN TO:

Orrick, Herrington & Sutcliffe LLP
666 Fifth Avenue,
New York, NY 10103
Attention: Jonathan Krause

[Tax PIN: _____]

RELEASE AND TERMINATION OF LESSEE LEASEHOLD MORTGAGE AND SECURITY AGREEMENT

THIS TERMINATION OF LESSEE LEASEHOLD MORTGAGE AND SECURITY AGREEMENT (this "Lessee Leasehold Mortgage Termination") is made and executed as of the [__] day of February, 2009, by and among **THE CITY OF GAINESVILLE, FLORIDA**, doing business as GAINESVILLE REGIONAL UTILITIES, a municipal corporation organized under the Constitution and laws of the State of Florida ("Gainesville") and **WILMINGTON TRUST COMPANY**, a Delaware banking corporation, not in its individual capacity but solely as trustee under the Trust Agreement, dated as of December 10, 1998, between BNY Gator LLC and Wilmington Trust Company (the "Trustee" and, together with Gainesville, the "Parties").

RECITALS:

WHEREAS, the Parties to this Lessee Leasehold Mortgage Termination or their predecessors in interest are parties to a Lessee Leasehold Mortgage and Security Agreement, dated as of December 10, 1998 and filed for record _____, 199[___] as Instrument _____ in Book ____ page ___ of the Alachua County, Florida lands records (the "Lessee Leasehold Mortgage") with respect to the property set forth on Exhibit A attached hereto. Capitalized terms used but not defined herein shall have the respective meanings provided in or by reference in the Lessee Leasehold Mortgage.

WHEREAS, pursuant to the terms of a Termination Agreement, dated as of February [___], 2009 (the "Termination Agreement"), Gainesville and the Trustee have agreed that, upon the closing of the transactions contemplated by the Termination Agreement, and as a condition to that closing, the Lessee Leasehold Mortgage along with other agreements and arrangements among them and others would be terminated as described in the Termination Agreement.

WHEREAS, the Parties now are executing and delivering this Lessee Leasehold Mortgage Termination for the purpose of evidencing and providing record notice of the termination of the Lessee Leasehold Mortgage and recording the release of its force and effect.

NOW, THEREFORE, for and in consideration of the foregoing preambles and pursuant to the terms of the Termination Agreement, the Parties hereby agree and acknowledge that the Lessee Leasehold Mortgage is terminated and released and rendered null and void and of no further force and effect as of the date of this Lessee Leasehold Mortgage Termination.

[Signatures begin on following page]

IN WITNESS WHEREOF, the Parties have executed this Lease Agreement Termination as of the day and year set forth above.

THE CITY OF GAINESVILLE, FLORIDA
doing business as
GAINESVILLE REGIONAL UTILITIES

By: _____

Name:

Title:

WILMINGTON TRUST COMPANY,
Not in its individual capacity but solely as trustee
under the Trust Agreement between it and the
Equity Investor

By: _____
Name:
Title:

EXHIBIT A
DESCRIPTION OF REAL ESTATE

[To be inserted]

SCHEDULE 6

FILINGS AND RECORDINGS

[TO BE UPDATED]

LAND RECORDINGS (Recorded with the Clerk of the Circuit Court of Alachua County)

1. Memorandum of Head Lease Agreement (Real Property)
2. Memorandum of Lease Agreement
3. Assignment of Rents
4. Lessee Leasehold Mortgage and Security Agreement

FINANCING STATEMENTS

Head Lease Agreement (Personal Property) Precautionary Lease Filing

1. Florida Form UCC-1
Debtor: Wilmington Trust Company, as Trustee and Head Lessee
Secured Party: The City of Gainesville, Florida d/b/a Gainesville Regional Utilities, as Head Lessor
Place(s) Filed: Florida Secretary of State
2. Delaware Form UCC-1
Debtor: Wilmington Trust Company, as Trustee and Head Lessee
Secured Party: The City of Gainesville, Florida d/b/a Gainesville Region & Utilities, as Head Lessor
Place(s) Filed: Delaware Secretary of State

Head Lease Agreement (Personal Property) Precautionary Fixture Filing

3. Florida Form UCC-1
Debtor: Wilmington Trust Company, as Trustee and Head Lessee

Secured Party: The City of Gainesville, Florida d/b/a Gainesville Regional Utilities, as Head Lessor

Place(s) Filed: Alachua County, Florida

Head Lessor Security Agreement (Personal Property)

4. Florida Form UCC-1

Debtor: Wilmington Trust Company, as Trustee

Secured Party: The City of Gainesville, Florida d/b/a Gainesville Regional Utilities

Place(s) Filed: Florida Secretary of State

5. Delaware Form UCC-1

Debtor: Wilmington Trust Company, as Trustee

Secured Party: The City of Gainesville, Florida d/b/a Gainesville Regional Utilities

Place(s) Filed: Delaware Secretary of State

Head Lessor Security Agreement (Personal Property) Precautionary Fixture Filing

6. Florida Form UCC-1

Debtor: Wilmington Trust Company, as Trustee

Secured Party: The City of Gainesville, Florida d/b/a Gainesville Regional Utilities

Place(s) Filed: Alachua County, Florida

Head Lease Agreement (Real Property) Precautionary Lease Filing

7. Florida Form UCC-1

Debtor: Wilmington Trust Company, as Trustee and Head Lessee

Secured Party: The City of Gainesville, Florida d/b/a Gainesville Regional Utilities, as Head Lessor

Place(s) Filed: Florida Secretary of State

8. Delaware Form UCC-1

Debtor: Wilmington Trust Company, as Trustee and Head Lessee
Secured Party: The City of Gainesville, Florida d/b/a Gainesville Regional Utilities, as Head Lessor
Place(s) Filed: Delaware Secretary of State

Head Lease Agreement (Real Property) Precautionary Fixture Filing

9. Florida Form UCC-1

Debtor: Wilmington Trust Company, as Trustee and Head Lessee
Secured Party: The City of Gainesville, Florida d/b/a Gainesville Regional Utilities, as Head Lessor
Place(s) Filed: Alachua County, Florida

Head Lessor Security Agreement (Real Property)

10. Florida Form UCC-1

Debtor: Wilmington Trust Company, as Trustee
Secured Party: The City of Gainesville, Florida d/b/a Gainesville Regional Utilities
Place(s) Filed: Florida Secretary of State

11. Delaware Form UCC-1

Debtor: Wilmington Trust Company, as Trustee
Secured Party: The City of Gainesville, Florida d/b/a Gainesville Regional Utilities
Place(s) Filed: Delaware Secretary of State

Head Lessor Security Agreement (Real Property) Precautionary Fixture Filing

12. Florida Form UCC-1

Debtor: Wilmington Trust Company, as Trustee
Secured Party: The City of Gainesville, Florida d/b/a Gainesville Regional Utilities

Place(s) Filed: Alachua County, Florida

Lease Agreement Precautionary Lease Filing

13. Florida Form UCC-1

Debtor: The City of Gainesville, Florida d/b/a Gainesville Regional Utilities, as Lessee

Secured Party: Wilmington Trust Company, as Trustee and Lessor

Assignee: AME Investments, LLC

Place(s) Filed: Florida Secretary of State

Lease Agreement Precautionary Fixture Filing

14. Florida Form UCC-1

Debtor: The City of Gainesville, Florida d/b/a Gainesville Regional Utilities, as Lessee

Secured Party: Wilmington Trust Company, as Trustee and Lessor

Assignee: AME Investments, LLC

Place(s) Filed: Alachua County, Florida

Lessee Leasehold Mortgage and Security Agreement

15. Florida Form UCC-1

Debtor: Wilmington Trust Company, as Trustee

Secured Party: The City of Gainesville, Florida d/b/a Gainesville Regional Utilities

Place(s) Filed: Florida Secretary of State

16. Delaware Form UCC-1

Debtor: Wilmington Trust Company, as Trustee

Secured Party: The City of Gainesville, Florida d/b/a Gainesville Regional Utilities

Place(s) Filed: Delaware Secretary of State

Lessee Leasehold Mortgage and Security Agreement Precautionary Fixture Filing

17. Florida Form UCC-1

Debtor: Wilmington Trust Company, as Trustee
Secured Party: The City of Gainesville, Florida d/b/a Gainesville Regional Utilities
Place(s) Filed: Alachua County, Florida Assignment of Rents

18. Florida Form UCC-1

Debtor: Wilmington Trust Company, as Trustee
Secured Party: AME Investments, LLC
Place(s) Filed: Florida Secretary of State

19. Delaware Form UCC-1

Debtor: Wilmington Trust Company, as Trustee
Secured Party: AME Investments, LLC
Place(s) Filed: Delaware Secretary of State

Payment Undertaking Assignment Agreement I and Payment Undertaking Pledge Agreement II

20. Florida Form UCC-1

Debtor: The City of Gainesville, Florida d/b/a Gainesville Regional Utilities
Secured Party: Wilmington Trust Company, as Trustee
Assignee: AME Investments, LLC
Place(s) Filed: Florida Secretary of State Payment Undertaking Second Lien Pledge Agreement

21. Florida Form UCC-1

Debtor: The City of Gainesville, Florida d/b/a Gainesville Regional Utilities
Secured Party: AME Investments, LLC
Place(s) Filed: Florida Secretary of State

Payment Undertaking Third Lien Pledge Agreement

22. Florida Form UCC-1

Debtor: The City of Gainesville, Florida d/b/a Gainesville Regional Utilities

Secured Party: Ambac Credit Products, LLC

Place(s) Filed: Florida Secretary of State

Collateral Agency and Control Agreement (.GRU)

23. Florida Form UCC-1

Debtor: The City of Gainesville, Florida d/b/a Gainesville Regional Utilities

Secured Party: Wilmington Trust Company, as Trustee

Place(s) Filed: Florida Secretary of State

24. Florida Form UCC-1

Debtor: The City of Gainesville, Florida d/b/a Gainesville Regional Utilities

Secured Party: Ambac Credit Products, LLC

Place(s) Filed: Florida Secretary of State

25. Florida Form UCC-1

Debtor: The City of Gainesville, Florida d/b/a Gainesville Regional Utilities

Secured Party: Ambac Assurance Corporation

Place(s) Filed: Florida Secretary of State

Collateral Agency and Control Agreement (ACFI)

26. New York Form UCC-1

Debtor: Ambac Capital Funding, Inc.

Secured Party: The Bank of New York, as Collateral Agent

Place(s) Filed: New York Secretary of State New York County, New York

Rights Sharing Agreement

27. New York Form UCC-1

Debtor: BNY Gator LLC

Secured Party: AME Investments, LLC

Place(s) Filed: New York Secretary of State
New York County, New York

SCHEDULE 7

INSTRUCTION TO TRUSTEE

[DATE]*

Wilmington Trust Company, as Trustee
Rodney Square North
1100 North Market St.
Wilmington, Delaware 19809-0001
Attn: Corporate Trust Administration

We refer to the Trust Agreement, dated as of December 10, 1998 (the “**Trust Agreement**”), between Wilmington Trust Company, as Trustee, and BNY Gator LLC, as equity investor (the “**Equity Investor**”). Capitalized terms used but not defined herein shall have the respective meanings provided in or by reference in the Trust Agreement.

The Equity Investor hereby authorizes and directs the Trustee to execute a certificate of cancellation of certificate of trust of the Trust, substantially in the form attached hereto (the “**Certificate of Cancellation**”), and file such Certificate of Cancellation with the Secretary of State of the State of Delaware. The Equity Investor hereby waives any notice that is contemplated to be given to it pursuant to any provision in the Operative Documents relating to the Certificate of Cancellation and hereby certifies and confirms that (i) the Equity Investor has taken such action as it believes necessary to complete the dissolution and winding up of the Trust in accordance with the Trust Agreement, and (ii) the foregoing direction and the execution and delivery of the Certificate of Cancellation are not contrary to any obligation of the Trust or the Trustee under the Operative Documents and the Trustee’s execution, delivery and filing of the Certificate of Cancellation are covered by the indemnification provided in the Trust Agreement.

BNY GATOR LLC,
as Equity Investor

By: _____
Name:
Title:

*To be executed and delivered no later than June 30, 2009.

FORM OF CERTIFICATE OF CANCELLATION
OF
CERTIFICATE OF TRUST

This Certificate of Cancellation of Certificate of Trust is being executed and filed by the undersigned to cancel the certificate of trust of a statutory trust formed under the Delaware Business Trust Act, 12 *Del.C.* § 3801 *et seq.* (as amended, the “**Act**”).

Section 1. Name. The name of the statutory trust (the “**Trust**”) is _____.

Section 2. The Certificate of Trust of the Trust was filed with the Secretary of State of the State of Delaware on [December 10, 1998].

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Cancellation of Certificate of Trust in accordance with the Act.

WILMINGTON TRUST COMPANY,
not in its individual capacity, but solely as Trustee
under the Trust Agreement

By: _____
Name:
Title:

SCHEDULE 8

RECORDING REQUESTED AND WHEN RECORDED RETURN TO:

Orrick, Herrington & Sutcliffe LLP
666 Fifth Avenue,
New York, NY 10103
Attention: Jonathan Krause

TERMINATION OF TRUST

THIS TERMINATION OF TRUST (this "Trust Termination") is made and executed as of the ___ day of _____, 2009, by **WILMINGTON TRUST COMPANY**, a Delaware banking corporation, not in its individual capacity but solely as trustee (the "Trustee") and **BNY GATOR LLC**, a Delaware limited liability company (the "Equity Investor" and, together with the Trustee, the "Parties").

RECITALS:

WHEREAS, the name of the statutory trust is _____ (the "Trust").

WHEREAS, the Trust was created pursuant to the Trust Agreement, dated as of December 10, 1998, by and between Wilmington Trust Company, as trustee and the Equity Investor, as beneficiary (the "Trust Agreement"). Capitalized terms used but not defined herein shall have the respective meanings provided in or by reference in the Trust Agreement.

WHEREAS, pursuant to the terms of a Termination Agreement dated as of February [___], 2009 (the "Termination Agreement"), the parties thereto have agreed that, upon filing the Certificate of Cancellation with the Secretary of State of the State of Delaware, the Trust would be terminated.

WHEREAS, pursuant to the terms of the Termination Agreement, the Trustee was directed and given the authority to file the Certificate of Cancellation and terminate the Trust Agreement and the Trust.

WHEREAS, the Equity Investor is now executing and delivering this Trust Termination for the purpose of evidencing and providing record notice of the termination of the Trust Agreement and the Trust.

NOW, THEREFORE, for and in consideration of the foregoing preambles and pursuant to the terms of the Termination Agreement, the undersigned hereby agrees and acknowledges that the Trust Agreement and the Trust are hereby terminated on and as of the date the Trustee files the Certificate of Cancellation with the Secretary of State of the State of Delaware (which shall be no later than June 30, 2009).

IN WITNESS WHEREOF, the Parties have executed this Trust Termination as of the day and year set forth above.

WILMINGTON TRUST COMPANY,
not in its individual capacity but solely as trustee

By: _____

Name:

Title:

STATE OF DELAWARE)
) SS:
COUNTY OF NEW CASTLE)

The foregoing instrument was acknowledged before me this __ day of _____, 200_, by _____ as _____ of Wilmington Trust Company, a Delaware banking corporation, on behalf of such corporation as trustee of _____ Trust, a business trust organized under the laws of the State of Delaware, on behalf of said business trust.

Witness my hand and official seal this _____ day of _____, 200_.

(Official Seal)

Notary Public

My Commission Expires:

BNY GATOR LLC,
as Equity Investor

By: _____
Name:
Title:

