

ST. TAMMANY PARISH COUNCIL

ORDINANCE

ORDINANCE CALENDAR NO: 4605

ORDINANCE COUNCIL SERIES NO: _____

COUNCIL SPONSOR: GOULD/DAVIS

PROVIDED BY: PRESIDENT/LEGAL

INTRODUCED BY: THOMPSON

SECONDED BY: BINDER

ON THE 7 DAY OF JULY, 2011

PLEASE SEE ATTACHMENT FOR COMPLETE DOCUMENT A THIRD SUPPLEMENTAL BOND ORDINANCE AUTHORIZING THE ISSUANCE OF \$ * OF UTILITIES REVENUE BONDS, SERIES 2011, OF THE PARISH OF ST. TAMMANY, STATE OF LOUISIANA, IN ACCORDANCE WITH THE TERMS OF A GENERAL BOND ORDINANCE ADOPTED ON FEBRUARY 4, 2010; PRESCRIBING THE FORM AND CERTAIN TERMS AND CONDITIONS OF SAID BONDS; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS,

THE PARISH OF ST. TAMMANY HEREBY ORDAINS:

MOVED FOR ADOPTION BY: _____ SECONDED BY: _____

WHEREUPON THIS ORDINANCE WAS SUBMITTED TO A VOTE AND RESULTED IN THE FOLLOWING:

YEAS: _____

NAYS: _____

ABSTAIN: _____

ABSENT: _____

THIS ORDINANCE WAS DECLARED DULY ADOPTED AT A REGULAR MEETING OF THE PARISH COUNCIL ON THE 1 DAY OF SEPTEMBER, 2011; AND BECOMES ORDINANCE COUNCIL SERIES NO _____.

MARTIN W. GOULD, JR., COUNCIL CHAIRMAN

ATTEST:

THERESA L. FORD, COUNCIL CLERK

KEVIN DAVIS, PARISH PRESIDENT

Published Introduction: JUNE 30, 2011

Published Adoption: _____, 2011

Delivered to Parish President: _____, 2011 at _____

Returned to Council Clerk: _____, 2011 at _____

ST. TAMMANY PARISH COUNCIL

ORDINANCE

ORDINANCE CALENDAR NO. 4605 ORDINANCE COUNCIL SERIES NO. _____

COUNCIL SPONSOR: GOULD/DAVIS PROVIDED BY: LEGAL DEPARTMENT

INTRODUCED BY: MR. THOMPSON SECONDED BY: MR. BINDER

ON THE 7TH DAY OF JULY, 2011.

A THIRD SUPPLEMENTAL BOND ORDINANCE AUTHORIZING THE ISSUANCE OF \$ _____ * _____ OF UTILITIES REVENUE BONDS, SERIES 2011, OF THE PARISH OF ST. TAMMANY, STATE OF LOUISIANA, IN ACCORDANCE WITH THE TERMS OF A GENERAL BOND ORDINANCE ADOPTED ON FEBRUARY 4, 2010; PRESCRIBING THE FORM AND CERTAIN TERMS AND CONDITIONS OF SAID BONDS; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the Parish of St. Tammany, State of Louisiana (the "Issuer") now owns and operates revenue-producing sewage collection, treatment and disposal systems and waterworks treatment and distribution systems, as said systems now exist, and as they may be hereafter improved, extended or supplemented from any source whatsoever while the bonds remain outstanding, including specifically all properties of every nature owned, leased or operated by the Issuer and used or useful in the operation of the sewage collection, treatment and disposal systems and waterworks treatment and distribution systems, and including real estate, personal and intangible properties, contracts, franchises, leases and chooses in action, whether lying within or without the boundaries of the Issuer (collectively, the "System"); and

WHEREAS, pursuant to Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended and other constitutional and statutory authority (the "Act"), it is the desire of this Parish Council to provide for the issuance of revenue bonds of the Issuer, for the purposes hereinafter described; and

WHEREAS, on February 4, 2010, this Parish Council (the "Governing Authority") adopted an ordinance entitled: "An Amended and Restated General Bond Ordinance authorizing the issuance from time to time of Utilities Revenue Bonds of the Parish of St. Tammany, State of Louisiana; prescribing the form, and certain terms and conditions of said bonds; providing for the payment thereof in principal and interest; and providing for other matters in connection therewith" (the "General Bond Ordinance"), which authorizes the issuance of bonds from time to time for the aforesaid purposes; and

WHEREAS, the Issuer has also adopted an Amended and Restated First Supplemental Bond Ordinance, which authorized the Issuer's Utilities Revenue Bonds, Series 2010A (the "2010A Bonds"), in the principal amount of \$1,000,000, and a Second Supplemental Bond Ordinance, which authorized the Issuer's Utilities Revenue Bonds, Series 2010B (the "2010B Bonds"), in the principal amount of \$41,370,000; and

WHEREAS, the Issuer currently has no outstanding notes, bonds or other obligations payable from a pledge and dedication of the income and revenues of the System EXCEPT the 2010A Bonds and the 2010B Bonds; and

WHEREAS, it is now the desire of this Governing Authority to adopt this Third Supplemental Bond Ordinance to authorize the issuance of _____ * _____ (\$ _____ * _____) of Utilities Revenue Bonds, Series 2011 of the Issuer (the "2011 Bonds"), for the purpose of constructing, acquiring, extending and/or improving the Issuer's combined revenue-producing

* Not Exceeding \$20,000,000

sewage collection, treatment and disposal systems and waterworks treatment and distribution systems (the "System"), including the acquisition of one or more existing utilities systems (collectively, "the Project"), funding the Series 2011 Account of the Reserve Fund, [funding a working capital reserve] and paying costs of issuance, which such Third Supplemental Bond Ordinance shall be considered a Series Ordinance pursuant to the General Bond Ordinance; and

WHEREAS, under the terms and conditions of the General Bond Ordinance, the Issuer has authority to issue additional bonds on a complete parity with the 2010A Bonds and the 2010B Bonds under the terms and conditions provided therein; and

WHEREAS, the Issuer has determined that all the terms and conditions specified in the General Bond Ordinance have been or will be completed with prior to the delivery of the 2011 Bonds, and it is the express desire and intention of the Issuer that the 2011 Bonds be issued on a complete parity with the 2010A Bonds and the 2010B Bonds; and

WHEREAS, the State Bond Commission approved the issuance of the 2011 Bonds (as defined below) at its June 16, 2011 meeting;

THE PARISH OF ST. TAMMANY HEREBY ORDAINS that:

SECTION 1. Definitions. In addition to words and terms elsewhere defined in the General Bond Ordinance and this Third Supplemental Bond Ordinance, the following words and terms as used in this Third Supplemental Bond Ordinance shall have the following meanings, unless some other meaning is plainly intended:

"First Supplemental Bond Ordinance" means the supplemental ordinance authorizing the issuance of the 2010A Bonds.

"Second Supplemental Bond Ordinance" means the supplemental ordinance authorizing the issuance of the 2010B Bonds.

"Third Supplemental Bond Ordinance" means this supplemental ordinance authorizing the issuance of the 2011 Bonds.

"General Bond Ordinance" means the General Bond Ordinance described in the preambles hereof.

"Official Statement" means the Official Statement prepared in connection with the marketing and sale of the 2011 Bonds, except that the term "Preliminary Official Statement" means the Preliminary Official Statement of the Issuer dated _____, 2011 with respect to the 2011 Bonds.

"Outstanding Parity Bonds" means the Issuer's outstanding 2010A Bonds and 2010B Bonds.

"Paying Agent" with respect to the 2011 Bonds means Argent Trust, a division of National Independent Trust Company, in the City of Ruston, Louisiana, unless and until a successor Paying Agent shall have assumed such responsibilities pursuant to the General Bond Ordinance.

"2010A Bonds" means the Issuer's Utilities Revenue Bonds, Series 2010A, authorized by the First Supplemental Bond Ordinance.

"2010B Bonds" means the Issuer's Utilities Revenue Bonds, Series 2010B, authorized by the Second Supplemental Bond Ordinance.

"2011 Bonds" means the Issuer's Utilities Revenue Bonds, Series 2011, authorized

by this Third Supplemental Bond Ordinance.

"Underwriter" means Merrill Lynch, Pearce, Fenner & Smith, Incorporated.

SECTION 2. Authorization of Series 2011 Bonds. In compliance with and under the authority of the Act, there is hereby authorized the incurring of an indebtedness of _____* (\$ _____*) for, on behalf of and in the name of the Issuer, for the purpose of constructing, acquiring, extending and/or improving the Issuer's combined revenue-producing sewage collection, treatment and disposal systems and waterworks treatment and distribution systems (the "System"), including the acquisition of one or more existing utilities systems (collectively, "the Project"), funding the Series 2011 Account in the Reserve Fund, [funding a working capital reserve] and paying costs of issuance, and to represent the indebtedness, this Governing Authority does hereby authorize the issuance of _____* (\$ _____*) of Utilities Revenue Bonds, Series 2011, of the Issuer. The 2011 Bonds shall be dated as of the date of delivery. In the event that the delivery of the Series 2011 Bonds is delayed until after 2011, such 2011 Bonds may be given such other series designation as may be determined by the Executive Officers.

The 2011 Bonds shall be in fully registered form as set forth in Exhibit A hereto, shall be issued in denominations of Five Thousand Dollars (\$5,000) each, or any integral multiple thereof, to the principal amount of each maturity (one Bond per maturity), and shall be numbered from R-1 upward. The 2011 Bonds shall be Fixed Rate Bonds, shall bear interest from the date thereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for, payable on each Interest Payment Date, commencing February 1, 2012, at the following rates of interest per annum and shall become due and payable and mature serially on August 1 of the years and in the amounts, as follows, to-wit:

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST RATE</u>	<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST RATE</u>
<u>(AUGUST 1)</u>	<u>MATURING</u>	<u>PER ANNUM</u>	<u>(AUGUST 1)</u>	<u>MATURING</u>	<u>PER ANNUM</u>

[TO BE DETERMINED.]

The principal of the 2011 Bonds upon maturity or redemption shall be payable at the principal office of the Paying Agent, upon presentation and surrender thereof, and interest on the 2011 Bonds shall be payable by check of the Paying Agent mailed by the Paying Agent to the Owner (determined as of the close of business on the Record Date) at the address shown on the Bond Register. Each Bond delivered under this Ordinance upon transfer of, in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond, and each such Bond shall bear interest (as herein set forth) so neither gain nor loss in interest shall result from such transfer, exchange or substitution.

No Bond shall be entitled to any right or benefit under this Ordinance or be valid or obligatory for any purpose, unless there appears on such Bond a certificate of registration, substantially in the form provided in this Ordinance, executed by the Paying Agent by manual signature.

The 2011 Bonds are hereby issued on a parity with the Outstanding Parity Bonds, and the 2011 Bonds shall rank equally with and enjoy complete parity of lien with the Outstanding Parity Bonds on the revenues pledged to the payment therefor or other funds specially applicable to the payment of said Outstanding Parity Bonds, but not including the separate Series Accounts of the Reserve Fund (as such terms are defined in the General Bond Ordinance).

SECTION 3. A. Optional Redemption Provisions. The 2011 Bonds maturing prior to August 1, 20__ are not subject to redemption prior to their stated maturity. The 2011 Bonds

* Not Exceeding \$20,000,000

maturing on and after August 1, 20____, are subject to optional redemption, as a whole or in part, on any date on or after August 1, 20____, at a price of par, plus accrued interest, if any, to the date of redemption.

B. Mandatory Redemption Provisions. The 2011 Bonds due on August 1, 20__ are subject to mandatory redemption, on or after August 1, 20____, at par plus accrued interest to the redemption date, as follows:

2011 Bonds Maturing in 20____

Year (August 1)	<u>Amounts</u>
20__	\$ _____
20__	_____
20__	_____
20__	_____
20__ ⁽¹⁾	_____

(1) Final maturity

In the event a Bond is of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any multiple thereof) may be redeemed. 2011 Bonds are not required to be redeemed in inverse order of maturity. Official notice of such call of any of the 2011 Bonds for redemption will be given by first class mail, postage prepaid, by notice deposited in the United States mails not less than thirty (30) days prior to the redemption date addressed to the registered owner of each bond to be redeemed at his address as shown on the registration books of the Paying Agent.

SECTION 4. Registration and Transfer. The Issuer shall cause the Bond Register to be kept by the Paying Agent. The 2011 Bonds may be transferred, registered and assigned only on the Bond Register, and such registration shall be at the expense of the Issuer. A Bond may be assigned by the execution of an assignment form on the Bond or by other instruments of transfer and assignment acceptable to the Paying Agent. A new bond or bonds will be delivered by the Paying Agent to the last assignee (the new Owner) in exchange for such transferred and assigned bonds after receipt of the bonds to be transferred in proper form. Such new bond or bonds shall be in an authorized denomination of the same maturity and like principal.

SECTION 5. Paying Agent. Argent Trust, a division of National Independent Trust Company, in the City of Ruston, Louisiana, shall be the initial Paying Agent for the 2011 Bonds.

SECTION 6. Sale of 2011 Bonds. The 2011 Bonds have been awarded to and sold to the Underwriter at the price and under the terms and conditions set forth in the Bond Purchase Agreement attached hereto as Exhibit B (which the Parish President is hereby authorized to execute), and after their execution and authentication by the Paying Agent, the 2011 Bonds shall be delivered to the Underwriter or their agents or assigns, upon receipt by the Issuer of the agreed purchase price.

SECTION 7. Official Statement. The Issuer hereby approves the form and content of the Preliminary Official Statement, which has been submitted to the Issuer, and hereby ratifies its prior use by the Underwriter in connection with the sale of the 2011 Bonds. The Issuer further approves the form and content of the final Official Statement and hereby authorizes and directs the execution by the Executive Officers of the Issuer and delivery of such final Official Statement to the Underwriter for use in connection with the public offering of the 2011 Bonds. The Executive Officers are further authorized to execute any certificates reasonably required by the Underwriter, with the approval of the Bond Counsel, in connection with the Preliminary Official Statement and the Official Statement.

SECTION 8. Reserve Fund Requirement. The Reserve Fund Requirement for the 2011 Bonds shall mean, as of any date of calculation, a sum equal to the lesser of (i) 10% of the original principal proceeds of the 2011 Bonds, (ii) the highest combined principal and interest requirements for any succeeding calendar year on the 2011 Bonds, or (iii) 125% of the average aggregate amount of principal installments and interest becoming due in any calendar year on the 2011 Bonds.

SECTION 9. RESERVED.

SECTION 10. Contingency Fund Requirement. The aggregate amount required to be accumulated in the Contingency Fund established pursuant to Section 5.01(d) of the General Bond Ordinance and then maintained therein shall be the amount established for such fund in Section 2(i) of the First Supplemental Bond Ordinance. Such amount shall be cumulative with and not in addition to any other amount required to be deposited in the Contingency Fund.

SECTION 11. Application of Proceeds. The Executive Officers are each hereby empowered, authorized and directed to do any and all things necessary and incidental to carry out all of the provisions of the General Bond Ordinance and this Third Supplemental Bond Ordinance, to cause the 2011 Bonds to be prepared and/or printed, to issue, execute and seal the 2011 Bonds and to effect delivery thereof as hereinafter provided. In connection with the issuance and sale of the 2011 Bonds, the Executive Officers and the chief financial officer of the Issuer are each authorized, empowered and directed to execute and, if necessary, file on behalf of the Issuer such additional documents, certificates and instruments as they may deem necessary, upon the advice of bond counsel, including but not limited to a tax compliance or non-arbitrage certificate and an IRS Form 8038-G, to effect the transactions contemplated by this Ordinance. The signatures of said on such documents, certificates and instruments to be conclusive evidence of the due exercise of the authority granted hereunder.

SECTION 12. Parties Interested Herein. Nothing in this Third Supplemental Bond Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the Issuer, the Paying Agent and the Owners any right, remedy or claim under or by reason of this Third Supplemental Bond Ordinance or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in this Third Supplemental Bond Ordinance contained by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Paying Agent and the Owners.

SECTION 13. No Recourse on the 2011 Bonds. No recourse shall be had for the payment of the principal of or interest on the 2011 Bonds or for any claim based thereon or on this Third Supplemental Bond Ordinance against any member of the Governing Authority or officer of the Issuer or any person executing the 2011 Bonds.

SECTION 14. Successors and Assigns. Whenever in this Third Supplemental Bond Ordinance the Issuer is named or referred to, it shall be deemed to include its successors and assigns and all the covenants and agreements in this Third Supplemental Bond Ordinance contained by or on behalf of the Issuer shall bind and inure to the benefit of its successors and assigns whether so expressed or not.

SECTION 15. Book-Entry Registration of 2011 Bonds. The Bonds shall be initially issued in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), as registered owner of the Bonds, and held in the custody of DTC. The Clerk of Council of the Governing Authority or any other officer of the Issuer is authorized to execute and deliver a Letter of Representation to DTC on behalf of the Issuer with respect to the issuance of the 2011 Bonds in "book-entry only" format. The Paying Agent is hereby directed to execute said Letter of Representation. The terms and provisions of said Letter of Representation shall govern in the event of any inconsistency between the provisions of this Ordinance and said Letter of Representation. Initially, a single certificate will be issued and delivered to DTC for each maturity of the 2011 Bonds.

The Beneficial Owners will not receive physical delivery of Bond certificates except as provided herein. Beneficial Owners are expected to receive a written confirmation of their purchase providing details of each Bond acquired. For so long as DTC shall continue to serve as securities depository for the 2011 Bonds as provided herein, all transfers of beneficial ownership interest will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of 2011 Bonds is to receive, hold or deliver any Bond certificate.

Notwithstanding anything to the contrary herein, while the 2011 Bonds are issued in book-entry-only form, the payment of principal of, premium, if any, and interest on the 2011 Bonds may be payable by the Paying Agent by wire transfer to DTC in accordance with the Letter of Representation.

For every transfer and exchange of the 2011 Bonds, the Beneficial Owner may be charged a sum sufficient to cover such Beneficial Owner's allocable share of any tax, fee or other governmental charge that may be imposed in relation thereto.

Bond certificates are required to be delivered to and registered in the name of the Beneficial Owner under the following circumstances:

- (a) DTC determines to discontinue providing its service with respect to the 2011 Bonds. Such a determination may be made at any time by giving 30 days' notice to the Issuer and the Paying Agent and discharging its responsibilities with respect thereto under applicable law; or
- b) The Issuer determines that continuation of the system of book-entry transfer through DTC (or a successor securities depository) is not in the best interests of the Issuer and/or the Beneficial Owners.

The Issuer and the Paying Agent will recognize DTC or its nominee as the Bondholder for all purposes, including notices and voting.

Neither the Issuer or the Paying Agent are responsible for the performance by DTC of any of its obligations, including, without limitation, the payment of moneys received by DTC, the forwarding of notices received by DTC or the giving of any consent or proxy *in lieu* of consent.

Whenever during the term of the 2011 Bonds the beneficial ownership thereof is determined by a book entry at DTC, the requirements of this Ordinance of holding, delivering or transferring the 2011 Bonds shall be deemed modified to require the appropriate person to meet the requirements of DTC as to registering or transferring the book entry to produce the same effect.

If at any time DTC ceases to hold the 2011 Bonds, all references herein to DTC shall be of no further force or effect.

SECTION 16. Continuing Disclosure. The Executive Officers are hereby empowered and directed to execute an appropriate Continuing Disclosure Certificate (substantially in the form set forth in the Official Statement) pursuant to S.E.C. Rule 15c2-12(b)(5).

SECTION 17. Severability. In case any one or more of the provisions of this Third Supplemental Bond Ordinance or of the 2011 Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Third Supplemental Bond Ordinance or of the 2011 Bonds, but this Third Supplemental Bond Ordinance and the 2011 Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. Any constitutional or statutory provision enacted after the date of this Third Supplemental Bond Ordinance which validates or makes legal any provision of this Third Supplemental Bond Ordinance or the 2011 Bonds which would not otherwise be valid or legal shall be deemed to apply to this Third Supplemental Bond Ordinance and to the 2011 Bonds.

ORDINANCE CALENDAR NUMBER: 4605

ORDINANCE COUNCIL SERIES NO. _____

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SECTION 18. Publication. This Third Supplemental Bond Ordinance shall be published one time in the official journal of the Issuer, or if there is none, in a newspaper having general circulation in the Issuer. It shall not be necessary to publish the exhibits to this Third Supplemental Bond Ordinance but such exhibits shall be made available for public inspection at the offices of the Governing Authority at reasonable times and such fact must be stated in the publication within the official journal.

SECTION 19. Effective Date. This Third Supplemental Bond Ordinance shall become effective immediately.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

ORDINANCE CALENDAR NUMBER: 4605

ORDINANCE COUNCIL SERIES NO. _____

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MOVED FOR ADOPTION BY _____ SECONDED BY _____

WHEREUPON THIS ORDINANCE WAS SUBMITTED TO A VOTE AND RESULTED IN THE FOLLOWING:

YEAS:

NAYS:

ABSTAIN:

ABSENT:

THIS ORDINANCE WAS DECLARED ADOPTED AT A REGULAR MEETING OF THE PARISH COUNCIL ON THE 4 DAY OF AUGUST, 2011; AND BECOMES ORDINANCE COUNCIL SERIES NO. _____.

MARTIN W. GOULD, JR., COUNCIL CHAIRMAN

ATTEST:

THERESA L. FORD, COUNCIL CLERK

KEVIN DAVIS, PARISH PRESIDENT

Published Introduction: JUNE 30, 2011

Published Adoption: _____, 2011

Delivered to Parish President

, 2011 @

Returned to Council Clerk

, 2011 @

**EXHIBIT A
to Third Supplemental Bond Ordinance**

(FORM OF BOND)

Unless this Bond is presented by an authorized representative of the Depository Trust Company, a New York corporation ("DTC"), to the Issuer or their agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of CEDE & CO. or in such other name as is requested by an authorized representative of DTC (and any payment is made to CEDE & CO. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, CEDE & CO., has an interest herein.

As provided in the Ordinance referred to herein, until the termination of the system of book-entry-only transfers through DTC and notwithstanding any other provision of the Ordinance to the contrary, this Bond may be transferred, in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

No. R- _____ Principal Amount \$ _____

UNITED STATES OF AMERICA
STATE OF LOUISIANA
PARISH OF ST. TAMMANY

UTILITIES REVENUE BOND, SERIES 2011
OF THE
PARISH OF ST. TAMMANY, STATE OF LOUISIANA

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Bond Date</u>	<u>CUSIP</u>
August 1, _____	_____ %	_____, 2011	_____

THE PARISH OF ST. TAMMANY, STATE OF , LOUISIANA (the "Issuer"), promises to pay to, but only from the source and as hereinafter provided, to:

REGISTERED OWNER: CEDE & CO. (Tax Identification #13-2555119)

PRINCIPAL AMOUNT: _____ DOLLARS

or registered assigns, on the Maturity Date set forth above, the Principal Amount set forth above, together with interest thereon from the Bond Date set forth above or the most recent interest payment date to which interest has been paid or duly provided for, payable on February 1, 2012, and semiannually thereafter on February 1 and August 1 of each year (each an "Interest Payment Date"), at the Interest Rate per annum set forth above until said Principal Amount is paid, unless this Bond shall have been previously called for redemption and payment shall have been made or duly provided for. The principal of this Bond, upon maturity or redemption, is payable in lawful money of the United States of America at the principal corporate trust office of Argent Trust, a division of National Independent Trust Company, in the City of Ruston, Louisiana, or successor thereto (the "Paying Agent"), upon presentation and surrender hereof. Interest on this Bond is payable by check mailed by the Paying Agent to the registered owner (determined as of the close of business on the 15th calendar day of the month next preceding the Interest Payment Date) at the address as shown on the registration books of the Paying Agent.

During any period after the initial delivery of the Bonds in book-entry-only form when the Bonds are delivered in multiple certificates form, upon request of a registered owner of at least \$1,000,000 in principal amount of Bonds outstanding, all payment of principal, premium, if any, and interest on the Bonds will be paid by wire transfer in immediately available funds to an account designated by such registered owner; CUSIP number identification with appropriate dollar amounts for each CUSIP number must accompany all payments of principal, premium, and interest, whether by check or by wire transfer.

FOR SO LONG AS THIS BOND IS HELD IN BOOK-ENTRY FORM REGISTERED IN THE NAME OF CEDE & CO. ON THE REGISTRATION BOOKS OF THE ISSUER KEPT BY THE PAYING AGENT, AS BOND REGISTRAR, THIS BOND, IF CALLED FOR PARTIAL REDEMPTION IN ACCORDANCE WITH THE ORDINANCE, SHALL BECOME DUE AND PAYABLE ON THE REDEMPTION DATE DESIGNATED IN THE NOTICE OF REDEMPTION GIVEN IN ACCORDANCE WITH THE ORDINANCE AT, AND ONLY TO THE EXTENT OF, THE REDEMPTION PRICE, PLUS ACCRUED INTEREST TO THE SPECIFIED REDEMPTION DATE; AND THIS BOND SHALL BE PAID, TO THE EXTENT SO REDEEMED, (i) UPON PRESENTATION AND SURRENDER HEREOF AT THE OFFICE SPECIFIED IN SUCH NOTICE OR (ii) AT THE WRITTEN REQUEST OF CEDE & CO., BY CHECK MAILED TO CEDE & CO. BY THE PAYING AGENT OR BY WIRE TRANSFER TO CEDE & CO. BY THE PAYING AGENT IF CEDE & CO. AS BONDOWNER SO ELECTS. IF, ON THE REDEMPTION DATE, MONEYS FOR THE REDEMPTION OF BONDS OF SUCH MATURITY TO BE REDEEMED, TOGETHER WITH INTEREST TO THE REDEMPTION DATE, SHALL BE HELD BY THE PAYING AGENT SO AS TO BE AVAILABLE THEREFOR ON SUCH DATE, AND AFTER NOTICE OF REDEMPTION SHALL HAVE BEEN GIVEN IN ACCORDANCE WITH THE ORDINANCE, THEN, FROM AND AFTER THE REDEMPTION DATE, THE AGGREGATE PRINCIPAL AMOUNT OF THIS BOND SHALL BE IMMEDIATELY REDUCED BY AN AMOUNT EQUAL TO THE AGGREGATE PRINCIPAL AMOUNT THEREOF SO REDEEMED, NOTWITHSTANDING WHETHER THIS BOND HAS BEEN SURRENDERED TO THE PAYING AGENT FOR CANCELLATION.

This Bond is one of an authorized issue aggregating in principal the sum of Twenty Million Dollars (\$20,000,000) of Utilities Revenue Bonds, Series 2011, of the Issuer (the "Bonds") all of like tenor and effect except as to number, denomination, interest rate and maturity, said Bonds having been issued by the Issuer pursuant to a General Bond Ordinance adopted by its governing authority on February 4, 2010 (the "General Bond Ordinance") and a Third Supplemental Bond Ordinance adopted on _____, 2011 (the "Third Supplemental Bond Ordinance," and together with the General Bond Ordinance, the "Ordinance") for the purpose of constructing, acquiring, extending and/or improving the Issuer's combined revenue-producing sewage collection, treatment and disposal systems and waterworks treatment and distribution systems (the "System"), including the acquisition of one or more existing utilities systems (collectively, "the Project"), funding the Series 2011 Account of the Reserve Fund, [funding a working capital reserve] and paying the costs of issuance, under the authority conferred by Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended (R.S. 39:1430), and other constitutional and statutory authority.

The Bonds are issuable in the denomination of \$5,000, or any integral multiple thereof within a maturity. As provided in the Ordinance, and subject to certain limitations set forth therein, the Bonds are exchangeable for an equal aggregate principal amount of Bonds of the same maturity of any other authorized denomination.

Subject to the limitations and requirements provided in the Ordinance, the transfer of this Bond shall be registered on the registration books of the Paying Agent/Registrar upon surrender of this Bond at the principal corporate trust office of the Paying Agent/Registrar as Bond Registrar, duly endorsed by, or accompanied by a written instrument of transfer in form and a guaranty of signature satisfactory to the Paying Agent/Registrar, duly executed by the registered owner or his attorney duly authorized in writing, and thereupon a new Bond or Bonds of the same maturity and of authorized denomination or denominations, for the same aggregate principal amount, will be issued to the transferee. Prior to due presentment for transfer of this Bond, the Issuer and the Paying Agent/Registrar may deem and treat the registered owner hereof as the absolute owner hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and interest hereon and for all other purposes, and neither the Issuer nor the Paying Agent/Registrar shall be affected by any notice to the contrary.

The Issuer and the Paying Agent/Registrar shall not be required to (a) issue, register the transfer of or exchange any Bond during a period beginning at the opening of business on the 15th day of the month next preceding an interest payment date or any date of selection of Bonds to be redeemed and ending at the close of business on the interest payment date or (b) to register the transfer of or exchange any Bond so selected for redemption in whole or in part.

Optional Redemption Provisions. The 2011 Bonds maturing prior to August 1, 20___ are not subject to redemption prior to their stated maturity. The 2011 Bonds maturing on and after August 1, 20___, are subject to optional redemption, as a whole or in part, on any date on or after August 1, 20___, at a price of par, plus accrued interest, if any, to the date of redemption.

Mandatory Redemption Provisions. The 2011 Bonds due on August 1, 20___ are subject to mandatory redemption, on or after August 1, 20___, at par plus accrued interest to the redemption date, as follows:

2011 Bonds Maturing in 20___	
Year (August 1)	Amounts
20___	\$_____
20___	_____
20___	_____
20___	_____
20___ ⁽¹⁾	_____

(1) Final maturity

In the event a Bond is of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any multiple thereof) may be redeemed. 2011 Bonds are not required to be redeemed in inverse order of maturity. Official notice of such call of any of the 2011 Bonds for redemption will be given by first class mail, postage prepaid, by notice deposited in the United States mails not less than thirty (30) days prior to the redemption date addressed to the registered owner of each bond to be redeemed at his address as shown on the registration books of the Paying Agent.

The Bonds are secured by and payable as to principal and interest, together with \$1,000,000 of Utilities Revenue Bonds, Series 2010A, and \$41,370,000 of Utilities Revenue Bonds, Series 2010B, by a pledge of the revenues of the System, after there have been deducted therefrom the reasonable and necessary expenses of operating and maintaining the System. This Bond constitutes a borrowing solely upon the credit of said revenues of the System and does not constitute an indebtedness or pledge of the general credit of the Issuer within the meaning of any constitutional or statutory limitation of indebtedness. For a more complete statement of the revenues from which and conditions under which this Bond is payable, and the general covenants and provisions pursuant to which this Bond is issued, reference is hereby made to the Ordinance.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance until the certificate of registration hereon shall have been signed by the Paying Agent.

It is certified that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of this State. It is further certified, recited and declared that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond and the issue of which it forms a part to constitute the same legal, binding and valid obligations of the Issuer have existed, have happened and have been performed in due time, form and manner as required by law, and that the indebtedness of the Issuer, including this Bond and the issue of which it forms a part, does not exceed the limitations prescribed by the Constitution and statutes of the State of Louisiana.

IN WITNESS WHEREOF, the Parish Council of the Parish, acting as the governing authority of the Issuer, has caused this Bond to be executed in its name by the facsimile signatures of its Parish President and the Finance Director of said Parish, and the Clerk of Council of said governing authority, and a facsimile of its corporate seal to be imprinted hereon.

PARISH OF ST. TAMMANY, STATE OF
LOUISIANA

Clerk of Council

Parish President

Finance Director

(SEAL)

* * * * *

(FORM OF PAYING AGENT'S CERTIFICATE OF REGISTRATION)

This Bond is one of the Bonds referred to in the within mentioned Bond Ordinance.

Argent Trust, a division of
National Independent Trust Company,
as Paying Agent

Date of
Registration: _____, 2011

By: _____
Authorized Officer

* * * * *

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____

Please Insert Social Security
or other Identifying Number of Assignee

[Empty box for Social Security or other Identifying Number of Assignee]

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____

attorney or agent to transfer the within Bond on the books kept for registration thereof, with full
power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond
with the name as it appears upon the face of the within Bond
in every particular, without alteration or enlargement or any
change whatever.

* * * * *

(FORM OF LEGAL OPINION CERTIFICATE)

I, the undersigned Clerk of Council of the Parish Council of the Parish of St. Tammany, State
of Louisiana, do hereby certify that the following is a true copy of the complete legal opinion of
Foley & Judell, L.L.P., the original of which was manually executed, dated and issued as of the date
of payment for and delivery of the original bonds of the issue described therein and was delivered
to Merrill Lynch, Pearce, Fenner & Smith, Incorporated, of Houston, Texas, the original purchaser
thereof:

(LEGAL OPINION TO BE INSERTED)

I further certify that an executed copy of the above legal opinion is on file in my office, and
that an executed copy thereof has been furnished to the Paying Agent for this Bond.

Clerk of Council

* * * * *

EXHIBIT B
to Third Supplemental Bond Ordinance

(FORM OF BOND PURCHASE AGREEMENT)

\$ _____
Utilities Revenue Bonds, Series 2011
Parish of St. Tammany, State of Louisiana

_____, 2011

Parish of St. Tammany, State of Louisiana
21490 Koop Drive
Mandeville, LA 70471

Dear Sirs:

On the basis of the representations, warranties and covenants, and upon the terms and conditions, set forth in this Bond Purchase Agreement (this "Agreement"), the undersigned, Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "Underwriter"), hereby offers to purchase \$ _____ in aggregate principal amount of the Parish of St. Tammany, State of Louisiana's (the "Issuer's"), Utilities Revenue Bonds, Series 2011 (the "2011 Bonds") to be issued under and pursuant to the St. Tammany Parish Council (the "Council") Ordinance, Series No. 10-2194, adopted by the Council at a regular meeting on February 4, 2010, as supplemented by St. Tammany Parish Council Ordinance, Series No. [_____] , adopted by the Council at a regular meeting on _____, 2011 (collectively, the "Bond Ordinance"). This Agreement is being executed pursuant to the authority conferred by the Council in the Bond Ordinance. This offer is made subject to acceptance by you prior to 11:59 p.m., New Orleans, Louisiana, time, on the date hereof, and upon such acceptance this Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Issuer and the Underwriter, subject to the provisions hereof. Capitalized terms used herein that are not otherwise defined shall have the meanings ascribed to such terms in the Bond Ordinance.

Section 1. Representations, Warranties and Agreements by the Issuer. By the Issuer's acceptance hereof, the Issuer hereby represents and warrants to, and agrees with, the Underwriter that:

(a) The Issuer is authorized to adopt the Bond Ordinance and issue the 2011 Bonds, and to enter into and to perform its obligations under this Agreement, the tax compliance or non-arbitrage certificate relating to the 2011 Bonds (the "Tax Certificate"), and the Blanket Letter of Representations (the "Letter of Representations"), by and among the Issuer and The Depository Trust Company ("DTC"), pursuant to the Act).

(b) The Issuer has complied with all provisions of the Constitution and laws of the State of Louisiana (the "State"), including the Act, and has full power and authority to consummate all transactions contemplated by or required by: (i) this Agreement, the Bond Ordinance, the Tax Certificate, the Letter of Representations, the 2011 Bonds, Internal Revenue Service Form 8038-G and any and all other agreements relating to the issuance and sale of the 2011 Bonds (all of such documents and agreements shall be collectively referred to herein as the "Issuer Documents"); and (ii) the Preliminary Official Statement, including all appendices thereto, dated _____, 2011, and prepared for use in connection with the offer and sale of the 2011 Bonds (the "Preliminary Official Statement") and the final Official Statement, to be dated on or prior to the Closing Date, including all appendices thereto and any amendment or supplement thereto (the Preliminary Official Statement and the final Official Statement, including all appendices, supplements and amendments thereto, collectively are referred to herein as the "Official Statement").

(c) The Issuer has, or prior to the Closing Time (as defined in Section 2(c) hereof) will have, duly authorized and taken all necessary action to be taken by it for (i) the execution and delivery of the Official Statement and the execution, delivery, receipt and due performance of the Issuer Documents and any and all other agreements or instruments that may be required to be executed, delivered, received or performed by the Issuer in order to carry out, give effect to and consummate the transactions contemplated by the Issuer

Documents and by the Official Statement; (ii) the execution and delivery of the 2011 Bonds upon the terms set forth in this Agreement and the Bond Ordinance; (iii) the assessment and collection of "Revenues" as defined in the Bond Ordinance; and (iv) the carrying out, giving effect to and consummation of the transactions contemplated by the Issuer Documents and the Official Statement.

(d) There are no legal or governmental actions, suits, proceedings, inquiries or investigations pending or, to the best of the Issuer's knowledge, threatened against the Issuer, in which an unfavorable decision, ruling or finding would adversely affect (i) the validity or enforceability of the Issuer Documents; (ii) any of the transactions contemplated by the Issuer Documents or by the Official Statement; (iii) the assessment and collection of the Revenues; or (iv) the financial position of the Issuer, or the continuous operation of the Issuer, in a material manner.

(e) The issuance of the 2011 Bonds shall not directly, indirectly or contingently, obligate the State, the Issuer or any other political subdivision to levy any form of taxation therefor (other than the Revenues and any moneys and investments in the Bond Fund) or to make any appropriation for their payment.

(f) The Issuer shall direct the application of the proceeds from the sale of the 2011 Bonds as specified in the Tax Certificate.

(g) No approval, authorization, consent or other order of any public board or body which has not been obtained, other than adoption of the Bond Ordinance and registration under and compliance with the securities laws of the various states as to which no representation is made by the Issuer, is legally required in connection with the issuance or sale of the 2011 Bonds to the Underwriter or the consummation of the provisions of the Issuer Documents.

(h) The Issuer approves the use by the Underwriter in connection with the sale of the 2011 Bonds of the final Official Statement, and it acknowledges, ratifies and approves the use by the Underwriter, prior to the date of this Agreement, of the Preliminary Official Statement.

(i) The execution and delivery of the Official Statement; the execution, delivery, receipt and due performance of the Issuer Documents and the other agreements contemplated thereby; the assessment and collection of the Revenues; and the execution and delivery of the 2011 Bonds, do not conflict with or constitute on the Issuer's part a breach of or a default under any existing law, any court or administrative regulation, decree or order or any agreement, indenture, mortgage, lease or other instrument to which the Issuer is subject or by which the Issuer is or intends to be bound.

(j) The Issuer agrees to reasonably cooperate with the Underwriter in any endeavor to qualify the 2011 Bonds for offering and sale under the securities or "Blue Sky" laws of such jurisdictions of the United States of America as the Underwriter may request; provided, that the Issuer shall not be required with respect to the offer or sale of the 2011 Bonds to file written consent to suit or to file written consent to service of process in any jurisdiction in which such consent may be required by law or regulation so that the 2011 Bonds may be offered or sold. The Issuer consents to the use of the Official Statement by the Underwriter in obtaining such qualification.

(k) The Issuer shall not amend or supplement the Official Statement without the prior written consent of the Underwriter which consent shall not be unreasonably withheld.

(l) The Official Statement does not contain, and as of the Closing Date will not contain, any untrue statement of a material fact, and does not omit, and as of the Closing Date will not omit, any material fact that is necessary to make the statements in such Official Statement, in light of the circumstances under which they were made, not misleading.

(m) Any certificate signed by any of the Issuer's Executive Officers, including the Parish President, and delivered to the Underwriter shall be deemed a representation and

warranty by the Issuer to the Underwriter as of the Closing Date as to the statements made therein.

(n) The financial statements of and other financial information regarding the Issuer included in the Official Statement have been prepared in all material respects on a consistent basis in accordance with generally accepted accounting principles applicable to the financial reporting of governmental entities, and present fairly the financial position of the Issuer at the dates and for the periods indicated.

(o) The Issuer is not in default in the payment of principal or interest on any bond, note or other general or special obligation for borrowed money nor is it in default under any agreement or instrument under and subject to which any obligation for borrowed money has been issued, and no event of which the Issuer has notice or knowledge has occurred under the provisions of any such instrument or agreement which, with or without the lapse of time or the giving of notice, or both, constitutes or would constitute a default thereunder.

Section 2. Purchase, Sale and Delivery of the 2011 Bonds.

(a) On the basis of the representations, warranties and covenants, and subject to the terms and conditions, set forth in this Agreement, at the Closing Time (as hereinafter defined), the Underwriter agrees to purchase the 2011 Bonds for a price and with the terms set forth in Exhibit A.

(b) The 2011 Bonds shall be issued under and secured as provided in the Bond Ordinance.

(c) Payment for the 2011 Bonds shall be made by wire transfer in immediately available federal funds payable to the order of the Issuer and delivery of the Bonds shall take place at the offices of Foley & Judell, L.L.P., in New Orleans, Louisiana, 10:00 a.m., New Orleans, Louisiana, time, on _____, 2011 or such other place, time or date as shall be mutually agreed upon by the Issuer and the Underwriter. The date of such delivery and payment is herein called the "Closing Date," and the hour and date of such delivery and payment is herein called the "Closing Time." The delivery of the 2011 Bonds shall be made in definitive form, bearing CUSIP numbers (provided neither the printing of a wrong number on any 2011 Bonds nor the failure to print a number thereon shall constitute cause to refuse delivery of any 2011 Bond) and issued in fully registered form as directed by the Underwriter. The 2011 Bonds shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). The 2011 Bonds shall be available for examination by the Underwriter at least 48 hours prior to the Closing Time.

Section 3. Conditions to the Underwriter's Obligations. The Underwriter's obligations under this Agreement shall be subject to the due performance by the Issuer of its obligations and agreements to be performed hereunder at or prior to the Closing Time and to the accuracy of and compliance by the Issuer with its representations and warranties set forth herein, as of the date hereof and as of the Closing Time, and are also subject to the following conditions (subject to the waiver of any such conditions by, and in the sole discretion of, the Underwriter):

(a) The Issuer Documents shall have been duly authorized, executed, authenticated and delivered by the respective parties thereto in the form heretofore approved by the Issuer with only such changes therein as shall be mutually agreed upon by the Issuer and the Underwriter.

(b) The Underwriter shall have received evidence satisfactory to the Underwriter that the 2011 Bonds have received an ___ rating from Standard & Poor's Ratings Services and that such rating is in effect at the Closing Time.

(c) The Underwriter shall have received evidence satisfactory to the Underwriter and bond counsel that the Issuer has taken all action necessary to authorize and approve the issuance and sale of the 2011 Bonds.

(d) The Issuer shall have delivered to the Underwriter, within seven business days

after the date of the acceptance of this Agreement and in sufficient time to accompany any confirmation that requires payment from any customer, copies of the Official Statement in sufficient quantity to enable the Underwriter to comply with Rule 15c2-12 under the Securities and Exchange Act of 1934, as amended (the "Rule") and the rules of the Municipal Securities Rulemaking Board.

(e) At the Closing Time, the Underwriter shall receive and be entitled to rely upon:

(i) the written opinion, dated the Closing Date, of Foley & Judell, L.L.P., Bond Counsel, addressed to the Issuer and the Underwriter, substantially in the form attached to the Official Statement in Appendix G thereto.

Such opinion may provide that the rights of the owners of the 2011 Bonds and the enforceability of the 2011 Bonds and the Bond Ordinance may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and may also be subject to the reasonable exercise by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise of judicial discretion in appropriate cases.

(ii) a letter, dated the Closing Date, of Foley & Judell, L.L.P., as Bond Counsel, addressed to the Issuer and the Underwriter, as to certain matters relating to the 2011 Bonds, the Bond Ordinance and the Official Statement in a form acceptable to the Underwriter and Bond Counsel;

(iii) [intentionally omitted];

(iv) a certificate signed by the Parish President, dated as of the Closing Date, stating to the effect that to the best of his knowledge: (A) the Issuer has duly performed all of its obligations to be performed, at or prior to the Closing Time; (B) each of the Issuer's representations in this Agreement is true as of the Closing Time; (C) the Issuer has authorized and has taken all necessary action to be taken by it prior to and as of the Closing Time for the assessment and collection of the Revenues and the approval and delivery of the Official Statement and the execution, delivery and receipt and due performance of the Issuer Documents; (D) there are no legal or governmental actions, suits, proceedings, inquiries or investigations pending or, to the best of the Issuer's knowledge, threatened against the Issuer, in which an unfavorable decision, ruling or finding would adversely affect: (1) the validity and enforceability of the Issuer Documents; (2) any of the transactions contemplated by the Issuer Documents or by the Official Statement; (3) the assessment and collection of the Revenues; or (4) the financial position of the Issuer, or the continuous operation of the Issuer, in a material manner; (E) the execution and delivery of the Official Statement, the execution, delivery, receipt and due performance of the Issuer Documents and the other agreements contemplated hereby and thereby, and the execution and delivery of the 2011 Bonds, and the Issuer's compliance with the provisions of those instruments, do not conflict with or constitute on its part a breach of or default under any existing law, any court or administrative regulation, decree or order or any agreement, indenture, mortgage, lease or other instrument to which the Issuer is subject or by which it is bound; (F) the Official Statement as of its respective dates did not contain, and at the Closing Time does not contain, any untrue statement of a material fact, and as of its respective dates did not omit, and at the Closing Time does not omit, to state any material fact necessary to make the statements therein, in light of the circumstances under which they were or are made, not misleading; (G) the Underwriter was and is authorized to use the Official Statement in offering and selling the 2011 Bonds; and (H) the financial statements and other historical financial information of the Issuer contained in the Official Statement fairly present the financial position of the Issuer as of the dates and for the periods therein set forth, in accordance with generally accepted accounting principles consistently applied;

(v) the Official Statement;

- (vi) executed copies of the Issuer Documents; and
 - (vii) a copy of the consulting engineer's report prepared by R.W. Beck, Inc. (the "Consulting Engineer"), in substantially the same form as attached to the Official Statement as Appendix ____;
 - (viii) a certificate of the Consulting Engineer, in a form satisfactory to the Underwriter, dated as of the date of closing, as to the accuracy of the information provided by the Consulting Engineer contained in the Official Statement; and
 - (ix) proof of the approval of the 2011 Bonds by the Louisiana State Bond Commission; and
 - (x) such additional certificates and other documents as the Underwriter may reasonably request to evidence performance of or compliance with the provisions hereof and the transactions contemplated by this Agreement, the Bond Ordinance and the Official Statement, all such certificates and other documents to be satisfactory in form and substance to the Underwriter;
- (f) Prior to an offering of the 2011 Bonds by the Underwriter, the Issuer shall have delivered to the Underwriter a certificate with respect to the Rule in the form attached as Exhibit H to the Official Statement; and

Section 4. The Underwriter's Right To Cancel. The Underwriter shall have the right to cancel its obligation hereunder to purchase the 2011 Bonds (such cancellation shall not constitute a default for purposes of Section 7 hereof) by notifying the Issuer in writing or by telegram of its election to do so between the date hereof and the Closing Time, if at any time hereafter and prior to the Closing Time:

- (a) a tentative decision with respect to legislation shall be reached by a committee of the House of Representatives or the Senate of the Congress of the United States of America, or legislation shall be favorably reported by such a committee or be passed by the House of Representatives or the Senate, or recommended to the Congress of the United States of America for passage by the President of the United States of America, or be enacted by the Congress of the United States of America, or a decision by a court established under Article III of the Constitution of the United States of America, or the Tax Court of the United States of America, shall be rendered, or a ruling, regulation or order of the Treasury Department of the United States of America or the Internal Revenue Service shall be made or proposed having the purpose or effect of imposing federal income taxation, or any other event shall have occurred which results in the imposition of federal income taxation, upon revenues or other income of the general character to be derived by the Issuer or by any similar body or upon interest received on obligations of the general character of the 2011 Bonds, or the 2011 Bonds, which, in the Underwriter's reasonable opinion, materially adversely affects the market price of the 2011 Bonds;
- (b) any legislation, resolution, rule or regulation shall be introduced in or be enacted by any governmental body, department or agency in the State or a decision by any court of competent jurisdiction within the State shall be rendered which, in the Underwriter's reasonable opinion, might materially adversely affect the market price of the 2011 Bonds;
- (c) a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the 2011 Bonds, or the issuance, offering or sale of the 2011 Bonds as contemplated hereby or by the Official Statement, is in violation or would be in violation of any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect;
- (d) legislation shall be introduced in or enacted by the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered,

or a ruling, regulation or official statement of the Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall be made or proposed, to the effect that obligations of the general character of the 2011 Bonds, or the 2011 Bonds are not exempt from registration under or from other requirements of the Securities Act of 1933, as amended and as then in effect, or the Securities Exchange Act of 1934, as amended and as then in effect, or that the Bond Ordinance is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended and as then in effect;

(e) any event shall have occurred, or information become known, which makes untrue in any material respect any statement or information contained in the Official Statement, as authorized by the Issuer, or has the effect that the Official Statement, as authorized by the Issuer, contains an untrue statement of a material fact or omits a material fact necessary in order to make the statement made, in light of the circumstances under which they were made, not misleading;

(f) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities of the general character of the 2011 Bonds by any governmental authority or by any national securities exchange;

(g) any national securities exchange, or any governmental authority, shall have imposed, as to the 2011 Bonds or obligations of the general character of the 2011 Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge of the net capital requirements of, the Underwriter;

(h) a general banking moratorium shall have been established by federal or State authorities;

(i) a war involving the United States of America shall have been declared, or any conflict involving the armed forces of the United States of America shall have escalated, or any other national emergency relating to the effective operation of government or the financial community shall have occurred, which, in the Underwriter's opinion, materially adversely affects the market price of the 2011 Bonds;

(j) the Issuer shall have sustained with respect to its properties a substantial loss by fire, flood, accident or other calamity that, in the reasonable judgment of the Underwriter, could have a material adverse impact on the marketability of the Bonds, whether or not such loss shall have been insured;

(k) any rating of the 2011 Bonds shall have been downgraded or withdrawn by a national rating service, or the conditions of any rating agency regarding the final approval of any rating of the 2011 Bonds shall not have been satisfied which, in the opinion of the Underwriter, materially adversely affects the market price of the 2011 Bonds;

(l) [intentionally omitted];

(m) the President of the United States of America, the Office of Management and Budget, the Department of the Treasury, the Internal Revenue Service, the Department of Education, or any other governmental body, department or agency of the United States of America shall take or propose to take any action or implement or propose regulations or rulings which, in the Underwriter's opinion, materially adversely affect the market price of the 2011 Bonds, impact adversely upon the Issuer or cause the Official Statement to be incorrect or misleading in any material respect; or

(n) a default shall occur in the payment of principal or interest on outstanding obligations of the Issuer which in the opinion of the Underwriter materially and adversely affects the market for the 2011 Bonds.

Section 5. Conditions of the Obligations of the Issuer. The Issuer's obligations hereunder are subject to the Underwriter's performance of its obligations hereunder and are also subject to the following conditions:

(a) As of the Closing Time, except as described in the Official Statement, no litigation shall be pending, or to the best knowledge of the Issuer threatened, to restrain or enjoin the issuance or sale of the 2011 Bonds, the assessment and collection of the Revenues, or in any way affecting any authority for or the validity of the Issuer Documents or the transactions contemplated thereby, or the existence or powers of the Issuer;

(b) As of the Closing Time, the Issuer shall receive the opinions (or reliance letters entitling the Issuer to rely upon the opinions and letter) described in Sections 3(e)(i) and (ii) of this Agreement; and

(c) As of the Closing Time, the Issuer shall receive the report of the Consulting Engineer referenced in Section 3(e)(vii) of this Agreement.

Section 6. Representations, Warranties and Agreements to Survive Delivery. All of the Issuer's representations, warranties and agreements set forth in this Agreement or any other document relating to the issuance of the 2011 Bonds shall remain operative and in full force and effect, regardless of any investigations made by the Underwriter or on its behalf, and shall survive delivery of the 2011 Bonds to the Underwriter.

Section 7. Payment of Expenses. Whether or not the 2011 Bonds are sold to the Underwriter (unless such sale be prevented at the Closing Time by the Underwriter's default), the Underwriter shall be under no obligation to pay any expenses incident to the performance of the Issuer's obligations hereunder, nor shall the Issuer be obligated to pay any such expenses except from the proceeds of the 2011 Bonds. All other expenses and costs to effect the authorization, preparation, issuance, delivery and sale of the 2011 Bonds (including, without limitation, the fees of Argent Trust, as Paying Agent, the fees of the Underwriter and its counsel and other charges of the Underwriter applicable to pricing (including fees to the Municipal Securities Rulemaking Board and the Securities Industry and Financial Markets Association and the cost of CUSIPS), fees relating to Blue Sky qualification, the fees of the rating agencies, the fees and expenses of Bond Counsel and the expenses and costs for the preparation, printing, photocopying, execution and delivery of the 2011 Bonds, the Official Statement, the Issuer Documents and all other agreements and documents contemplated hereby) shall be paid solely out of the proceeds of the 2011 Bonds.

Section 8. Use and Delivery of Official Statement; Offering.

(a) The Issuer hereby approves and ratifies the Underwriter's use and distribution of the Preliminary Official Statement; and the Issuer hereby approves the proposed use and distribution of the Official Statement by the Underwriter in connection with the offer and sale of the 2011 Bonds. The Issuer has deemed the Preliminary Official Statement final as of its date within the meaning of the Rule except for the omission of no more than the following information: the offering price, interest rate, yield, selling compensation, aggregate principal amount, delivery date, and other terms of the 2011 Bonds depending on such matters. The Issuer shall deliver to the Underwriter, within seven business days after the date of the acceptance of this Agreement and in sufficient time to accompany any confirmation that requires payment from any customer, copies of the Official Statement in sufficient quantity to enable the Underwriter to comply with the Rule and the rules of the Municipal Securities Rulemaking Board, which delivery may be made by physical or electronic copies, as requested by the Underwriter. Evidenced by its delivery to the Underwriter, the Issuer shall deem the final Official Statement complete as of its date within the meaning of the Rule in substantially the same form as the Preliminary Official Statement subject only to such additions, deletions and revisions as shall have been accepted by the Underwriter.

(b) The Issuer consents to the use of copies of the Preliminary Official Statement and authorizes the use of copies of the Official Statement in connection with the public offering and sale of the 2011 Bonds.

(c) The Issuer agrees to notify the Underwriter pursuant to Section 9(b) of this Agreement promptly of any material change in the affairs or financial condition of the Issuer which may occur prior to the Closing Date. The Issuer further agrees to notify the Underwriter of any material developments impacting the Issuer or the 2011 Bonds of which the Issuer becomes aware between the date of this Agreement and a date which is 25 days

after the end of the underwriting period for purposes of the Rule, notice of which date the Underwriter shall deliver to the Issuer. After such notification, if, in the opinion of the Issuer or the Underwriter, a change would be required in the Official Statement in order to make the statements therein true and not misleading or incomplete in any material respect, then such change will be made by amendment or supplement, and the Official Statement as so amended or supplemented will be supplied to the Underwriter in reasonable quantity for distribution.

(d) The Underwriter shall send, by first-class mail or equally prompt means, a copy of the Official Statement to the Municipal Securities Rulemaking Board and shall take all actions to comply with the applicable rules of the Municipal Securities Rulemaking Board (including Rules G-32 and G-36).

(e) The Issuer agrees to disclose information on a periodic basis in a manner sufficient to enable the Underwriter to offer and sell the 2011 Bonds in the primary and secondary market in accordance with applicable federal securities law.

(f) The Underwriter represents that it is either a registered broker-dealer under the Securities Exchange Act of 1934, as amended, or is a Municipal Securities Dealer under Section 15B of such Act or is temporarily exempt from such registration pursuant to rules adopted by the Securities and Exchange Commission; and that its financial condition is such that it may, in accordance with and pursuant to (i) Rule 15c3-2 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended; (ii) any rule of like import imposed by any national securities exchange of which the Underwriter is a member; and (iii) any restriction imposed by any such exchange or governmental authority, enter into the commitment to purchase the 2011 Bonds, pursuant to this Agreement.

Section 9. Miscellaneous and Notice.

(a) This Agreement shall inure to the benefit of the Underwriter and the Issuer and their respective successors and assigns. Nothing in this Agreement is intended or shall be construed to give any other person, firm or corporation any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. The terms "successor" and "assigns" as used in this Agreement shall not include any purchaser, as such purchaser, of any of the 2011 Bonds from the Underwriter.

(b) Any notice or other communication to be given to the Issuer or the Underwriter under this Agreement may be given by mailing or delivering the same in writing to the Issuer: Parish of St. Tammany, State of Louisiana, 21490 Koop Drive, Mandeville, LA 70471, Attention: Parish President; to the Underwriter: Merrill Lynch, Pierce, Fenner & Smith Incorporated, 1 Houston Center, 1221 McKinney Street, Suite 3030, Houston TX, 77010, Attention: Public Finance.

Section 10. Applicable Law; Nonassignability. This Agreement shall be construed in accordance with the laws of the State. This Agreement shall not be assigned by the Issuer or the Underwriter.

Section 11. Amendments; Execution of Counterparts. This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

Very truly yours,

MERRILL LYNCH, PIERCE, FENNER &
SMITH INCORPORATED

By
Name
Title _____

Time of execution: _____ p.m.

Accepted as of the date first above written:

PARISH OF ST. TAMMANY, STATE OF LOUISIANA

By _____
Name
Title

[Signature Page to Bond Purchase Agreement]

EXHIBIT A
BOND TERMS

General

The Underwriter agrees to purchase the 2011 Bonds for a purchase price of \$_____ (being the par amount of the 2011 Bonds of \$_____, less an Underwriter's discount of \$_____, and less net original issue discount of \$_____.)

The 2011 Bonds shall be dated _____, 2011.

Maturity					Yield to
Date	Amount	Rate	Yield	Price	Maturity
Serials					

Term

Prior Redemption

Optional Redemption. The 2011 Bonds maturing prior to August 1, 20___ are not subject to redemption prior to their stated maturity. The 2011 Bonds maturing on and after August 1, 20___, are subject to optional redemption, as a whole or in part, on any date on or after August 1, 20___, at a price of par, plus accrued interest, if any, to the date of redemption.

Mandatory Redemption. The 2011 Bonds due on August 1, 20___ are subject to mandatory redemption, on or after August 1, 20___, at par plus accrued interest to the redemption date, as follows:

	2011 Bonds Maturing in 20___
<u>Year</u>	
<u>(August 1)</u>	<u>Amounts</u>