

CERTIFICATION OF EXTRACT FROM MINUTES
RELATING TO \$40,300,000 GENERAL OBLIGATION
TRANSIT BONDS, SERIES 2008B

Issuer: Metropolitan Council, Minnesota

Governing Body: Council Members

Kind, date, time and place of meeting: A regular meeting held Wednesday, February 13, 2008, at 4:00 o'clock P.M., at 390 North Robert Street, St. Paul, Minnesota.

Members Present:

Members Absent:

Documents Attached:

Extract of minutes of said meeting including:

RESOLUTION NO. 2008-02

RESOLUTION TO ISSUE AND SELL \$40,300,000 GENERAL
OBLIGATION TRANSIT BONDS, SERIES 2008B, FIXING
THE FORM AND SPECIFICATIONS THEREOF, PROVIDING
FOR THEIR EXECUTION AND DELIVERY AND LEVYING
TAXES FOR THEIR PAYMENT

I, the undersigned, being the duly qualified and acting Recording Secretary of the Metropolitan Council, the public corporation issuing the bonds referred to in the title of this certificate, certify that the documents attached hereto, as described above, have been carefully compared with the original records of said corporation in my legal custody, from which they have been extracted; that said documents are correct and accurate copies of the resolution and related documents approved by the Council at its regular meeting held on February 13, 2008, so far as they relate to said bonds; and that said meeting was duly held by the governing body at the time and place and was attended by the members indicated above, pursuant to call and notice of such meeting given as required by law.

WITNESS my hand officially as such Recording Secretary on _____, 2008.

Pat Curtiss, Recording Secretary

After some discussion, Council Member _____ introduced the following resolution and moved its adoption:

RESOLUTION TO ISSUE AND SELL \$40,300,000 GENERAL OBLIGATION TRANSIT BONDS, SERIES 2008B, FIXING THE FORM AND SPECIFICATIONS THEREOF, PROVIDING FOR THEIR EXECUTION AND DELIVERY AND LEVYING TAXES FOR THEIR PAYMENT

The motion for the adoption of the foregoing resolution was seconded by Council Member _____, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

and the following were absent for the vote:

whereupon the resolution was declared duly passed and adopted and was signed by the Chair whose signature was attested by the Recording Secretary.

RESOLUTION TO ISSUE AND SELL \$40,300,000 GENERAL OBLIGATION TRANSIT BONDS, SERIES 2008B, FIXING THE FORM AND SPECIFICATIONS THEREOF, PROVIDING FOR THEIR EXECUTION AND DELIVERY AND LEVYING TAXES FOR THEIR PAYMENT

BE IT RESOLVED by the Metropolitan Council (the “Council” or the “Issuer”), as follows:

SECTION 1. AUTHORIZATION AND SALE.

1.1 Authorization and Purpose. This Council determines that it is necessary to sell and issue its General Obligation Transit Bonds, Series 2008B, in the approximate principal amount of \$40,300,000 (the “Bonds”), subject to adjustment as provided in the Official Terms and Conditions of Bond Sale referred to in Section 1.2 hereof, pursuant to Minnesota Statutes, Section 473.39 and Chapter 475, to finance capital expenditures as prescribed in the Council’s regional transit master plan and transit capital improvement program.

1.2 Terms of Bond Sale; Notices. The Council has retained Public Financial Management, Inc., Minneapolis, Minnesota (“PFM”) as independent financial advisor, and pursuant to Minnesota Statutes, Section 475.60, subdivision 2, paragraph 9, PFM is hereby authorized to solicit proposals for the Bonds on behalf of the Council on a negotiated basis. The terms of the Bonds and the sale thereof shall be substantially as set forth in the Official Terms and Conditions of Bond Sale attached as Exhibit A hereto, which is hereby approved. The Council hereby determines to sell the Bonds in accordance with the procedures set forth in Exhibit A. The specifications set forth in Exhibit A may be revised by the Chief Financial Officer in consultation with PFM, provided that the principal amount of Bonds authorized and issued hereunder shall not exceed \$40,300,000. The Council hereby delegates to the Chief Financial Officer authority to consider the proposals and award the sale not later than 120 days from the date hereof based upon the best proposal, provided that the true interest cost of the Bonds shall not exceed 5.00% per annum.

SECTION 2. BOND TERMS; REGISTRATION; EXECUTION AND DELIVERY.

2.1 Maturities; Interest Rates; Denominations and Payment. The Bonds shall be originally dated as of the date of issuance, shall be in the denomination of \$5,000 each, or any integral multiple thereof, shall mature on March 1 in the respective years and amounts stated in the Official Terms and Conditions of Bond Sale, and shall bear interest from date of issue until paid at the respective annual rates pursuant to Section 1.2 hereof.

The Bonds shall be issuable only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof shall be payable by check or draft issued by the Registrar described herein; provided that, so long as the Bonds are registered in the name of a securities depository, or a nominee thereof, in accordance with paragraph 3 of Exhibit C hereto, principal and interest shall be payable in accordance with the operational arrangements of the securities depository.

2.2 Dates and Interest Payment Dates. Upon initial delivery of the Bonds pursuant to Section 2.6 hereof, and upon any subsequent transfer or exchange pursuant to paragraph 2 of Exhibit C hereto, the date of authentication shall be noted on each Bond so delivered, exchanged or transferred. Interest on the Bonds shall be payable on March 1 and September 1 in each year, commencing September 1, 2008, to the owner of record thereof as of the close of business on the fifteenth day of the immediately preceding month, whether or not such day is a business day.

2.3 Redemption. Prospective proposers may designate any portion of the principal of the Bonds to be combined within one or more term Bonds subject to mandatory sinking fund redemption. The Bonds shall be subject to redemption and payment prior to maturity at the option of the Council in such order of maturity as the Council may determine on the dates, at the prices, and for the maturities as provided in Exhibit A hereto. Thirty days mailed notice of any such redemption shall be given to the registered owners of the Bonds pursuant to Minnesota Statutes, Chapter 475.

2.4 Appointment of Initial Registrar. The Issuer hereby appoints the Treasurer of the Council, in St. Paul, Minnesota, as the initial bond registrar, transfer agent and paying agent (the "Registrar"). The Issuer reserves the right to change the Registrar upon thirty (30) days notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Bonds in its possession to the successor Registrar and shall deliver the bond register to the successor Registrar.

2.5 Registration. The effect of registration and the rights and duties of the Issuer and the Registrar with respect thereto are set forth in paragraph 2 of Exhibit C hereto.

2.6 Execution, Authentication and Delivery. The Bonds shall be prepared under the direction of the Secretary and shall be executed on behalf of the Issuer by the signatures of the Chair and the Secretary, provided that the signatures may be printed, engraved or lithographed facsimiles of the originals. In case any officer whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of any Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. Notwithstanding such execution, no Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on the Bond has been duly executed by the manual signature of the Registrar. The executed certificate of authentication on each Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been prepared, executed and authenticated, the Secretary shall deliver them to the purchaser (the "Purchaser") upon payment of the purchase price in accordance with the contract of sale heretofore executed, and the Purchaser shall not be obligated to see to the application of the purchase price.

2.7 Form of Bonds. The Bonds shall be prepared in substantially the form set forth in paragraph 1 of Exhibit C hereto.

SECTION 3. USE OF PROCEEDS. Upon payment for the Bonds by the Purchaser, the Treasurer shall deposit accrued interest directly in the Bond Fund established pursuant to Section 4 hereof and shall deposit the remaining proceeds of the Bonds into a separate Series 2008B

Transit Bond Proceeds Fund (the “Proceeds Fund”). Bond proceeds deposited in the Proceeds Fund and investment income thereon shall be disbursed at the direction of the Council for the purposes specified in subsection 1.1 hereof, including costs of issuance of the Bonds and payment of interest on the Bonds prior to completion of such purposes. Any moneys remaining in the Proceeds Fund after payment of all costs financed by the Bonds shall be transferred to the Bond Fund and used to pay principal and interest coming due on the Bonds.

SECTION 4. SERIES 2008B TRANSIT BOND SINKING FUND. The Bonds shall be payable from a separate and special 2008B Transit Bond Sinking Fund (the “Bond Fund”) of the Issuer, which the Issuer agrees to maintain until the Bonds have been paid in full. There is hereby appropriated and shall be paid into the Bond Fund, Bond proceeds to the extent provided in Section 3 hereof, all taxes collected pursuant to Sections 5 and 6 hereof, any other funds appropriated by the Council for the payment of the Bonds, and all investment income on the foregoing. The moneys on hand in the Bond Fund from time to time shall be used only to pay the principal of and interest on the Bonds when due. If the money in the Bond Fund should at any time be insufficient to pay principal and interest due on the Bonds, such amounts shall be paid from other moneys on hand in other funds of the Issuer, which other funds shall be reimbursed therefor when sufficient money becomes available in the Bond Fund.

SECTION 5. TAX LEVY. For payment of the principal of and interest on the Bonds when due, there is hereby levied on all taxable property in the metropolitan area as provided in Minnesota Statutes, Sections 473.39 and 473.446, a transit tax, collectible in the years and amounts equal to an amount which is not less than 5% in excess of the principal of and interest on the Note due in each year. Such tax shall be apportioned among the counties in the metropolitan area by the various County Auditors in accordance with state law. The proceeds of the tax, when received, shall be deposited in the Bond Fund. The Council reserves the right to reduce or cancel such tax levy in accordance with Minnesota Statutes, Section 475.61.

SECTION 6. GENERAL OBLIGATION PLEDGE. The full faith, credit and unlimited taxing powers of the Council shall be and are hereby irrevocably pledged for the prompt and full payment of the principal of and interest on the Bonds as such payments respectively become due, and the Council covenants and agrees that if and to the extent necessary, it will levy on all taxable property in the metropolitan area that is subject to taxation by the Council, a direct, irrevocable ad valorem tax for this purpose, the collections of which shall be deposited in the Bond Fund.

SECTION 7. DEFEASANCE. When all of the Bonds have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution to the registered owners of the Bonds shall cease. The Issuer may discharge its obligations with respect to any Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full; or, if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued from the due date to the date of such deposit. The Issuer may also at any time discharge its obligations with respect to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank qualified by law as an escrow agent for this purpose, cash or securities which are authorized by law to be so deposited, bearing interest payable at such time and at such rates and

maturing or callable at the holder's option on such dates as shall be required to pay all principal, interest and redemption premiums to become due thereon to maturity or said redemption date.

SECTION 8. CERTIFICATION OF PROCEEDINGS.

8.1 Registration of Bonds and Certification as to Tax Levy. The Treasurer is hereby authorized and directed to file a certified copy of this resolution and such additional certificates as may be required with the County Auditors of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington Counties and to obtain from each County Auditor a certificate, prepared in substantially the form set forth respectively in Exhibit D hereto, that the Bonds have been duly entered upon the Auditor's bond register and that the tax required for the payment thereof has been levied.

8.2 Authentication of Transcript. The officers of the Issuer and County Auditors of the Counties specified in Section 8.1 are hereby authorized and directed to prepare and furnish to the Purchaser of the Bonds and to Dorsey & Whitney LLP, Bond Counsel, certified copies of all proceedings and records relating to the Bonds and such other affidavits, certificates and information as may be required to show the facts relating to the legality and marketability of the Bonds, as the same appear from the books and records in their custody and control or as otherwise known to them, and all such certified copies, affidavits and certificates, including any heretofore furnished, shall be deemed representations of the Issuer as to the correctness of all statements contained therein.

8.3 Official Statement. The Council staff, in cooperation with PFM, is hereby authorized and directed to prepare on behalf of the Council an official statement (the "Official Statement") to be distributed to potential purchasers of the Bonds. The Official Statement shall contain the Official Terms and Conditions of Bond Sale for the Bonds, as set forth in Exhibit A hereto, and such other information as shall be deemed advisable and necessary to describe adequately the Council and the security for, and terms and conditions of, the Bonds. The final Official Statement shall be in the form approved by the Treasurer.

SECTION 9. TAX COVENANTS; ARBITRAGE MATTERS AND CONTINUING DISCLOSURE.

9.1 No Designation as Qualified Tax-Exempt Obligations. The Bonds are not designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

9.2 General Tax Covenant. The Issuer covenants and agrees with the registered owners of the Bonds that it will not take, or permit to be taken by any of its officers, employees or agents, any action which would cause the interest payable on the Bonds to become subject to taxation under the Code and applicable Treasury Regulations (the "Regulations"), and covenants to take any and all actions within its powers to ensure that the interest on the Bonds will not become includable in gross income of the recipient under the Code and the Regulations. The improvements financed with the proceeds of the Bonds will be owned and maintained by the Issuer so long as the Bonds are outstanding and will be publicly available. The Issuer will not enter into any lease, use agreement, management agreement or other agreement or contract with

any non-governmental person relating to the use of the Improvements which might cause the Bonds to be considered “private activity bonds” or “private loan bonds” pursuant to Section 141 of the Code.

9.3 Arbitrage Certification. The Chair and Treasurer, being the officers of the Issuer charged with the responsibility for issuing the Bonds pursuant to this resolution, are authorized and directed to execute and deliver to the Purchaser a certificate in accordance with the provisions of Section 148 of the Code, and Section 1.148-2(b) of the Regulations, stating the facts, estimates and circumstances in existence on the date of issue and delivery of the Bonds which make it reasonable to expect that the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be arbitrage bonds within the meaning of the Code and Regulations.

9.4 Arbitrage Rebate. The Issuer acknowledges that the Bonds are subject to the rebate requirements of Section 148(f) of the Code. The Issuer covenants and agrees to retain such records, make such determinations, file such reports and documents and pay such amounts at such times as are required under said Section 148(f) and applicable Regulations to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes, unless the Bonds qualify for an exception from the rebate requirement pursuant to one of the spending exceptions set forth in Section 1.148-7 of the Regulations and no “gross proceeds” of the Bonds (other than amounts constituting a “bona fide debt service fund”) arise during or after the expenditure of the original proceeds thereof.

9.5 Continuing Disclosure. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit the original Purchaser and other participating underwriters in the primary offering of the Bonds to comply with amendments to Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12), relating to continuing disclosure (as in effect and interpreted from time to time, the “Rule”), which will enhance the marketability of the Bonds, the Issuer hereby makes the covenants and agreements in Exhibit B hereto for the benefit of the Owners (as defined in Exhibit B) from time to time of the outstanding Bonds. The Treasurer shall have overall responsibility for compliance with the Undertaking of Continuing Disclosure and other similar undertakings hereafter made by the Council under Rule 15c2-12(b)(5), and the Treasurer shall implement the dissemination of reports and notices thereunder. Amendments permitted by the undertakings necessitated by a change in circumstances that arises from a change in legal requirements, or change in law may be made by the Treasurer.

SECTION 10. BOND RATINGS. The Treasurer is authorized and directed to obtain ratings of the Bonds from up to three nationally recognized credit rating services, to pay the reasonable and customary charges of such rating services, and to take such other action as may be required so that the Bonds may be issued and sold as contemplated hereby.

SECTION 11. SEVERABILITY. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

SECTION 12. HEADINGS. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

Adopted: February 13, 2008.

Pat Curtiss, Recording Secretary

Peter Bell, Chair

**OFFICIAL TERMS AND CONDITIONS OF BOND SALE
\$40,300,000 GENERAL OBLIGATION TRANSIT BONDS, SERIES 2008B
METROPOLITAN COUNCIL, MINNESOTA**

NOTICE IS HEREBY GIVEN That these Bonds will be offered for sale according to the following terms:

TIME AND PLACE: Sealed or electronic proposals will be received by the Metropolitan Council, Minnesota (the "Council") on _____, 2008, until 10:30 A.M. Central Time, in the offices of the Council's financial advisor, Public Financial Management, Inc. ("PFM"), at the address set forth under "Sealed Proposals" below. Consideration of the award of the Series 2008B Bonds (the "Series B Bonds") will be by the Chief Financial Officer and award will be made no later than 2:00 P.M. on the date proposals are received.

FORM OF PROPOSALS: Proposals must be submitted on or in substantial compliance with the Proposal Form provided by the Council or through PARITY® (the "Electronic Proposal System"). The Council shall not be responsible for any malfunction or mistake made by any person, or as a result of the use of the Electronic Proposal System, or the means used to deliver or complete a proposal. The use of such facilities or means is at the sole risk of the prospective proposer who shall be bound by the terms of the proposal as received.

No proposal will be received after 10:30 A.M. Central time on _____, 2008, as specified herein. The time as maintained by the Electronic Proposal System shall constitute the official time with respect to all proposals submitted. A proposal may be withdrawn before the proposal deadline using the same method used to submit the proposal. If more than one proposal is received from a proposer, the last proposal received shall be considered.

Sealed Proposals: Sealed proposals may be submitted and will be received at the office of PFM, 45 South Seventh Street, Suite 2800, Minneapolis, Minnesota 55402, (612)-338-3535.

Electronic Proposals: Electronic proposals must be submitted through the Electronic Proposal System. Information about the Electronic Proposal System is available by contacting PARITY® at i-Deal/ PARITY®, Customer Support, 1359 Broadway, 2nd Floor, New York, New York 10018, (212)-849-5021.

Each proposer shall be solely responsible for making necessary arrangements to access the Electronic Proposal System for purposes of submitting its electronic proposal in a timely manner and in compliance with the requirements set forth herein. The Council is permitting proposers to use the services of the Electronic Proposal System solely as a communication mechanism to submit electronic proposals and the Electronic Proposal System is not an agent of the Council. Provisions set forth herein or in the Council's Proposal Form shall control in the event of conflict with information provided by the Electronic Proposal System.

SECURITY AND PURPOSE: The Series B Bonds will be general obligations of the Council for which the Council has pledged its full faith and credit and unlimited taxing power. Proceeds of the Series B Bonds will be used to finance capital expenditures as prescribed in the Council's regional transit master plan and transit capital improvement program, pursuant to Minnesota Statutes, Section 473.39 and Chapter 475.

DATE, MATURITIES, AND REDEMPTION: The Series B Bonds will be dated originally as of date of delivery, will be fully registered bonds in the denomination of \$5,000 each, and will mature on March 1, in the following years in the following amounts:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2009	\$7,070,000	2019	\$595,000
2010	3,295,000	2020	620,000
2011	3,340,000	2021	645,000
2012	3,385,000	2022	670,000
2013	2,420,000	2023	700,000
2014	2,515,000	2024	725,000
2015	2,615,000	2025	755,000
2016	2,720,000	2026	785,000
2017	2,830,000	2027	820,000
2018	2,940,000	2028	855,000

Series B Bonds maturing on or after March 1, 2016 are subject to redemption and payment prior to maturity, in whole or in part, at the option of the Council at a price of par plus accrued interest on March 1, 2015 and any date thereafter in such order as the Council may determine.

The Council reserves the right, after proposals are opened and prior to award, to adjust the principal amount of Series B Bonds offered for sale. Any such adjustment will be made in multiples of \$5,000 in any of the maturities. In the event the principal amount of the Series B Bonds is so adjusted, any premium offered or any discount taken by the successful proposer will be adjusted accordingly.

TERM BOND OPTION: Proposals for the Series B Bonds may contain a maturity schedule providing for a combination of serial bonds and term bonds. All term bonds shall be subject to mandatory sinking fund redemption and must conform to the maturity schedule set forth above at a price of par plus accrued interest to the date of redemption.

INTEREST: Interest is payable on March 1 and September 1 of each year commencing September 1, 2008. Interest will be computed on a 360-day year, 30-day month basis, and paid to the owners of record as of the close of business on the fifteenth of the immediately preceding month.

CUSIP NUMBERS: The Council will assume no obligation for the assignment of CUSIP numbers to the Series B Bonds or for the correctness of any such numbers printed thereon, but the Council will permit such printing to be done at the expense of the purchaser,

provided that such printing does not result in any delay of the date of delivery of the Series B Bonds.

BOOK-ENTRY-ONLY SYSTEM: The Series B Bonds will be issued as fully registered bonds and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the Series B Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 and integral multiples thereof. Purchasers will not receive certificates representing their interest in the Series B Bonds purchased. Principal and interest will be paid to DTC, which will in turn remit such principal and interest to its participants, for subsequent disbursement to the beneficial owners of the Series B Bonds.

TERMS OF PROPOSALS: Proposals must be for not less than \$40,098,500 (99.5% of par) nor more than \$41,106,000 (102% of par) plus accrued interest from the date of the Series B Bonds to the date of delivery. The reoffering price per maturity shall not be less than 98.0%. Each proposal must specify interest rates in integral multiples of 1/8 or 1/20 of 1%, one rate per maturity. Bonds of the same maturity shall bear a single rate from the date of the Bonds to the date of maturity. Rates are not required to be in level or ascending order. The maximum interest rate allowed is 5.00%. Interest will be computed on a 360-day-year basis.

GOOD FAITH DEPOSIT: A good faith deposit (the “Deposit”) in the form of a certified check or a cashier’s check or a financial surety bond in the amount of \$403,000, payable to the order of the Council, is required for each proposal to be considered. If a check is used, it must accompany each proposal. If a financial surety bond is used, it must be from an insurance company licensed to issue such a bond in the State of Minnesota, and such bond must be submitted to the Council or its financial advisor prior to the time set for receipt of the proposals. The financial surety bond must identify each proposer whose Deposit is guaranteed by such financial surety bond. If the Series B Bonds are awarded to a proposer utilizing a financial surety bond, then that purchaser (the “Purchaser”) is required to submit its Deposit to the Council in the form of a wire transfer in such amount as instructed by the Council or its financial advisor no later than 3:30 P.M. Central Time on the next business day following the award. If such Deposit is not received by that time, the financial surety bond may be drawn by the Council to satisfy the Deposit requirement. No interest on the Deposit will accrue to the successful Purchaser. The Deposit will be applied to the purchase price of the Series B Bonds. In the event the Purchaser fails to honor its accepted proposal, the Deposit will be retained by the Council.

AWARD: Proposals will be compared on the basis of true interest cost (“TIC”). The proposal offering the lowest TIC will be deemed most favorable. The TIC is computed as a the discount rate which, when used with semiannual compounding to determine the present worth of the principal and interest payments as of the date of the Series B Bonds, produces an amount equal to the purchase price. If two or more proposals provide the same lowest TIC, the Council shall determine by lot which proposal shall be accepted, and such determination shall be final.

Upon award of the Series B Bonds, the Purchaser shall advise the Council of the initial reoffering price to the public of the Series B Bonds. Simultaneously with or before delivery of the Series B Bonds, the Purchaser shall furnish to the Council a certificate in form and substance acceptable to bond counsel (a) confirming the initial reoffering prices; (b)

certifying that a bona fide initial reoffering of the Series B Bonds has been made to the public (excluding bond houses, brokers, and other intermediaries); and (c) stating the price at which a substantial portion of the Series B Bonds were sold to the public (excluding bond houses, brokers, and other intermediaries).

The Council reserves the right to reject any and all proposals, to waive any informality in any proposal and to adjourn the sale.

RATINGS: Ratings have been requested from Moody's Investors Services, Inc. and Standard & Poor's for the Series B Bonds. A rating is subject to withdrawal at any time; withdrawal of a rating may have an adverse effect on the marketability of the Series B Bonds. For an explanation of the significance of the rating, an investor should communicate with a rating agency.

BOND INSURANCE AT PURCHASER'S OPTION: If the Series B Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the proposer, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the Purchaser. Any increased costs of issuance of the Series B Bonds resulting from such purchase of insurance shall be paid by the Purchaser, except that, if the Council has requested and received a rating on the Series B Bonds from a rating agency, the Council will pay that rating fee. Any other rating agency fees shall be the responsibility of the Purchaser.

Failure of the municipal bond insurer to issue the policy after the Series B Bonds have been awarded to the Purchaser shall not constitute cause for failure or refusal by the Purchaser to accept delivery of the Series B Bonds.

SETTLEMENT: On or about _____, 2008, the printed and executed Series B Bonds will be delivered to DTC in final form, subject to the approving legal opinion of Dorsey & Whitney LLP, Bond Counsel, and customary closing certificates. On the date of settlement, payment for the Series B Bonds shall be made in federal or equivalent funds, which shall be received at the offices of the Council, or its designee, not later than 1:00 P.M. Central Time. Except as compliance with the terms of payment for the Series B Bonds shall have been made impossible by action of the Council or its agents, the Purchaser shall be liable to the Council for any loss suffered by the Council because of the Purchaser's non-compliance with said terms for payment.

CONCURRENT SALES: The Council will offer for sale \$80,000,000 General Obligation Waste Water Bonds, Series 2008C and \$8,855,000 General Obligation Waste Water Revenue Refunding Bonds, Series 2008D (collectively, the "Series C & D Bonds"), at the same time as it offers for sale the Series B Bonds. The Series C & D Bonds are described in the Preliminary Official Statement dated _____, 2008 (the "Preliminary Official Statement"). Proposals for the Series C & D Bonds will be received separately from proposals for the Series B Bonds, pursuant to separate requests for proposals appended to the Preliminary Official Statement.

CONTINUING DISCLOSURE: In order to permit proposers for the Series B Bonds and other participating underwriters in the primary offering of the Series B Bonds to comply with paragraph (b)(5) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"), the Council has covenanted and agreed, for the benefit of the registered holders or beneficial owners from time to time of the Series B Bonds, in the resolution to issue and sell the Series B Bonds, dated February 13, 2008, to provide annual reports of specified information and notice of the occurrence of certain events, if material, as hereinafter described (the "Disclosure Covenants"). The information to be provided on an annual basis, the events as to which notice is to be given, if material, and a summary of other provisions of the Disclosure Covenants, including termination, amendment and remedies, are set forth in the Undertaking of Continuing Disclosure in the Official Statement.

OFFICIAL STATEMENTS: The Council has prepared an Official Statement dated _____, 2008, which the Council deems "final" as of its date within the meaning of paragraph (b)(1) of the Rule. The Official Statement is available on the World Wide Web at www.pfm.com, through the link to the municipal calendar, and to prospective proposers who request copies from the Council through its financial advisor, PFM, at 45 South Seventh Street, Suite 2800, Minneapolis, Minnesota 55402, 612-338-3535 (phone), 612-338-7264 (facsimile).

Not later than seven business days following the award of the Series B Bonds, the Council shall provide a reasonable number of copies of the Final Official Statement, as that term is used in the Rule, to the to the Purchaser without cost. The Final Official Statement will be the Official Statement dated _____, 2008, and the addendum which includes the maturity dates and amounts, interest rates and reoffering yields or prices, and any other information required by law. Any such addendum shall, on or after the date thereof, be fully incorporated in the Final Official Statement by reference.

Dated: _____, 2008.

BY ORDER OF THE BOARD OF THE METROPOLITAN COUNCIL

/s/ Beth Widstrom-Anderson
Chief Financial Officer
Metropolitan Council
390 North Robert Street
St. Paul, Minnesota 55101

Further information may be obtained from:

Public Financial Management
45 South Seventh Street, Suite 2800
Minneapolis, MN 55402
612-338-3535
Email: caspersonh@pfm.com

CONTINUING DISCLOSURE UNDERTAKING

(a) Purpose and Beneficiaries. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit the original purchaser and other participating underwriters in the primary offering of the Bonds to comply with amendments to Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12), relating to continuing disclosure (as in effect and interpreted from time to time, the Rule), which will enhance the marketability of the Bonds, the Issuer hereby makes the following covenants and agreements for the benefit of the Owners (as hereinafter defined) from time to time of the outstanding Bonds. The Issuer is the only “obligated person” in respect of the Bonds within the meaning of the Rule for purposes of identifying the entities in respect of which continuing disclosure must be made. The Issuer has complied in all material respects with any undertaking previously entered into by it under the Rule. If the Issuer fails to comply with any provisions of this section, any person aggrieved thereby, including the Owners of any outstanding Bonds, may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of any agreement or covenant contained in this section, including an action for a writ of mandamus or specific performance. Direct, indirect, consequential and punitive damages shall not be recoverable for any default hereunder to the extent permitted by law. Notwithstanding anything to the contrary contained herein, in no event shall a default under this section constitute a default under the Bonds or under any other provision of this resolution. As used in this section, “Owner” or “Bondowner” means, in respect of a Bond, the registered owner or owners thereof appearing in the bond register maintained by the Registrar or any “Beneficial Owner” (as hereinafter defined) thereof, if such Beneficial Owner provides to the Registrar evidence of such beneficial ownership in form and substance reasonably satisfactory to the Registrar. As used herein, “Beneficial Owner” means, in respect of a Bond, any person or entity which (i) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Bond (including persons or entities holding Bonds through nominees, depositories or other intermediaries), or (ii) is treated as the owner of the Bond for federal income tax purposes.

(b) Information To Be Disclosed. The Issuer will provide, in the manner set forth in subsection (c) hereof, either directly or indirectly through an agent designated by the Issuer, the following information at the following times:

(1) on or before 270 days after the end of each fiscal year of the Issuer, commencing with the fiscal year ending December 31, 2007, the following financial information and operating data in respect of the Issuer (the Disclosure Information):

(A) the audited financial statements of the Issuer for such fiscal year, accompanied by the audit report and opinion of the accountant or government auditor relating thereto, as permitted or required by the laws of the State of Minnesota, containing balance sheets as of the end of such fiscal year and a statement of operations, changes in fund balances and cash flows for the fiscal year then ended, showing in comparative form such figures for the preceding fiscal year of the Issuer, prepared in accordance with generally accepted accounting principles

promulgated by the Governmental Accounting Standards Board or as otherwise provided under Minnesota law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles for reasons beyond the reasonable control of the Issuer, noting the discrepancies therefrom and the effect thereof, and certified as to accuracy and completeness in all material respects by the fiscal officer of the Issuer; and

(B) to the extent not included in the financial statements referred to in paragraph (A) hereof, the information for such fiscal year or for the period most recently available of the type contained in the Official Statement under headings:

_____, which information may be unaudited.

Notwithstanding the foregoing paragraph, if the audited financial statements are not available by the date specified, the Issuer shall provide on or before such date unaudited financial statements in the format required for the audited financial statements as part of the Disclosure Information and, within 10 days after the receipt thereof, the Issuer shall provide the audited financial statements. Any or all of the Disclosure Information may be incorporated by reference, if it is updated as required hereby, from other documents, including official statements, which have been submitted to each of the repositories hereinafter referred to under subsection (c) or the SEC. If the document incorporated by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Issuer shall clearly identify in the Disclosure Information each document so incorporated by reference. If any part of the Disclosure Information can no longer be generated because the operations of the Issuer have materially changed or been discontinued, such Disclosure Information need no longer be provided if the Issuer includes in the Disclosure Information a statement to such effect; provided, however, if such operations have been replaced by other Issuer operations in respect of which data is not included in the Disclosure Information and the Issuer determines that certain specified data regarding such replacement operations would be a Material Fact (as defined in paragraph (3) hereof), then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations. If the Disclosure Information is changed or this section is amended as permitted by this paragraph (b)(1), then the Issuer shall include in the next Disclosure Information to be delivered hereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

(2) In a timely manner, notice of the occurrence of any of the following events which is a Material Fact (as hereinafter defined):

- (A) Principal and interest payment delinquencies;
- (B) Non-payment related defaults;
- (C) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (D) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (E) Substitution of credit or liquidity providers, or their failure to perform;

- (F) Adverse tax opinions or events affecting the tax-exempt status of the security;
- (G) Modifications to rights of security holders;
- (H) Bond calls;
- (I) Defeasances;
- (J) Release, substitution, or sale of property securing repayment of the securities; and
- (K) Rating changes.

As used herein, a “Material Fact” is a fact as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed hereunder or information generally available to the public. Notwithstanding the foregoing sentence, a “Material Fact” is also an event that would be deemed “material” for purposes of the purchase, holding or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

(3) In a timely manner, notice of the occurrence of any of the following events or conditions:

(A) the failure of the Issuer to provide the Disclosure Information required under paragraph (b)(1) at the time specified thereunder;

(B) the amendment or supplementing of this section pursuant to subsection (d), together with a copy of such amendment or supplement and any explanation provided by the Issuer under subsection (d)(2);

(C) the termination of the obligations of the Issuer under this section pursuant to subsection (d);

(D) any change in the accounting principles pursuant to which the financial statements constituting a portion of the Disclosure Information or the audited financial statements, if any, furnished pursuant to subsection (b)(2) or (3) are prepared; and

(E) any change in the fiscal year of the Issuer.

(c) Manner of Disclosure. The Issuer agrees to make available the information described in subsection (b) to the following entities by telecopy, overnight delivery, mail or other means, as appropriate:

(1) the information described in paragraphs (1), (2) and (3) of subsection (b), to each then nationally recognized municipal securities information repository under the Rule and to any state information depository then designated or operated by the State of Minnesota as contemplated by the Rule (the State Depository), if any; and

(2) the information described in subsection (b), to any rating agency then maintaining a rating of the Bonds and, at the expense of such Bondowner, to any

Bondowner who requests in writing such information, at the time of transmission under paragraphs (1) or (2) of this subsection (c), as the case may be, or, if such information is transmitted with a subsequent time of release, at the time such information is to be released.

(d) Term; Amendments; Interpretation.

(1) The covenants of the Issuer in this section shall remain in effect so long as any Bonds are outstanding. Notwithstanding the preceding sentence, however, the obligations of the Issuer under this section shall terminate and be without further effect as of any date on which the Issuer delivers to the Registrar an opinion of Issuer's current Bond Counsel to the effect that, because of legislative action or final judicial or administrative actions or proceedings, the failure of the Issuer to comply with the requirements of this section will not cause participating underwriters in the primary offering of the Bonds to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended, or any statutes or laws successory thereto or amendatory thereof.

(2) This section (and the form and requirements of the Disclosure Information) may be amended or supplemented by the Issuer from time to time, without notice to (except as provided in paragraph (c)(3) hereof) or the consent of the Owners of any Bonds, by a resolution of this Council filed in the office of the recording officer of the Issuer accompanied by an opinion of Issuer's current Bond Counsel, who may rely on certificates of the Issuer and others and the opinion may be subject to customary qualifications, to the effect that: (i) such amendment or supplement (a) is made in connection with a change in circumstances that arises from a change in law or regulation or a change in the identity, nature or status of the Issuer or the type of operations conducted by the Issuer, or (b) is required by, or better complies with, the provisions of paragraph (b)(5) of the Rule; (ii) this section as so amended or supplemented would have complied with the requirements of paragraph (b)(5) of the Rule at the time of the primary offering of the Bonds, giving effect to any change in circumstances applicable under clause (i)(a) and assuming that the Rule as in effect and interpreted at the time of the amendment or supplement was in effect at the time of the primary offering; and (iii) such amendment or supplement does not materially impair the interests of the Bondowners under the Rule.

(3) If the Disclosure Information is so amended, the Issuer agrees to provide, contemporaneously with the effectiveness of such amendment, an explanation of the reasons for the amendment and the effect, if any, of the change in the type of financial information or operating data being provided hereunder.

(4) This section is entered into to comply with the continuing disclosure provisions of the Rule and should be construed so as to satisfy the requirements of paragraph (b)(5) of the Rule.

1. The Bonds, the Registrar’s Authentication Certificate, and the form of assignment on the reverse side thereof shall be in substantially the following form (which may be printed partly on the front and partly on the back):

**UNITED STATES OF AMERICA
STATE OF MINNESOTA
ANOKA, CARVER, DAKOTA, HENNEPIN, RAMSEY, SCOTT AND
WASHINGTON COUNTIES**

**METROPOLITAN COUNCIL
(Minneapolis-St. Paul Metropolitan Area)**

GENERAL OBLIGATION TRANSIT BOND, SERIES 2008B

No. R-_____ **\$**_____

<u>Rate</u>	<u>Date of Maturity</u> March 1, 20__	<u>Original Issue</u>	<u>CUSIP</u>
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REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

METROPOLITAN COUNCIL, a public corporation having jurisdiction over the Minneapolis-St. Paul Metropolitan Area comprising the Counties of Anoka, Carver, Dakota (excluding the City of Northfield), Hennepin (excluding the Cities of Hanover and Rockford), Ramsey, Scott (excluding the City of New Prague), and Washington, Minnesota (the “Issuer”), acknowledges itself to be indebted and for value received hereby promises to pay to the registered owner specified above, or registered assigns, the principal amount specified above on the maturity date specified above and promises to pay interest thereon from the date of original issue specified above or from the most recent Interest Payment Date (as hereinafter defined) to which interest has been paid or duly provided for, at the annual rate specified above, payable on March 1 and September 1 in each year, commencing September 1, 2008 (each such date, an “Interest Payment Date”). The interest so payable on any Interest Payment Date shall be paid to the person in whose name this Obligation is registered at the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding such Interest Payment Date. Interest hereon shall be computed on the basis of a 360-day year composed of twelve 30-day months. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft by the Treasurer of the Metropolitan Council, Minnesota, as Registrar and Paying Agent, or its designated successor under the Resolution (as hereinafter defined) described herein (the “Registrar”). For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the Issuer have been and are hereby irrevocably pledged.

This Bond is one of an issue in the aggregate principal amount of \$40,300,000 issued pursuant to a resolution adopted by the Council on February 13, 2008 (the "Resolution"), to finance capital expenditures as prescribed in the Council's transit master plan and transit capital improvement program and for related costs, and is issued pursuant to and in full conformity with the Constitution and laws of the State of Minnesota thereunto enabling, including Minnesota Statutes, Chapters 473 and 475. The Bonds are issuable only in fully registered form, in denominations of \$5,000 or any integral multiple thereof, of single maturities.

Bonds maturing on March 1, 2016 and thereafter are each subject to redemption and prepayment at the option of the Issuer, in whole or in part, and if in part in such order of maturity dates as the Issuer may select and by lot as selected by Registrar (or, if applicable, by the bond depository in accordance with its customary procedures) in multiples of \$5,000 as to Bonds maturing on the same date, on March 1, 2015, and on any date thereafter, at a price equal to the principal amount thereof plus accrued interest to the date of redemption.

[Bonds maturing on March 1, 20__, March 1, 20__, March 1, 20__ and March 1, 20__ shall be subject to mandatory redemption prior to maturity by lot, as selected by the Registrar (or, if applicable, by the bond depository in accordance with its customary procedures), at the principal amount to be redeemed, plus accrued interest thereon to the date of redemption and without premium, on the following dates and in the following amounts:

<u>March 1, 20</u>	<u>Term Bond</u>
<u>Year</u>	<u>Amount</u>

<u>March 1, 20</u>	<u>Term Bond</u>
<u>Year</u>	<u>Amount</u>

<u>March 1, 20</u>	<u>Term Bond</u>
<u>Year</u>	<u>Amount</u>

<u>March 1, 20</u>	<u>Term Bond</u>
<u>Year</u>	<u>Amount</u>

*Final Maturity]

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the Issuer at the principal office of the Registrar, by the registered owner hereof in person or by the owner's attorney duly authorized in writing upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or the owner's attorney; and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange the Issuer will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The Issuer and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the Issuer nor the Registrar shall be affected by any notice to the contrary.

Notwithstanding any other provisions of this Bond, so long as this Bond is registered in the name of Cede & Co., as nominee of The Depository Trust Company, or in the name of any other nominee of The Depository Trust Company or other securities depository, the Registrar shall pay all principal of and interest on this Bond, and shall give all notices with respect to this Bond, only to Cede & Co. or other nominee in accordance with the operational arrangements of The Depository Trust Company or other securities depository as agreed to by the Issuer.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the Issuer in accordance with its terms, have been done, do exist, have happened and have been performed as so required; that prior to the issuance hereof the Issuer has levied a transit tax on all taxable property in the metropolitan area as provided in Minnesota Statutes, Sections 473.39 and 473.446, which taxes will be collectible for the years and in amounts sufficient to produce sums not less than five percent in excess of the principal and interest when due on the Bonds and has appropriated the taxes to the Bond Fund in the manner specified in Minnesota Statutes, Chapter 475, for the payment of such principal and interest; that if necessary for the payment of such principal and interest when due, additional ad valorem taxes are required to be levied upon all property taxable by the Issuer, without limitation as to rate or amount; and that the opinion printed hereon is a full, true and correct copy of the legal opinion given by Bond Counsel with reference to the Bonds, dated as of the date of original delivery of the Bonds.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon shall have been executed by the manual signature of the Registrar.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed on its behalf by the facsimile signatures of the Chair and Secretary.

METROPOLITAN COUNCIL,
MINNESOTA

(Facsimile Signature Secretary)

(Facsimile Signature Chair)

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds delivered pursuant to the Resolution mentioned within.

Date of Authentication: _____

determined by the Registrar in addition to or in substitution for STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

PLEASE INSERT SOCIAL SECURITY OR
OTHER IDENTIFYING NUMBER OF ASSIGNEE:

[End of form of Bond]

2. Registration. The effect of registration and the rights and duties of the Issuer and the Registrar with respect thereto are as follows:

(a) Register. The Registrar shall keep at its office a bond register in which the Registrar shall provide for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Bonds. Upon surrender for transfer of any Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until such interest payment date.

(c) Exchange of Bonds. Whenever any Bonds are surrendered by the registered owner for exchange the Registrar shall authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity, as requested by the registered owner or the owner's attorney in writing.

(d) Cancellation. All Bonds surrendered upon any transfer or exchange shall be promptly canceled by the Registrar and thereafter disposed of as directed by the Issuer.

(e) Improper or Unauthorized Transfer. When any Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The Issuer and the Registrar may treat the person in whose name any Bond is at any time registered in the bond register as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond and for all other purposes, and all such payments so made to any such registered owner or upon the owner's order shall be valid and

effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. For every transfer or exchange of Bonds, the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Registrar shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any such Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that such Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the Issuer and the Registrar shall be named as obligees. All Bonds so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall be given to the Issuer. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it shall not be necessary to issue a new Bond prior to payment.

(i) Authenticating Agent. The Registrar is hereby designated authenticating agent for the Bonds, within the meaning of Minnesota Statutes, Section 475.55, Subdivision 1, as amended.

3. (a) Securities Depository. For purposes of this paragraph 3, the following terms shall have the following meanings:

“Beneficial Owner” shall mean, whenever used with respect to a Bond, the person in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant, or such person’s subrogee.

“Cede & Co.” shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

“DTC” shall mean The Depository Trust Company of New York, New York.

“Participant” shall mean any broker-dealer, bank or other financial institution for which DTC holds Bonds as securities depository.

“Representation Letter” shall mean the Representation Letter pursuant to which the sender agrees to comply with DTC’s Operational Arrangements.

(b) The Bonds shall be initially issued as separately authenticated fully registered bonds, and one Bond shall be issued in the principal amount of each stated maturity of the Bonds. Upon initial issuance, the ownership of such Bonds shall be registered in the bond register in the name of Cede & Co., as nominee of DTC. The Registrar and the Issuer may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the

purposes of payment of the principal of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, if any, giving any notice permitted or required to be given to registered owners of Bonds under the Resolution, registering the transfer of Bonds, and for all other purposes whatsoever; and neither the Registrar nor the Issuer shall be affected by any notice to the contrary. Neither the Registrar nor the Issuer shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the bond register as being a registered owner of any Bonds, with respect to the accuracy of any records maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any amount with respect to the principal of or interest on the Bonds, with respect to any notice which is permitted or required to be given to owners of Bonds under the Resolution, with respect to the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Bonds, or with respect to any consent given or other action taken by DTC as registered owner of the Bonds. So long as any Bond is registered in the name of Cede & Co., as nominee of DTC, the Registrar shall pay all principal of and interest on such Bond, and shall give all notices with respect to such Bond, only to Cede & Co. in accordance with DTC's Operational Arrangements, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated Bond for each separate stated maturity evidencing the obligation of the Issuer to make payments of principal and interest. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Bonds will be transferable to such new nominee in accordance with paragraph (e) hereof.

(c) In the event the Issuer determines that it is in the best interest of the Beneficial Owners that they be able to obtain Bonds in the form of bond certificates, the Issuer may notify DTC and the Registrar, whereupon DTC shall notify the Participants of the availability through DTC of Bonds in the form of certificates. In such event, the Bonds will be transferable in accordance with paragraph (e) hereof. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the Issuer and the Registrar and discharging its responsibilities with respect thereto under applicable law. In such event the Bonds will be transferable in accordance with paragraph (e) hereof.

(d) The execution and delivery of the Representation Letter to DTC, if not previously filed with DTC, by the Chair or Treasurer is hereby authorized and directed.

(e) In the event that any transfer or exchange of Bonds is permitted under paragraph (b) or (c) hereof, such transfer or exchange shall be accomplished upon receipt by the Registrar of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of the Resolution. In the event Bonds in the form of certificates are issued to owners other than Cede & Co., its successor as nominee for DTC as owner of all the Bonds, or another securities depository as owner of all the Bonds, the provisions of the Resolution shall also apply to all matters relating thereto, including, without limitation, the printing of such Bonds in the form of bond certificates and the method of payment of principal of and interest on such Bonds in the form of bond certificates.

**ANOKA COUNTY AUDITOR'S CERTIFICATE
AS TO REGISTRATION AND TAX LEVY**

The undersigned, being the duly qualified and acting County Auditor of Anoka County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on February 13, 2008, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul Metropolitan Area, Minnesota, setting forth the form and details of an issue of \$40,300,000 General Obligation Transit Bonds, Series 2008B, dated as of _____, 2008, and levying taxes for the payment thereof.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been filed, as required by Minnesota Statutes, Chapter 475.

WITNESS my hand and official seal on _____, 2008.

County Auditor

(SEAL)

**CARVER COUNTY AUDITOR'S CERTIFICATE
AS TO REGISTRATION AND TAX LEVY**

The undersigned, being the duly qualified and acting County Auditor of Carver County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on February 13, 2008, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul Metropolitan Area, Minnesota, setting forth the form and details of an issue of \$40,300,000 General Obligation Transit Bonds, Series 2008B, dated as of _____, 2008, and levying taxes for the payment thereof.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been filed, as required by Minnesota Statutes, Chapter 475.

WITNESS my hand and official seal on _____, 2008.

County Auditor

(SEAL)

**DAKOTA COUNTY TREASURER-AUDITOR'S CERTIFICATE
AS TO REGISTRATION AND TAX LEVY**

The undersigned, being the duly qualified and acting County Treasurer-Auditor of Dakota County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on February 13, 2008, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul Metropolitan Area, Minnesota, setting forth the form and details of an issue of \$40,300,000 General Obligation Transit Bonds, Series 2008B, dated as of _____, 2008, and levying taxes for the payment thereof.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been filed, as required by Minnesota Statutes, Chapter 475.

WITNESS my hand and official seal on _____, 2008.

County Treasurer-Auditor

(SEAL)

**HENNEPIN COUNTY AUDITOR'S CERTIFICATE
AS TO REGISTRATION AND TAX LEVY**

The undersigned, being the duly qualified and acting County Auditor of Hennepin County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on February 13, 2008, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul Metropolitan Area, Minnesota, setting forth the form and details of an issue of \$40,300,000 General Obligation Transit Bonds, Series 2008B, dated as of _____, 2008, and levying taxes for the payment thereof.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been filed, as required by Minnesota Statutes, Chapter 475.

WITNESS my hand and official seal on _____, 2008.

County Auditor

(SEAL)

**RAMSEY COUNTY AUDITOR'S CERTIFICATE
AS TO REGISTRATION AND TAX LEVY**

The undersigned, being the duly qualified and acting County Auditor of Ramsey County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on February 13, 2008, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul Metropolitan Area, Minnesota, setting forth the form and details of an issue of \$40,300,000 General Obligation Transit Bonds, Series 2008B, dated as of _____, 2008, and levying taxes for the payment thereof.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been filed, as required by Minnesota Statutes, Chapter 475.

WITNESS my hand and official seal on _____, 2008.

County Auditor

(SEAL)

**SCOTT COUNTY AUDITOR'S CERTIFICATE
AS TO REGISTRATION AND TAX LEVY**

The undersigned, being the duly qualified and acting County Auditor of Scott County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on February 13, 2008, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul Metropolitan Area, Minnesota, setting forth the form and details of an issue of \$40,300,000 General Obligation Transit Bonds, Series 2008B, dated as of _____, 2008, and levying taxes for the payment thereof.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been filed, as required by Minnesota Statutes, Chapter 475.

WITNESS my hand and official seal on _____, 2008.

County Auditor

(SEAL)

**WASHINGTON COUNTY AUDITOR/TREASURER'S CERTIFICATE
AS TO REGISTRATION AND TAX LEVY**

The undersigned, being the duly qualified and acting County Auditor/Treasurer of Washington County, Minnesota, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on February 13, 2008, and a related certificate by Metropolitan Council of the Minneapolis-St. Paul Metropolitan Area, Minnesota, setting forth the form and details of an issue of \$40,300,000 General Obligation Transit Bonds, Series 2008B, dated as of _____, 2008, and levying taxes for the payment thereof.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been filed, as required by Minnesota Statutes, Chapter 475.

WITNESS my hand and official seal on _____, 2008.

County Auditor/Treasurer

(SEAL)