



Corporate Trust Services
60 Livingston Avenue, EP-MN-WS1D
St. Paul, MN 55107

Notice #3

**NOTICE OF MANDATORY EXCHANGE OF TERM BONDS FOR BY-LOT BONDS
AND PROCEDURE IF ANY HOLDER DESIRES TO ELECT TO RETAIN**

**Re: Connector 2000 Association, Inc. Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina),
Series 2011A, Series 2011B and Series 2011C**

CUSIP Prefix 20786L

[Please forward to beneficial owners]

U.S. Bank National Association is the trustee (the “Trustee”) for the holders of the Connector 2000 Association, Inc. Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011A, Series 2011B and Series 2011C (the “Bonds”), which were issued as of April 21, 2011 (the “Effective Date”) under the Amended and Restated Master Indenture of Trust dated as of April 1, 2011 (the “Indenture”) between Connector 2000 Association, Inc. (the “Association”) and the Trustee, as authorized under the Association’s First Amended Plan for Adjustment of Debts under Chapter 9 of the Bankruptcy Code, confirmed on April 1, 2011 (the “Plan”). Holders and beneficial owners of the Bonds are referred to herein as the “Bondholders”.

Capitalized terms used in this notice and not defined herein have the meaning ascribed to such terms in the Indenture.

I. Update.

In our last notice we had informed you of a material technical issue pending as to the registration of the Bonds that are term bonds (the “Term Bonds”) as well as a proposed resolution of that issue. This resolution contemplated the filing of a motion (the “Motion”) with the United States Bankruptcy Court for the District of South Carolina (the “Bankruptcy Court”) seeking authorization of an exchange of the Term Bonds (with option to retain), with corresponding changes to the Indenture, to resolve that issue. Attached hereto is a copy of our prior notice #2 dated as of February 8, 2012 (“Notice #2”), the Motion, and the proposed forms of amendment to the Indenture (the “First Supplemental Indenture”) with revised Bond forms to implement the terms of the Motion for which approval from the Bankruptcy Court was being requested.

The hearing on the Motion was held before the Bankruptcy Court on April 10, 2012, and the Motion was approved by the attached Order. Accordingly, except as to those Term Bonds otherwise described herein as Retained Term Bonds, the Term Bonds will be exchanged on May 31, 2012 or as soon thereafter as is practicable (the “Exchange Date”) but effective as of the Effective Date, for a new series of term bonds for which redemptions are on a “by-lot” basis (referred to herein as the “By-Lot Bonds”). The By-Lot Bonds will be registered at the Depository Trust Company (“DTC”) at their maturity value as further described in the Order, Motion and First Supplemental Indenture and related exchange documents.

On and after the Exchange Date, the terms of the By-Lot Bonds and First Supplemental Indenture shall be effective *nunc pro tunc* to the Effective Date (April 21, 2011) for issuance of the Bonds. An aggregate Original Principal Amount of each Series of the Term Bonds shall be exchanged for an aggregate, corresponding amount of the By-Lot Bonds (with adjustment for any 1/1/2012 payment received on the Bonds if applicable). There shall be new bond certificates issued for each series of By-Lot Bonds with each By-Lot Bond in the maturity value of that series of Bonds. The calculation of the maturity value and resulting amount of each Bond certificate (as adjusted for any 1/1/2012 payment received on the Bonds if applicable) will reflect a deduction for the amount of Term Bonds for that series that timely file an election as provided herein to opt out of the exchange (the “Retained Term Bonds”). The new CUSIP Nos. for each series of By-Lot Bonds will be as follows:

<u>MATURITY DATE</u>	<u>EXISTING CUSIP</u>	<u>NEW CUSIP</u>
1/1/2032	20786LDL2	20786LDS7
1/1/2042	20786LDM0	20786LDT5
7/22/2051	20786LDN8	20786LDU2
1/1/2032	20786LDP3	20786LDV0
7/22/2051	20786LDQ1	20786LDW8
7/22/2051	20786LDR9	20786LDX6

After the Exchange Date, the Trustee will circulate a further notice to the Bondholders with the results of the exchange. In that notice, we will include a table to reflect the exchange rate.

After the Exchange Date and effective as of the Effective Date, the By-Lot Bonds will otherwise have the terms set forth in the revised Bond certificate. If you hold Term Bonds, you are not required to do anything as a condition to having your Term Bonds exchanged for By-Lot Bonds of a series.

However, if you do not want to participate in the exchange, you have the right to elect not to have your Term Bonds exchanged by the following procedure: **On or prior to 5:00 p.m., prevailing Eastern Time on May 17, 2012 (which is the “ATOP Deadline”)**, you may elect to opt out of the exchange by providing a notice to DTC (“DTC”) through your broker or other participating person through whom you own your Term Bonds to indicate that you want your holdings withheld from the exchange (the “Retained Term Bonds”) by entering an instruction via

DTC's Automated Tender Offer Program (“ATOP”). If you elect to opt out of the exchange, you may reverse such election provided you timely do so prior to the ATOP Deadline of 5:00 pm prevailing Eastern Time on May 17, 2012. If you want to elect to opt out of the exchange, or if you want to reverse an election to opt-out, you must contact your broker or other person through whom you hold an ownership interest in the Term Bonds participating in ATOP to process an election to opt out of the exchange (or reversal thereof) and provide any related requested information. In order to opt out or reverse an election to opt out, you will need to give your broker, or such other person holding your interest in the Bonds, some lead time of your election so it can help you meet the above ATOP Deadline. If you do not affirmatively opt out of the exchange in accordance with the foregoing, your Term Bonds will be exchanged for By-Lot Bonds.

Three additional points should be noted about the exchange. First, you must make a retention election as to all of your investment in the Term Bonds. The retention election is “all or nothing” and must be consistent. You cannot elect to retain part (but not all) of your investment in the Term Bonds. Second, no future opportunities to exchange the Retained Term Bonds for By-Lot Bonds are contemplated. If you decide to opt out of the exchange and retain your current Term Bonds, you thus should anticipate that you will not be able to convert your Retained Term Bonds to By-Lot Bonds in the future, regardless of any value or trading differences among the bonds or any other issues that may exist or arise with respect to the Retained Term Bonds or other bonds in the future (which issues may or may not be similar to those described in the exchange documents).

Third, the change from a pro-rata distribution to redemption also introduces a time constraint not currently present in the Indenture. Pro-rata distributions take place on each January 1 Bond Payment Date, without the need for any notices to the beneficial owners of the Term Bonds. However, since by-lot distributions of redemption proceeds involve the selection of certain By-Lot Bonds for payment, the Trustee will send notices of redemption of the By-Lot Bonds under the First Supplemental Indenture (at the times and in the amount of the Sinking Fund Installments set forth in Section 302 of the First Supplemental Indenture). At the time such notices of redemption are delivered, there will not be funds in the debt service accounts for the various Tiers of the By-Lot Bonds, so such notices of redemption will be conditioned on the deposit of funds into such debt service accounts sufficient to pay the Redemption Price of the Sinking Fund Installments to be redeemed. In the event that any mandatory sinking fund redemption of any By-Lot Bonds on any January 1 is cancelled due to insufficient funds being available in the applicable debt service accounts to pay any Sinking Fund Installment in full, the First Supplemental Indenture provides that the Trustee will deliver notice of the redemption of such By-Lot Bonds for February 15 of that same calendar year, as provided in Section 305 thereof, in the aggregate Redemption Price not greater than the available balance in the applicable debt service accounts on such January 1 without further accretion. The Redemption Price of By-Lot Bonds called for redemption on February 15 will be equal to the Accreted Value of such Bonds as of such January 1 (of the same calendar year), not the Accreted Value of such Bonds as of the February 15 Redemption Date. In other words, in the event of any such delayed redemption, the Bondholders selected for redemption will not receive interest accretions on the amount being distributed on February 15 for the period from January 1 to February 15.

As noted in our last notice, if you elect to keep the Retained Term Bonds in accordance with the above, such Retained Term Bonds will retain their feature of having any redemption proceeds paid on a pro rata basis. However, any such Retained Term Bonds also will remain registered at DTC at their original issuance amount and subject to the resulting negative impact on trading noted in our earlier Notice #2, which is attached hereto for your ease of reference. The CUSIPs for any Retained Term Bonds will not change as a result of the exchange. In connection with this exchange, the Association has provided us to transmit to you for your consideration the attached Exchange Memorandum, which along with this notice and the First Supplemental Indenture comprises the "Exchange Package" approved by the Bankruptcy Court for dissemination, as further set forth in the Motion and Order.

II. Additional Information.

The Trustee directs your attention to the detailed background and historical information (i) set forth in our earlier notices (with the more recent notices available to be viewed on the Municipal Securities Rulemaking Board website at www.emma.msrb.org), and (ii) located at the Association website at www.southernconnector.com under News and Filings, Official Filings. The Bondholders are also directed to other potential sources of information, including the Bankruptcy Court's PACER public document system (fee based; PACER subscription required) found at <https://ecf.scb.uscourts.gov/cgi-bin/login.pl> or accessible with instructions through the Bankruptcy Court's website at www.scb.uscourts.gov.

The Trustee may invest funds held under the Indenture in a mutual fund for which either (a) the Trustee receives a service fee from the fund or fund service provider, or (b) investment or advisory services are provided by the Trustee or an affiliate of the Trustee. As such, the Trustee and its affiliates may receive compensation for the investment advisory, custodial, distribution and other services provided. A prospectus that explains the services and costs, including the rate, formula and method of calculating such compensation, is available by contacting U.S. Bank at (800) 934-6802, option #4, or at the following web address: www.usbank.com/corp_trust/bondholder_contact.html.

Holdings should not rely on the Trustee as their sole source of information. We encourage Bondholders to keep themselves informed from other sources of available information. The Trustee may conclude that a specific response to particular inquiries from individual holders is not consistent with equal and full dissemination of information to all holders. The Trustee makes no recommendations and gives no investment advice. Please direct any questions or comments in writing to Susan Jacobsen, U.S. Bank National Association, Corporate Trust Services, 60 Livingston Avenue, EP-MN-WS1D, St. Paul, Minnesota 55107, phone number (651) 495-3954, fax number (651) 495-8100, or by e-mail to susan.jacobsen2@usbank.com.

**U. S. Bank National Association,
as Indenture Trustee**

April 17, 2012

ATTACHMENT #1 – EXCHANGE MEMO

**IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA**

In re:

Connector 2000 Association, Inc.,

Debtor.

Case No. 10-04467-dd

Chapter 9

MEMORANDUM CONCERNING MANDATORY BOND EXCHANGE

At the request of the Beneficial Owners (the “*Majority Holders*”) of a majority of its Series 2011 Bonds, Connector 2000 Association, Inc. (the “*Debtor*”) obtained an order (the “*Exchange Order*”) from the United States Bankruptcy Court for the District of South Carolina (the “*Court*”) which, among other things, (I) approved a supplement to the First Amended and Restated Master Indenture of Trust between the Debtor and U.S. Bank National Association, as trustee (the “*Trustee*”) dated as of April 1, 2011 (the “*Indenture*”) authorizing a mandatory exchange with option to retain (the “*Exchange*”) of certain Term Bonds (as defined below); and (II) approved this Memorandum and the associated exchange materials and procedures for the Term Bonds. The Exchange is intended to address certain impediments to the secondary market trading of the Term Bonds arising from the structure of the Term Bonds which affected their registration with The Depository Trust Corporation (“*DTC*”), as more fully described herein.

The Exchange Order authorizes the Debtor and the Trustee to take necessary action, including amending the Indenture and conducting an exchange of the current Term Bonds for “by-lot” bonds (the “*By-lot Bonds*”) to permit secondary market trading, as further discussed below. However, since this change to “by-lot” distributions would mean that holders will not receive pro rata distributions of payments on such bonds, it is possible that some holders may prefer to retain their current Term Bonds with pro rata distributions and suffer the illiquidity of those obligations, instead of exchanging them for By-Lot Bonds without pro rata distributions. For this reason, Beneficial Owners of the Term Bonds may elect to retain their current Term Bonds (a “*Retention Election*”). If no Retention Election is made by a holder, that holder will automatically receive new By-Lot Bonds in exchange for the holder’s existing Term Bonds. The foregoing exchange is, therefore, a mandatory exchange with an option to retain.

I. The Term Bonds-Pro Rata Distribution.

A. The Debtor issued its Toll Road Revenue Bonds (Southern Connector Project – Greenville, South Carolina), Series 2011 (the “*Bonds*”) on April 21, 2011 (the “*Effective Date*”) pursuant to its First Amended Plan for Adjustment of Debts, as supplemented, modified and amended (the “*Plan*”) which had been confirmed by an order of the Court entered April 1, 2011 (the “*Confirmation Order*”).¹ The Bonds were issued to restructure the Debtor’s prepetition

¹ Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Indenture, the Plan or the Confirmation Order, if defined therein. Copies of the Plan, the Confirmation Order and certain other documents relating to the Debtor’s bankruptcy proceeding may be found on the debtor’s website at: <http://www.southernconnector.com/Zbankruptcy.htm>.

defaulted bonds (the “*Original Bonds*”)² under the terms of the Plan and as further described in the Disclosure Statement. Pursuant to the Plan, the owners of the Original Bonds received a pro rata amount of the Bonds. In addition, the Plan contemplated that all payments under the Term Bonds would be distributed to the Beneficial Owners of the Term Bonds pro-rata, so that each such Beneficial Owner would receive his or her pro-rata share of the cash flow payable for the Tier and maturity of such Term Bonds owned by such Owner.

B. The Bonds consist of the following three series: (A) The Series 2011A Bonds are senior secured zero coupon bonds issued in the aggregate Original Principal Amount of \$126,899,826.00; they consist of 11 serial bonds maturities maturing January 1 of the years 2012 through 2022 (inclusive) and three term bonds, each subject to mandatory pro rata prepayment, maturing January 1, 2032, January 1, 2042 and July 22, 2051 (the “*Series 2011A Bonds*”); (B) The Series 2011B Bonds are senior subordinated secured zero coupon bonds issued in the aggregate Original Principal Amount of \$21,085,708.00; they consist of two term bonds, each subject to mandatory pro rata prepayment, maturing January 1, 2032 and July 22, 2051 (the “*Series 2011B Bonds*”); and (C) The Series 2011C Bonds are junior subordinated secured zero coupon term bonds issued in the aggregate Original Principal Amount of \$2,160,434; they mature, subject to mandatory pro rata prepayment, on July 22, 2051 (the “*Series 2011C Bonds*”).

C. **The Series 2011A Bonds maturing January 1 of the years 2012 through 2022 (inclusive) are not affected by the Exchange Order and will remain Outstanding under the Indenture as originally issued.** The Bonds affected by the Exchange Order (the “*Term Bonds*”) are as follows:

Term Series 2011A Bonds

<u>Maturity Date</u>	<u>Original Principal Amount</u>	<u>Yield</u>	<u>CUSIP</u>
1/1/2032	\$40,619,653.00	6.50%	20786LDL2
1/1/2042	31,463,671.00	7.00%	20786LDM0
7/22/2051	18,190,852.00	7.50%	20786LDN8
Total:	90,274,176.00		

Term Series 2011B Bonds

<u>Maturity Date</u>	<u>Original Principal Amount</u>	<u>Yield</u>	<u>CUSIP</u>
1/1/2032	\$14,027,683.00	8.50%	20786LDP3
7/22/2051	7,058,025.00	9.00%	20786LDQ1
Total:	\$21,085,708.00		

Term Series 2011C Bonds

<u>Maturity Date</u>	<u>Original Principal Amount</u>	<u>Yield</u>	<u>CUSIP</u>
7/22/2051	\$2,160,434.00	10.00%	20786LDR9

² The Original Bonds consisted of the Debtor’s Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina) Series 1998A, Series 1998B and Series 1998C.

II. Zero Coupon Bonds-Discount Bonds and Capital Appreciation Bonds.

A. As noted above, the Bonds are all zero coupon bonds. Zero coupon bonds can be described in two general ways, either as Discount Bonds or as Capital Appreciation Bonds. Generally, “**Discount Bonds**” are zero coupon bonds which are issued at a discount from their stated maturity value and then “accrete” to their final stated maturity value (e.g., \$1.00). In contrast, “**Capital Appreciation Bonds**” are issued at a stated original principal amount (e.g., \$1.00) and then accrete forward from such stated original principal amount to a higher maturity value. The difference is descriptive – i.e., whether the stated “amount” of the bond is determined by reference to its final maturity value or its original principal amount.³

B. The Debtor intended for the Bonds to be issued in authorized denominations of \$1.00 in Maturity Value per Bond (such that the Bonds were Discount Bonds registered at stated Maturity Value). However, the Plan also contemplated that all payments made by the Debtor to the Trustee would be distributed to the beneficial owners of the Bonds entitled to payment on a “**pro-rata**” basis within a given series of Bonds, so that each holder would receive a pro-rata share of any distributions on their series of Bonds.

III. The DTC Registration Problem-Redemptions Only By Lot.

A. The Plan anticipated that the Bonds would be “**book-entry only**” securities registered with and paid through DTC as Securities Depository. DTC serves as a clearinghouse for the vast majority of publicly-traded municipal bond issues, allowing such bonds to meet the regulatory requirements for timely transfer of securities. Under the DTC book entry system, the beneficial ownership interest in obligations such as the Bonds is made in book-entry-only form through brokers and dealers who are, or act through, DTC participants (“**DTC Participants**”). The beneficial owners of the Bonds (collectively, the “**Beneficial Holders**”) are not entitled to receive physical delivery of the Bonds. For so long as any person is the Beneficial Holder of a Bond, such person must maintain an account with a broker or dealer who is, or acts through, a DTC Participant in order to receive payment of principal and interest on such Bond. Consequently, the Debtor does not have a record of the identity of any Beneficial Holders, and the Trustee reflects only DTC as the owner of the Bonds.

³ A simple example will illustrate this point. Assume Company borrows \$100.00 from Bank but does not want to make any payment on the loan until the maturity of the loan 10 years later. Bank agrees to make the loan at an annually compounded yield of 7.717735% so that the amount Company will pay Bank in 10 years is \$200. The Company’s note evidencing its obligation to repay this loan can be drafted in two alternative ways. Company may issue a single \$100 note that accretes interest at an annually compounded yield of 7.717735% and matures in year 10 in the amount of \$200. This note is a “capital appreciation” debt instrument. If it is redeemed or prepaid any time after it is issued and before it matures, the accreted value of the instrument will be greater than \$100 and less than \$200, depending on when the payment is made and the resulting interest accrued on the \$100 loan. Alternatively, the same loan could result in two notes each maturing in the amount of \$100 in year 10, delivered by Company to Bank discounted at the annually compounded yield of 7.717735% to their original principal amount of \$50.00. These are two “discount” debt instruments each of which accretes interest and matures in the amount of \$100 in year 10. If they are redeemed or prepaid any time after they are issued and before their maturity, the accreted value of each of the instruments will be greater than \$50.00 and less than \$100, depending on when the payment is made and the resulting interest accrued on the loan. Thus the zero coupon debt obligation resulting from the loan can be described either as a single capital appreciation note or as two discount obligations, each of which reflect the exact same debtor-creditor relationship. The Series 1998B Bonds and Series 1998C Bonds were documented as Discount Bonds.

B. It is industry standard for obligations such as the Bonds to be registered with DTC. To be eligible for registration with DTC, obligations such as the Bonds must conform to DTC's rules and requirements for book-entry registration of the obligations. Certain features of the Bonds, however, created issues in trying to obtain DTC registration as contemplated because they were not consistent with DTC's standard Operational Arrangements. All of the Bonds are "zero coupon bonds" documented as Capital Appreciation Bonds. Generally, publicly issued zero coupon bonds are issued as Discount Bonds registered with DTC at Maturity Value.⁴ The Plan called for the Bonds to be so structured and registered at Maturity Value. The documents further contemplated that each Beneficial Holder would receive his or her pro rata share of any payments made prior to maturity on a series of Bonds; however, under DTC's Operational Arrangements, this did not meet DTC's eligibility requirements for redemption payments.

C. Because of the Plan's provision for redemption payments to be distributed pro-rata to holders, which did not comply with DTC's procedures, difficulties arose with registration of the Bonds for book entry clearing with DTC as contemplated. As outlined in DTC's Operational Arrangements, to permit the distribution of prepayments to the beneficial owners of the Bonds pro rata under its "***Pro-Rata Paydown Program***", DTC required that the Bonds be registered based on authorized denominations of \$1.00 in Original Principal Amount (as Capital Appreciation Bonds) rather than based on authorized denominations of \$1.00 in Maturity Value (as Discount Bonds). Currently, the Term Bonds are reflected by DTC at their Original Principal Amount (as Capital Appreciation Bonds) to permit pro-rata distribution of prepayments on the Term Bonds under DTC's "***Pro-Rata Paydown***" program.

D. In addition, several technical changes to the Indenture were necessary to satisfy DTC's requirements under the Pro-Rata Paydown Program. First, the Debtor's pre-maturity payments to amortize the Term Bonds needed to be renamed from "sinking fund redemption payments" to "pro-rata paydown amounts". (The latter is how the Indenture now reflects such payments.) Second, the accreted value tables for the Bonds also had to be modified (to reflect accretion starting at \$1.00 in Original Principal Amount up to maturity amount at the yield of each Bond).⁵ DTC worked cooperatively with the Debtor and Trustee to explain what changes were necessary for DTC to register the Bonds based on its Pro-Rata Paydown Program.⁶ Effective April 21, 2011, the Bonds were registered with DTC at Original Principal Amount under the Pro-Rata Paydown Program discussed above.

⁴ For example, U.S. Treasury Bills are Discount Bonds, as they are issued at face maturity value (in \$100,000 amounts), but the amounts paid for those obligations at their original issue date are lower than maturity value, with the difference between the price at issue and the amount paid at maturity being original issue discount treated as interest for federal income tax purposes. Secondary market trading of Discount Bonds are at prices reflecting that discount to their maturity value. Until its maturity, the accreted value of a Discount Bond is always less than its maturity value per authorized denomination (less than \$100,000 for Treasury Bills).

⁵ The Bonds accrete in value from Original Principal Amount at issuance at the yield on each Bond. For example, Exhibit "T" to the Indenture lists the accreted values of the Bonds. The accreted value of the 6.5% Term Series 2011A Bond maturing on January 1, 2032 is \$1.00 on April 1, 2011 and accretes to a maturity value of \$3.69406.

⁶ The name and table changes did not modify the amounts to be paid to the Beneficial Holders of the Bonds, but changed the face amount of the Term Bonds (to Original Principal Amount from Maturity Value) and the characterization of periodic interest and principal payments to be made under the Bonds (from sinking fund payments to pro rata paydowns).

IV. The Secondary Market Trading Problem.

A. Shortly after the Bonds were issued, certain institutional holders and broker dealers began contacting the Trustee regarding the Bonds. Because the Term Bonds were listed by DTC as set forth above, they did not “fit” into the brokers’ systems or into industry pricing systems. The Term Bonds thus were untradeable in the public secondary market. More specifically, the brokers’ and industry pricing systems for trading zero coupon bonds are based upon the assumption that they are registered at Maturity Value, and trade at a price discount from such “face” amount at maturity. Consequently, the Term Bonds as registered through DTC under the Pro-Rata Paydown Program could not be priced or traded.

B. The Debtor has been informed by the Trustee and certain institutional bondholders that DTC agreed to reflect the Serial Bonds at Maturity Value in conformity with DTC’s Operational Arrangements. Consequently, the Series 2011A Serial Bonds will not be amended or exchanged. However, DTC informed the Trustee that the Term Bonds could be listed at Maturity Value only if any annual sinking fund redemption payments for a series of Term Bonds are made by DTC to Beneficial Holders on a “by lot” basis, rather than pro-rata.

V. The Proposed Solution-Mandatory Exchange Subject to Retention Election.

A. The Majority Holders have requested that the Debtor facilitate the exchange of the Term Bonds for new term bonds which provide for DTC’s distribution of redemption payments to the Beneficial Holders by lot (the “*By-Lot Bonds*”). The By-Lot Bonds and corresponding revisions to the Indenture will be reflected in a First Supplemental Indenture of Trust (the “*First Supplement*”). The First Supplement will be substantially in the form attached hereto as *Exhibit A* (but with such changes as agreed upon and determined necessary or advisable by the Debtor and Trustee to effectuate the intent and purposes of the exchange (including changes required by law, regulatory agencies or DTC), provided that such changes do not materially adversely affect the Bondholders or the Bonds).

B. The By-Lot Bonds will be dated the Effective Date and have identical yields, aggregate Original Principal Amounts, maturities and pay-down schedules as the Term Bonds for which they are exchanged, but will provide for by-lot distribution of redemption proceeds instead of pro-rata. This would mean that the Beneficial Holders of the By-Lot Bonds would not be assured of the timing of any particular payments prior to maturity, since distribution of redemption proceeds would be distributed under DTC’s lottery process. However, Beneficial Holders may elect to retain their current Term Bonds.

C. Under the Exchange Order, Beneficial Holders of the Term Bonds are given the option to retain their Term Bonds as set forth in “*VI – Exchange Procedures and Retention Election*” below. If a Beneficial Holder does not affirmatively elect to opt out of the exchange, the Term Bonds owned by such Beneficial Holder will be exchanged for By-Lot Bonds. If a Beneficial Holder opts out of the exchange, such holder will retain its current Term Bonds as Retained Bonds, which will be paid based on their pro rata paydown provisions. **UNLESS A BENEFICIAL HOLDER AFFIRMATIVELY AND TIMELY FILES A RETENTION ELECTION, HIS OR HER TERM BONDS WILL AUTOMATICALLY BE EXCHANGED FOR THE BY-LOT BONDS PURSUANT TO THE EXCHANGE ORDER.**

D. The By-Lot Bonds will be issued as new series of bonds with new CUSIP numbers. **Each series of By-Lot Bonds will have the same maturity, interest accrual yield and aggregate redemption amounts as the Term Bonds of that Series for which they are being exchanged under the First Supplement. In addition, By-Lot Bonds will have the same priority in security and payment as do the Retained Bonds of the same Tier and maturity.** The Exchange is intended solely to address the secondary marketability issue relating to the Term Bonds.

E. The change from a pro-rata distribution to redemption also introduces a time constraint not currently present in the Indenture. Pro-rata distributions take place on each January 1 Bond Payment Date, without the need for any notices to the beneficial owners of the Term Bonds. However, since by-lot distributions of redemption proceeds involve the selection of certain By-Lot Bonds for payment, the First Supplement will obligate the Trustee to send notices of redemption of the By-Lot Bonds (at the times and in the amount of the Sinking Fund Installments set forth in subsections (1), (2) and (3) of Section 302 of the First Supplement). At the time such notices of redemption are delivered, there will not be funds in the debt service accounts for the various Tiers of the By-Lot Bonds, so such notices of redemption will be conditioned on the deposit of funds into such debt service accounts sufficient to pay the Redemption Price of the Sinking Fund Installments to be redeemed. In the event that any mandatory sinking fund redemption of any By-Lot Bonds on any January 1 is cancelled due to insufficient funds being available in the applicable debt service accounts to pay any Sinking Fund Installment in full, the First Supplement will obligate the Trustee to deliver notice of the redemption of such By-Lot Bonds for February 15 of that same calendar year, as provided in Section 305 of the First Supplement, in the aggregate Redemption Price not greater than the available balance in the applicable debt service accounts on such January 1 without further accretion. The Redemption Price of By-Lot Bonds so called for redemption on February 15 will be equal to the Accreted Value of such Bonds as of such January 1 (of the same calendar year), not the Accreted Value of such Bonds as of the February 15 Redemption Date. **IN THE EVENT OF ANY SUCH DELAYED REDEMPTION, THE BENEFICIAL OWNERS SELECTED FOR REDEMPTION WILL NOT RECEIVE INTEREST ACCRETIONS ON THE AMOUNT BEING DISTRIBUTED ON FEBRUARY 15 FOR THE PERIOD FROM JANUARY 1 TO FEBRUARY 15.**

VI. Exchange Procedures and Retention Election.

A. After the exchange date for By-Lot Bonds which shall be **May 31, 2012 or as soon thereafter as is practicable** (the “*Exchange Date*”) and effective as of the Effective Date, **the By-Lot Bonds will have the terms set forth in the revised Bond certificate.** If you hold Term Bonds, you are not required to do anything as a condition to having your Term Bonds exchanged for By-Lot Bonds of a series.

B. However, if you do not want to participate in the exchange, you have the right to elect not to have your Term Bonds exchanged by the following procedure: **On or prior to 5:00 p.m., prevailing Eastern Time on May 17, 2012 (“ATOP Deadline”)**, you may elect to opt out of the exchange and retain your Term Bonds by providing a notice through your broker or other person through whom you own your Term Bonds to DTC to instruct that your holdings be withheld from the exchange (the “*Retained Bonds*”). Your broker or other person through

whom you own your Term Bonds must provide this notice to DTC by entering an instruction via DTC's Automated Tender Offer Program (“*ATOP*”) prior to the ATOP Deadline. Retention elections must be timely and made as to all of your investment in the Term Bonds; no elections to retain part (but not all) of your investment in the Term Bonds will be accepted. If you want to elect to opt out of the exchange, you must contact your broker or other person through whom you hold an ownership interest in the Term Bonds participating in ATOP to process an election to opt out of the exchange and provide any related requested information necessary to allow your broker or such other person to timely process your ATOP election. If you do not affirmatively opt out of the exchange in accordance with the foregoing, your Term Bonds will be exchanged for By-Lot Bonds.

If you elect to opt out of the exchange, you may reverse such election provided you timely do so prior to the ATOP Deadline. In order to reverse your election to opt out, you would again contact your broker or other person through whom you hold your Bonds. In order to opt out or reverse an election to opt out, you will need to give your broker, or such other person holding your interest in the Bonds, some lead time of your election so it can help you meet the above ATOP Deadline.

C. If you elect to keep the Retained Bonds in accordance with the above, such Retained Bonds will retain their feature of having any redemption proceeds paid on a pro rata basis. However, any such Retained Bonds also will remain registered at DTC at their original issuance amount and subject to the resulting negative impact on trading noted earlier. The CUSIPs for any Retained Bonds will not change as a result of the exchange.

D. No future opportunities to exchange the Retained Bonds for By-Lot Bonds are contemplated. If you decide to opt out of the exchange and retain your current Term Bonds, you thus should anticipate that you will not be able to convert your Retained Bonds to By-Lot Bonds in the future, regardless of any value or trading differences among the bonds or any other issues that may exist or arise with respect to the Retained Bonds or other bonds in the future (which issues may or may not be similar to those described in the exchange documents).

E. The Exchange Order requires, as a condition to the effectiveness of the exchange, the delivery of an opinion of bond counsel, substantially to the effect that the By-Lot Bonds are valid and enforceable obligations of the Debtor under the Indenture and that original issue discount properly allocated to such By-Lot Bonds will be excludable from gross income for federal income tax purposes and that the exchange of the By-Lot Bonds will not adversely affect the exclusion from gross income for federal income tax purposes of original issue discount properly allocated to the Bonds.

F. Through the ATOP Deadline, current bondholders are entitled to participate in the exchange based on the foregoing procedures. The By-Lot Bonds will be issued on the Exchange Date. Due to the nature of the Bonds as book entry securities held through DTC, the effectuation of the exchange may involve some time delay to complete the exchange process. (As a point of note, the exchange will be considered effective retroactive to the “Effective Date” of April 21, 2011, when the Bonds were issued, as further set forth in the Motion, but this does not affect retention of any payments previously received on the Bonds as of January 1, 2012, if applicable).

VII. The First Supplement.

A. The First Supplement includes the forms of the new By-lot Bonds and makes certain amendments to the Indenture to accommodate the splitting of the 2011 Term Bonds into By-lot Bonds and Retained Bonds. The Exchange Order also provides that funds in the amount of \$583,463.75 in the “Cost of Issuance Fund” established under Section 503 of the Indenture will be used to pay the additional fees and costs incurred by the Debtor and the Trustee in connection with their efforts to resolve the DTC issues and implement the exchange. The First Supplement provides that the date to which the Cost of Issuance Fund will be left open will be changed from the original date of August 22, 2011 to a date that is six months from the date of entry of the Exchange Order. Costs of the exchange may only be paid from the Costs of Issuance Fund; no Costs of Issuance will be paid from the Revenue Fund. Section 503 of the Indenture provides that the Trustee thereafter will transfer any remaining amounts in the Cost of Issuance Fund to the Series 2011 Bonds Debt Service Reserve Account.

VIII. Other Information.

A. Copies of the Plan, the Confirmation Order and certain other documents relating to the Debtor’s bankruptcy proceeding may be found on the debtor’s website at: <http://www.southernconnector.com/Zbankruptcy.htm>. In addition, certain documents relating to the Debtor’s operations or financial results may be found at the Debtor’s website or on the EMMA system.

Exhibit "A"

First Supplemental Indenture of Trust

[Attached]

ATTACHMENT #2 – FIRST SUPPLEMENTAL INDENTURE

FIRST SUPPLEMENTAL INDENTURE OF TRUST

between

CONNECTOR 2000 ASSOCIATION, INC.

and

U.S. BANK NATIONAL ASSOCIATION
as Trustee,

Dated as of _____ 1, 2012 and
Effective as of April 21, 2011

Relating to

Connector 2000 Association, Inc.
Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina)
and

Supplementing the First Amended and Restated Master Indenture of Trust
Dated as of April 1, 2011

TABLE OF CONTENTS

**ARTICLE I
 AUTHORITY, DEFINITIONS AND OTHER INTERPRETATIVE MATTERS**

Section 101.	Authority.....	4
Section 102.	Interpretation and Construction.....	4
Section 103.	Definitions	4

**ARTICLE II
 AUTHORIZATION AND PAYMENT OF SERIES 2011 NEW TERM BONDS**

Section 201.	Authorization of Series 2011 New Term Bonds	6
Section 202.	Security for Series 2011 New Term Bonds	6
Section 203.	Series 2011 New Term Bond Details	7
Section 204.	Details of the Retained Bonds.....	8

**ARTICLE III
 OPTIONAL AND MANDATORY PREPAYMENT AND REDEMPTION**

Section 301.	Privilege of Redemption or Prepayment and Redemption or Prepayment Price.....	10
Section 302.	Mandatory Sinking Fund Redemption of Series 2011 New Term Bonds	12
Section 303.	Extraordinary Mandatory Prepayment and Redemption	13
Section 304.	Selection of Bonds to be Prepaid or Redeemed	14
Section 305.	Notice of Prepayment or Redemption	14
Section 306.	Payment of Prepaid or Redeemed Bonds	15

**ARTICLE IV
 COMPLIANCE WITH AND AMENDMENTS TO THE MASTER INDENTURE**

Section 401.	Provisions for Delivery of the Bonds	16
Section 402.	Amendments	16

**ARTICLE V
 MISCELLANEOUS PROVISIONS**

Section 501.	Parties Interested Herein.....	17
Section 502.	Limitation of Liability of Directors, etc. of Association	17
Section 503.	Incorporation by Reference of Article XIII of Master Indenture	18
Section 504.	Execution in Several Counterparts.....	18

EXHIBIT A - FORM OF SERIES 2011A1 BOND
EXHIBIT B - FORM OF SERIES 2011B1 BOND
EXHIBIT C - FORM OF SERIES 2011C1 BOND
APPENDIX T - ACCRETED VALUE TABLES

This **FIRST SUPPLEMENTAL INDENTURE OF TRUST**, dated as of _____, 2012 (the "**First Supplemental Indenture**"), by and between **CONNECTOR 2000 ASSOCIATION, INC.**, a South Carolina non-profit corporation (the "**Association**"), and **U.S. BANK NATIONAL ASSOCIATION** a national banking association organized under the laws of the United States of America and having a corporate trust office in Columbia, South Carolina (in such capacity, together with any successor in such capacity, the "**Trustee**");

WITNESSETH:

WHEREAS, the Association and the Trustee have previously entered into that certain First Amended and Restated Master Indenture of Trust, dated as of April 1, 2011 providing for the issuance of Connector 2000 Association, Inc. Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina) (the "**Master Indenture**"); and

WHEREAS, pursuant to the terms of the First Amended Plan for Adjustment of Debts under Chapter 9 as amended (the "**Plan**") under Case No. 10-04467-dd in the United States Bankruptcy Court for the District of South Carolina (the "**Court**") and the Confirmation Order of the Court entered April 1, 2011 [Dkt No. 141] (the "**Confirmation Order**") on the effective date of the Plan (the "**Effective Date**") which occurred on April 21, 2011) the owners of the Association's outstanding Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina) Series 1998A, Series 1998B and Series 1998C (the "**Series 1998 Bonds**") received in exchange Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina) issued under the Master Indenture as follows: (i) Senior Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011A (the "**Series 2011A Bonds**") in the aggregate Original Principal Amount of \$126,899,826.00; (ii) Senior Subordinate Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011B (the "**Series 2011B Bonds**") in the aggregate Original Principal Amount of \$21,085,708.00 and (iii) Junior Subordinate Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011C in the aggregate Original Principal Amount of \$2,160,434.00 (the "**Series 2011C Bonds**") and, together with the Series 2011A Bonds and the Series 2011B Bonds, the "**Series 2011 Bonds**"; and the Series 1998 Bonds were cancelled; and

WHEREAS, the Series 2011A Bonds consist of 11 serial bond maturities maturing January 1 of the years 2012 through 2022 (inclusive) and three term bond maturities (the "**Series 2011A Term Bonds**"), each subject to mandatory pro rata prepayment, maturing January 1, 2032, January 1, 2042 and July 22, 2051; the Series 2011B Bonds consist of two term bond maturities (the "**Series 2011B Term Bonds**"), each subject to mandatory pro rata prepayment, maturing January 1, 2032 and July 22, 2051; and the Series 2011C Bonds consist of a single term bond maturity (the "**Series 2011C Term Bonds**" and, together with the Series 2011A Term Bonds and the Series 2011B Term Bonds, the "**Series 2011 Term Bonds**") which mature, subject to mandatory pro rata prepayment, on July 22, 2051; and

WHEREAS, the Plan contemplated that the Series 2011 Term Bonds would be issued in authorized denominations of \$1.00 of Maturity Value, discounted to their Original Principal Amounts at the yield on each such Series 2011 Term Bond, subject to annual mandatory sinking fund redemption at their Accreted Value, expressed as a discount to their Maturity Value, and that each beneficial owner of a Series 2011 Term Bond would receive his or her pro-rata portion of the redemption of the Series 2011 Term Bonds; and

WHEREAS, the Plan further contemplated that the Series 2011 Bonds would be issued in "book-entry-only" form and that payments on and transfers of the Series 2011 Bonds would be administered by the Depository Trust Company ("**DTC**") acting as Securities Depository; and

WHEREAS, after the Plan was approved, the Association with the assistance of the Trustee attempted to cause the Series 2011 Bonds to be qualified for book entry clearing with DTC but were informed that DTC policy requires all distributions of redemption proceeds to the Beneficial Holders of book-entry bonds to be made “by lot” under a lottery system, rather than pro-rata; and

WHEREAS, DTC advised that it had a program (the “*Pro-Rata Paydown Program*”) which allowed pro-rata distribution of payments to beneficial owners that the Association could use to qualify the Series 2011 Bonds for book entry clearing with DTC, which program required the Series 2011 Bonds be issued in authorized denominations of \$1.00 in Original Principal Amount (rather than \$1.00 in Maturity Value) and accrete value from April 1, 2011 at the yield of each Bond to mature in an amount in excess of \$1.00; and

WHEREAS, the Association and Trustee made the changes necessary to the documents to permit the Series 2011 Bonds to be issued in compliance with DTC’s Pro-Rata Paydown Program; however, the amounts and dates of all payments by the Association were not changed and the Master Indenture provided that all bond payments would be paid to the Beneficial Holders of the Series 2011 Bonds pro-rata as previously contemplated; and

WHEREAS, beginning in June 2011, the Association was advised by the Trustee that a number of institutional holders of the Series 2011 Bonds could not trade their obligations in the secondary securities market since the brokers’ and industry pricing systems for trading such bonds were set up on the assumption that zero coupon bonds such as the Series 2011 Bonds would be listed by DTC at a maturity value equal to their authorized denominations (i.e., \$1.00) rather than at a multiple of their authorized denominations (over \$1.00); and

WHEREAS, upon becoming aware of the cause of the problem, the beneficial owners of a majority of the Series 2011 Bonds have indicated to the Trustee, which has advised the Association, that such bondholders request and support an exchange of, and desire to exchange, their Series 2011 Term Bonds for new term bonds which provide for the distribution of payments to beneficial owners by lot, in order to allow registration of such new term bonds by the Securities Depository at a maturity value equal to their Authorized Denominations, so such new obligations would be listed at a discount for purposes of trading in the secondary market; and

WHEREAS, the Trustee and the Association have been advised that the Series 2011A Bonds maturing January 1 of the years 2012 through 2022 (inclusive) (the “*Series 2011A Serial Bonds*”) are not subject to the secondary trading impediment described above, will not be subject to the exchange and will remain Outstanding under the Master Indenture as originally issued; and

WHEREAS, on February 7, 2012 the Association filed with the Court its Motion for an Order (I) Authorizing Supplement to the Indenture in Aid of Implementation of the Plan; and (II) Approving Bond Exchange Materials and Procedures for Term Bonds, seeking approval of the foregoing (the “*Motion*”), notice of which was provided to all notice parties including the Securities Depository participants, as further set forth in the Motion; and

WHEREAS, the Court entered its Order (I) Authorizing Supplement to the Indenture in Aid of Implementation of the Plan; and (II) Approving Bond Exchange Materials and Procedures for Term Bonds (the “*Order*”) on [_____], 2012, which authorized the Association to proceed with amending the Master Indenture pursuant to this Court-approved First Supplemental Indenture and to proceed with effectuating the Court-approved exchange of the Series 2011 Term Bonds, all in further implementation of the Plan; and

WHEREAS, on [_____] 2012, the Trustee caused to be delivered to the beneficial owners of the Series 2011 Bonds a notice of mandatory exchange with option to retain (the “*Exchange Notice*”) under which each such beneficial owner’s Series 2011 Term Bonds will be exchanged on _____, 2012 (the “*Exchange Date*”) for New Term Bonds providing for the distribution of payments made by the Association to the beneficial owners thereof by lot (the “*Exchanging Bondholders*”), provided that each such beneficial owner may instead affirmatively elect to retain such beneficial owner’s Series 2011 Term Bonds and thus to opt out of the exchange and not become an Exchanging Bondholder if such beneficial owner prefers to retain the current Series 2011 Term Bonds with the right to have redemptions of its Term Bonds done on a pro rata basis; and

WHEREAS, this First Supplemental Indenture is a Court-approved Supplemental Indenture (as defined in the Master Indenture) entered into pursuant to the Order to further implement the Plan and specifically for the purpose of authorizing three Series of Bonds to be exchanged effective as of the Effective Date for the Series 2011 Term Bonds owned by the Exchanging Bondholders consisting of (i) \$_____ in aggregate Original Principal Amount to be designated “Connector 2000 Association, Inc. Senior Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011A1” (the “*Series 2011A1 Bonds*”) having an aggregate Maturity Value of \$_____, (ii) \$_____ in aggregate Original Principal Amount to be designated “Connector 2000 Association, Inc. Senior Subordinate Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011B1” (the “*Series 2011B1 Bonds*”) having an aggregate Maturity Value of \$_____, and (iii) \$_____ in aggregate Original Principal Amount to be designated as “Connector 2000 Association, Inc. Junior Subordinate Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011C1” having an aggregate Maturity Value of \$_____ (the “*Series 2011C1 Bonds*” and, together with the Series 2011A1 Bonds and the Series 2011B1 Bonds, the “*Series 2011 New Term Bonds*”) and to make certain amendments to the Master Indenture to permit such exchange of the Series 2011 New Term Bonds to be registered at a maturity value equal to their authorized denominations with the Securities Depository as contemplated by the Plan and Disclosure Statement; and

WHEREAS, the Series 2011 New Term Bonds will be issued to the Exchanging Bondholders in exchange for Series 2011 Bonds of the same Series in the same Original Principal Amounts; and

[WHEREAS, the holders of \$_____, \$_____ and \$_____ in Original Principal Amount of Series 2011A Term Bonds, Series 2011B Term Bonds and Series 2011C Term Bonds (collectively, the “*Retained Bonds*”), have elected to opt out of the exchange so that there remain those respective amounts of Original Principal Amount of the Series 2011A Term Bonds, the Series 2011B Term Bonds and the Series 2011C Term Bonds]; and

WHEREAS, there has been delivered to the Trustee in connection with the issuance of the Series 2011 New Term Bonds, a copy of this Supplemental Indenture authorizing such Series 2011 New Term Bonds and providing the details of such Series 2011 New Term Bonds and certain amendments to the Master Indenture and an Opinion of Bond Counsel, substantially to the effect that the Series 2011 New Term Bonds are valid and enforceable obligations of the Association under the Master Indenture and that original issue discount properly allocated to such Series 2011 New Term Bonds will be excludable from gross income for federal income tax purposes and that the issuance of Series 2011 New Term Bonds will not adversely affect the exclusion from gross income for federal income tax purposes of original issue discount properly allocated to the Series 2011 Bonds; and

WHEREAS, the Series 2011 New Term Bonds are to be in substantially the forms attached hereto as **Exhibits A, B, and C** with appropriate variations, omissions and insertions as are permitted or required by this First Supplemental Indenture; and

WHEREAS, all things necessary to make the Series 2011 New Term Bonds, when authenticated by the Trustee and issued as provided in this First Supplemental Indenture, valid and binding limited obligations of the Association and to constitute this First Supplemental Indenture a valid and binding agreement securing the payment of the principal of and premium, if any, and interest on the Series 2011 New Term Bonds effective as of the Effective Date have been done and performed and the execution and delivery of this First Supplemental Indenture and the execution and issuance of the Series 2011 New Term Bonds, subject to the terms hereof, have in all respects been duly authorized and approved including pursuant to the Order of the Court on the Motion in furtherance of the Plan;

NOW, THEREFORE, THIS FIRST SUPPLEMENTAL INDENTURE FURTHER WITNESSETH THAT:

The Association covenants and agrees with the Trustee and with the respective holders from time to time of the Series 2011 New Term Bonds or any part thereof as follows:

ARTICLE I

AUTHORITY, DEFINITIONS AND OTHER INTERPRETATIVE MATTERS

Section 101. Authority. This First Supplemental Indenture is executed and delivered pursuant to the Order and the Plan, and pursuant to the Order does comply and shall be deemed in all respects and for all purposes to comply with the Plan and the Master Indenture, including specifically Sections 303 and 304 of the Master Indenture.

Section 102. Interpretation and Construction. For purposes of this First Supplemental Indenture, except as otherwise expressly provided or unless the context otherwise requires, Article I of the Master Indenture is hereby incorporated by reference and is applicable to the terms of this First Supplemental Indenture as well as the Master Indenture.

Section 103. Definitions. Terms defined in the Master Indenture shall have the meanings assigned to them in the Master Indenture, except that if any term is defined in both the Master Indenture and in this First Supplemental Indenture, the definition of such term in this First Supplemental Indenture shall control for purposes of, and as provided in, this First Supplemental Indenture. The following terms defined in the recitals to this First Supplemental Indenture are intended to have the meanings assigned in the recitals: “*Association*”, “*Confirmation Order*”, “*Court*”, “*DTC*”, “*Effective Date*”, “*Exchange Date*”, “*Exchange Notice*”, “*Exchanging Bondholders*”, “*Master Indenture*”, “*Motion*”, “*Order*”, “*Plan*”, “*Pro-Rata Paydown Program*”, “*Retained Bonds*”, “*Series 1998 Bonds*”, “*Series 2011 Bonds*”, “*Series 2011A Bonds*”, “*Series 2011B Bonds*”, “*Series 2011C Bonds*”, “*Series 2011A1 Bonds*”, “*Series 2011B1 Bonds*”, “*Series 2011C1 Bonds*”, “*Series 2011 New Term Bonds*”, “*Series 2011A Serial Bonds*”, “*Series 2011A Term Bonds*”, “*Series 2011B Term Bonds*”, “*Series 2011C Term Bonds*”, “*Series 2011 Term Bonds*” and “*Trustee*”.

For purposes of this First Supplemental Indenture, except as otherwise expressly provided or unless the context otherwise requires:

“*Accreted Value*” means, with respect to the Retained Bonds and the Series 2011A Serial Bonds, the Accreted Value as defined in the Master Indenture, and with respect to the Series 2011 New Term Bonds, for each \$1.00 of Maturity Value of a Capital Appreciation Bond:

(a) as of any Accretion Date, the amount set forth on **Appendix T** hereto as the Accreted Value of such \$1.00 Maturity Value as of such Accretion Date; and

(b) as of any date (for purposes of this paragraph (b), a “*Calculation Date*”) that is not an Accretion Date, the sum of (i) the Accreted Value determined under paragraph (a) above as of the most recent Accretion Date plus (ii) the amount determined pursuant to the following formula:

$$(A-B)(X/360),$$

where “A” is the Accreted Value determined under paragraph (a) above as of the Accretion Date immediately following such Calculation Date; “B” is the Accreted Value determined under paragraph (a) above as of the Accretion Date immediately preceding such Calculation Date; and “X” is the number of days such Calculation Date follows the most recent Accretion Date, determined assuming that each month in such period contains 30 days, including such Calculation Date.

“*Authorized Denomination*” with respect to the Retained Bonds and the Series 2011A Serial Bonds has the meaning set forth in the Master Indenture and, with respect to the Series 2011 New Term Bonds, means \$1.00 in Maturity Value and integral multiples of \$1.00 in excess thereof.

“*Bond Payment Date*” means, for the Series 2011 New Term Bonds, January 1 of each year, beginning January 1, 2012 and on July 22, 2051 and February 15 of each year in which a redemption is to be made on that February 15 pursuant to Section 302(4) hereof or a prepayment is to be made pursuant to Section 401(2) of the Master Indenture.

“*Debt Service*” shall have the meaning set forth in the Master Indenture with the understanding that, with respect to the Series 2011 New Term Bonds for any particular Fiscal Year or as of any Bond Payment Date, Debt Service includes an amount equal to the sum of (a) the Maturity Value of all applicable Outstanding Series 2011 New Term Bonds that is payable during such period or on such date; and (b) the Redemption Price of Outstanding Series 2011 New Term Bonds payable during such period or on such date with respect to any applicable Outstanding Series 2011 New Term Bonds that are to be redeemed during such period or on such date pursuant to mandatory redemption provisions.

“*Exchange Effective Time*” means _____ p.m. (eastern time) on the Exchange Date.

“*First Supplemental Indenture*” means this First Supplemental Indenture of Trust, as it may be further amended from time to time in accordance with the terms hereof and of the Master Indenture.

“*Maturity Value*” means with respect to a Capital Appreciation Bond, the amount payable to the Owner of such Capital Appreciation Bond on its maturity date.

“*Original Principal Amount*” means, (i) the Original Principal Amount of the Series 2011A Serial Bonds as established on April 1, 2011 in Article III of the Master Indenture, (ii) the Original Principal Amount of the Series 2011 New Term Bonds as of April 1, 2011 set forth in this First Supplemental Indenture, and (iii) the Original Principal Amount of the Retained Bonds as of April 1, 2011 set forth in this First Supplemental Indenture.

“*Paying Agent*” means, with respect to the Series 2011 New Term Bonds, the Trustee and its successors in such capacity, appointed hereunder.

“*Redemption Date*” means the date upon which any Series 2011 New Term Bonds are to be redeemed prior to their respective fixed maturities pursuant to the mandatory, extraordinary or optional redemption provisions of this First Supplemental Indenture.

“*Redemption Price*” means, with respect to any Series 2011 New Term Bond, the amount, including any applicable premium and Accreted Value (as applicable), payable upon the mandatory, extraordinary or optional prepayment under the Master Indenture or redemption, as provided in this First Supplemental Indenture.

“*Registrar*” means, with respect to the Series 2011 New Term Bonds, the Trustee, and its successors in such capacity, appointed under the Master Indenture.

“*Sinking Fund Installment*” means, as of any particular date of calculation and with respect to the Series 2011 New Term Bonds, the amount of money to be applied as the Redemption Price of the Series 2011 New Term Bonds subject to mandatory sinking fund redemption in any Fiscal Year prior to maturity, as such Sinking Fund Installment shall have been previously reduced by the Accreted Value (as of such date of calculation) of any Series 2011 New Term Bonds of such Series of the maturity in respect of which such Sinking Fund Installment is payable which are redeemed by the Trustee in accordance with the provisions of Article III of this First Supplemental Indenture, other than by the prior payment of a Sinking Fund Installment under Section 302 of this First Supplemental Indenture.

ARTICLE II

AUTHORIZATION AND PAYMENT OF SERIES 2011 NEW TERM BONDS

Section 201. Authorization of Series 2011 New Term Bonds.

1. There is hereby authorized to be issued at the Exchange Time but effective of the Effective Date, and shall be issued under and secured by the Master Indenture and this First Supplemental Indenture three separate Series of Bonds designated as follows: (a) “Connector 2000 Association, Inc. Senior Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011A1,” in the aggregate Maturity Value of \$_____ and the aggregate Original Principal Amount of \$_____; (b) “Connector 2000 Association, Inc. Senior Subordinate Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011B1,” in the aggregate Maturity Value of \$_____ and the aggregate Original Principal Amount of \$_____; and (c) “Connector 2000 Association, Inc. Junior Subordinate Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011C1,” in the aggregate Maturity Value of \$_____ and the aggregate Original Principal Amount of \$_____.

2. The Series 2011 New Term Bonds will be exchanged at the Exchange Time for Outstanding Series 2011 Bonds of the same Tier having the same maturity date. Each Exchanging Bondholder will receive, at the Exchange Time but effective as of the Effective Date, Series 2011 New Term Bonds in the Maturity Value calculated upon the Original Principal Amount of Series 2011 Bonds exchanged by such Exchanging Bondholder.

Section 202. Security for Series 2011 New Term Bonds. The Series 2011 New Term Bonds are Bonds within the meaning of the Master Indenture and payable from and secured by the Trust Estate in accordance with the terms of the Master Indenture and this First Supplemental Indenture.

Section 203. Series 2011 New Term Bond Details.

1. Each Series 2011 New Term Bond shall be issued only as a fully registered Bond. Each Series 2011A1 Bond shall be substantially in the form of **Exhibit A** hereto, each Series 2011B1 Bond shall be substantially in the form of **Exhibit B** hereto, and each Series 2011C1 Bond shall be substantially in the form of **Exhibit C** hereto, in each case, with such changes therein, not inconsistent with this First Supplemental Indenture and the Order, as are approved by the Authorized Association Representative executing the Series 2011 New Term Bonds (whose manual or facsimile signature on such Bonds shall constitute conclusive evidence of his or her approval of any such changes appearing therein).

2. Details of the Series 2011A1 Bonds. The Series 2011A1 Bonds are designated Senior Bonds on parity in all respects with any Series 2011A Bonds that are Retained Bonds and the Series 2011A Serial Bonds, are dated April 1, 2011, shall be issued in denominations of \$1.00 in Maturity Value and integral multiples of \$1.00 in excess thereof, shall be numbered 2011A1-1 upwards and shall accrete in value from their dated date; provided that, any Series 2011A1 Bond issued upon transfer or exchange of another Series 2011A1 Bond, as provided in Article III of the Master Indenture, shall be dated as of the date of its authentication, but shall retain the same Accreted Value and Maturity Value as the Series 2011A1 Bond that was transferred or exchanged. The Series 2011A1 Bonds shall mature on the dates and in the Maturity Values, and shall be issued in the Original Principal Amounts with the approximate yields to Maturity (compounded annually), set forth below (it being understood that the approximate yields set forth are for illustration purposes only and that all amounts due on the Series 2011A1 Bonds are based on the terms of such Bonds and definitions of Original Principal Amount, Maturity Value and Accreted Value set forth in the Master Indenture as amended by this First Supplemental Indenture).

Maturity Date	Original Principal Amount	Maturity Value	Yield	CUSIP
January 1, 2032			6.50%	
January 1, 2042			7.00%	
July 22, 2051			7.50%	

3. Details of the Series 2011B1 Bonds. The Series 2011B1 Bonds are designated Senior Subordinate Bonds on parity in all respects with any Series 2011B Bonds that are Retained Bonds, are dated April 1, 2011, shall be issued in denominations of \$1.00 in Maturity Value and integral multiples of \$1.00 in excess thereof, shall be numbered 2011B1-1 upwards and shall accrete in value from their dated date; provided that, any Series 2011B1 Bond issued upon transfer or exchange of another Series 2011B1 Bond, as provided in Article III of the Master Indenture, shall be dated as of the date of its authentication, but shall retain the same Accreted Value and Maturity Value as the Series 2011B1 Bond that was transferred or exchanged. The Series 2011B1 Bonds shall mature on January 1 of the years and in the Maturity Values, and shall be issued in the Original Principal Amounts with the approximate yields to Maturity (compounded annually), set forth below (it being understood that the approximate yields set forth are for illustration purposes only and that all amounts due on the Series 2011B1 Bonds are based on the terms of such Bonds and definitions of Original Principal Amount, Maturity Value and Accreted Value set forth in the Master Indenture as amended by this First Supplemental Indenture).

Maturity Date	Original Principal Amount	Maturity Value	Yield	CUSIP
January 1, 2032			8.50%	
July 22, 2051			9.00%	

4. Details of the Series 2011C1 Bonds. The Series 2011C1 Bonds are designated Junior Subordinate Bonds on parity in all respects with any Series 2011C Bonds that are Retained Bonds, are dated April 1, 2011, shall be issued in denominations of \$1.00 in Maturity Value and integral multiples of \$1.00 in excess thereof, shall be numbered 2011C1-1 upwards and shall accrete in value from their dated date; provided that, any Series 2011C1 Bond issued upon transfer or exchange of another Series 2011C1 Bond, as provided in Article III of the Master Indenture, shall be dated as of the date of its authentication, but shall retain the same Accreted Value and Maturity Value as the Series 2011C1 Bond that was transferred or exchanged. The Series 2011C1 Bonds are issued in the Original Principal Amount of \$ _____ and shall mature on July 22, 2051 in the Maturity Value of \$ _____, at the approximate yields to Maturity (compounded annually) of 10% per annum (it being understood that such approximate yield is for illustration purposes only and that all amounts due on the Series 2011C1 Bonds are based on the terms of such Bonds and definitions of Original Principal Amount, Maturity Value and Accreted Value set forth in the Master Indenture as amended by this First Supplemental Indenture).

5. Nonpayment or Partial Payment of Sinking Fund Installments. In the event that any Sinking Fund Installment is not paid when due, such amount will continue to be payable and will accrete interest at the rate set forth in the Bond on which such sinking fund installment was not paid and will be added to the next installment owing in respect of such Bond in the appropriate table set forth in Section 302 hereof.

6. Presentation for Payment. The final principal and Redemption Price of the Series 2011 New Term Bonds shall be payable by the Paying Agent to or upon the order of the Owner thereof upon presentation and surrender of such Series 2011 New Term Bonds at the designated corporate trust office of the Paying Agent, provided, however, that so long as the Series 2011 New Term Bonds are registered with a Securities Depository, the Series 2011 New Term Bonds need to be presented for payment only upon final maturity or redemption in full of such Series 2011 New Term Bonds.

7. Redemption and Prepayment of Series 2011 New Term Bonds. The Series 2011 New Term Bonds are subject to redemption and prepayment, as provided in Article III hereof.

Section 204. Details of the Retained Bonds.

1. As a result of the issuance and delivery of the Series 2011 New Term Bonds, the Original Principal Amount and Annual Pro Rata Paydown Amounts of the Series 2011 Term Bonds will be updated to reflect that the Series 2011 New Term Bonds are no longer included therein. The updated amounts of the Series 2011 Term Bonds reflecting only the Retained Bonds are as follows:

2. Updated Details of the Series 2011A Bonds which are Retained Bonds. The Original Principal Amount of Series 2011A Bonds which are Retained Bonds remaining Outstanding after the exchange and the Annual Pro Rata Paydown Amounts relating thereto are set forth below.

Maturity Date	Original Principal Amount	Yield	CUSIP
January 1, 2032		6.50%	20786LDL2
January 1, 2042		7.00%	20786LDM0
July 22, 2051		7.50%	20786LDN8

Annual Pro Rata Paydown Amount Schedule Series 2011A Term Bonds 6.5% Term Series 2011A CUSIP 20786LDL2 Capital Appreciation Bonds Maturing 1/1/2032		Annual Pro Rata Paydown Amount Schedule Series 2011A Term Bonds 7.0% Term Series 2011A CUSIP 20786LDM0 Capital Appreciation Bonds Maturing 1/1/2042		Annual Pro Rata Paydown Amount Schedule Series 2011A Term Bonds 7.5% Term Series 2011A CUSIP 20786LDN8 Capital Appreciation Bonds Maturing 7/22/2051	
Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)
1/1/2023		1/1/2033		1/1/2043	
1/1/2024		1/1/2034		1/1/2044	
1/1/2025		1/1/2035		1/1/2045	
1/1/2026		1/1/2036		1/1/2046	
1/1/2027		1/1/2037		1/1/2047	
1/1/2028		1/1/2038		1/1/2048	
1/1/2029		1/1/2039		1/1/2049	
1/1/2030		1/1/2040		1/1/2050	
1/1/2031		1/1/2041		1/1/2051	
1/1/2032		1/1/2042		7/22/2051	

3. Updated Details of the Series 2011B Bonds which are Retained Bonds. The Original Principal Amount of Series 2011B Bonds which are Retained Bonds remaining Outstanding after the exchange and the Annual Pro Rata Paydown Amounts relating thereto are set forth below.

Maturity Date	Original Principal Amount	Yield	CUSIP
January 1, 2032		8.50%	20786LDP3
July 22, 2051		9.00%	20786LDQ1

Annual Pro Rata Paydown Amount Schedule Series 2011B Term Bonds 8.5% Term Series 2011B; CUSIP# 20786LDP3 Capital Appreciation Bonds Maturing 1/1/2032				Annual Pro Rata Paydown Amount Schedule Series 2011B Term Bonds 9.0% Term Series 2011B; CUSIP #20786LDQ1 Capital Appreciation Bonds Maturing 7/22/2051			
Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)
1/1/2013		1/1/2023		1/1/2033		1/1/2043	
1/1/2014		1/1/2024		1/1/2034		1/1/2044	
1/1/2015		1/1/2025		1/1/2035		1/1/2045	
1/1/2016		1/1/2026		1/1/2036		1/1/2046	
1/1/2017		1/1/2027		1/1/2037		1/1/2047	
1/1/2018		1/1/2028		1/1/2038		1/1/2048	
1/1/2019		1/1/2029		1/1/2039		1/1/2049	
1/1/2020		1/1/2030		1/1/2040		1/1/2050	
1/1/2021		1/1/2031		1/1/2041		1/1/2051	
1/1/2022		1/1/2032		1/1/2042		7/22/2051	

4. Updated Details of the Series 2011C Bonds which are Retained Bonds. The Original Principal Amount of Series 2011C Bonds which are Retained Bonds remaining Outstanding after the exchange and the Annual Pro Rata Paydown Amounts relating thereto are set forth below.

Maturity Date	Original Principal Amount	Yield	CUSIP
July 22, 2051		10.00%	20786LDR9

Annual Pro Rata Paydown Amount Schedule							
Series 2011C Term Bonds							
10.0% Term Series 2011C							
Capital Appreciation Bonds Maturing 7/22/2051; CUSIP #20786LDR9							
Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)
1/1/2013		1/1/2023		1/1/2033		1/1/2043	
1/1/2014		1/1/2024		1/1/2034		1/1/2044	
1/1/2015		1/1/2025		1/1/2035		1/1/2045	
1/1/2016		1/1/2026		1/1/2036		1/1/2046	
1/1/2017		1/1/2027		1/1/2037		1/1/2047	
1/1/2018		1/1/2028		1/1/2038		1/1/2048	
1/1/2019		1/1/2029		1/1/2039		1/1/2049	
1/1/2020		1/1/2030		1/1/2040		1/1/2050	
1/1/2021		1/1/2031		1/1/2041		1/1/2051	
1/1/2022		1/1/2032		1/1/2042		7/22/2051	

ARTICLE III

OPTIONAL AND MANDATORY PREPAYMENT AND REDEMPTION

Section 301. Privilege of Redemption or Prepayment and Redemption or Prepayment Price.

1. General. With respect to the Series 2011 New Term Bonds, the Series 2011A Serial Bonds and the Retained Bonds, Sections 401 to 406 (inclusive) of the Master Indenture are hereby deleted in their entirety and, in lieu thereof, the provisions of this Article III are substituted therefor. The Series 2011A Serial Bonds and the Retained Bonds subject to prepayment prior to maturity shall be prepayable, upon notice, at such Prepayment Dates, at such Prepayment Prices made pro-rata upon such terms as are contained in this Article. The Series 2011 New Term Bonds subject to redemption prior to maturity shall be redeemable by lot, upon notice, at such Redemption Dates, at such Redemption Prices and upon such terms as are contained in this Article.

2. Optional Prepayment or Redemption of Series 2011 Bonds.

A. Optional Prepayment of the Retained Bonds. The Series 2011A Serial Bonds are not subject to optional prepayment by the Association prior to their maturity. The Retained Bonds shall be subject to prepayment at the option of the Association, in whole or in part, at any time on or after April 1, 2026 at the Prepayment Prices (equal to the sum of (x) the percentage of Accreted Value of the Retained Bonds to be prepaid as of the Accretion Date immediately preceding or coinciding with the Prepayment Date determined in accordance with the schedule set forth below, plus, if applicable, (y) an amount equal to the increase in the Accreted Value of the Retained Bonds to be prepaid from the Accretion Date immediately preceding the Prepayment Date through the Prepayment Date). All payments to the Owners of the Retained Bonds so prepaid shall be made pro-rata.

<u>Prepayment Date:</u>	<u>Percentage of Accreted Value as of Preceding or Coinciding Accretion Date</u>
Before April 1, 2026	Not Callable
On or after April 1, 2026 and on or before March 31, 2027	105%
On or after April 1, 2027 and on or before March 31, 2028	104%
On or after April 1, 2028 and on or before March 31, 2029	103%
On or after April 1, 2029 and on or before March 31, 2030	102%
On or after April 1, 2030 and on or before March 31, 2031	101%
On or after April 1, 2031 and thereafter	100%

B. Optional Redemption of the Series 2011 New Term Bonds. The Series 2011 New Term Bonds shall be subject to redemption at the option of the Association, in whole or in part, at any time on or after April 1, 2026 at the Redemption Prices (equal to the sum of (x) the percentage of Accreted Value of the Series 2011 New Term Bonds to be redeemed as of the Accretion Date immediately preceding or coinciding with the Redemption Date determined in accordance with the schedule set forth below, plus, if applicable, (y) an amount equal to the increase in the Accreted Value of the Series 2011 New Term Bonds to be redeemed from the Accretion Date immediately preceding the Redemption Date through the Redemption Date). All payments to the Owners of the Series 2011 New Term Bonds so redeemed shall be made by lot.

<u>Redemption Date:</u>	<u>Percentage of Accreted Value as of Preceding or Coinciding Accretion Date</u>
Before April 1, 2026	Not Callable
On or after April 1, 2026 and on or before March 31, 2027	105%
On or after April 1, 2027 and on or before March 31, 2028	104%
On or after April 1, 2028 and on or before March 31, 2029	103%
On or after April 1, 2029 and on or before March 31, 2030	102%
On or after April 1, 2030 and on or before March 31, 2031	101%
On or after April 1, 2031 and thereafter	100%

C. Partial Prepayment or Redemption. To the extent that the Association elects to prepay or redeem less than all of the Outstanding Series 2011 Bonds, the amount of Series 2011 Bonds so prepaid or redeemed will be selected from the Retained Bonds and the Series 2011 New Term Bonds within any maturity ratably based upon the relative Accreted Values of such

maturity Outstanding as of the prepayment and redemption date. (For example, if the Association elects to apply \$600,000 to redeem or prepay Senior Bonds maturing January 1, 2042 and, as of the prepayment and redemption date, the Accreted Value of the Outstanding Series 2011A Bonds that are Retained Bonds maturing on January 1, 2042 is \$1,000,000 and the Accreted Value of the Outstanding Series 2011A1 Bonds on January 1, 2042 is \$2,000,000, then \$200,000 of such amount will be used to prepay the Outstanding Series 2011A Bonds that are Retained Bonds and \$400,000 will be used to redeem the Outstanding Series 2011A1 Bonds.)

Section 302. Mandatory Sinking Fund Redemption of Series 2011 New Term Bonds. The Series 2011 New Term Bonds are subject to mandatory redemption, at a Redemption Price equal to the Accreted Value as of the Redemption Date of the Series 2011 New Term Bonds to be redeemed, pursuant to Sinking Fund Installments on January 1 in each of the years and Accreted Values set forth in the table below, and on their final maturity dates, except that the Sinking Fund Installments of Series 2011 New Term Bonds may be reduced as provided in Section 303 of this First Supplemental Indenture:

1. The Series 2011A1 Bonds:

6.50% Series 2011A1 Term Bonds Maturing Jan. 1, 2032		7.00% Series 2011A1 Term Bonds Maturing Jan. 1, 2042		7.50% Series 2011A1 Term Bonds Maturing July 22, 2051	
Payment Date (January 1)	Redemption Amt (Accreted Value)	Payment Date (January 1)	Redemption Amt (Accreted Value)	Payment Date (January 1)	Redemption Amt (Accreted Value)
2023		2033		2043	
2024		2034		2044	
2025		2035		2045	
2026		2036		2046	
2027		2037		2047	
2028		2038		2048	
2029		2039		2049	
2030		2040		2050	
2031		2041		2051*	
2032*		2042*			

*Maturity dates.

2. The Series 2011B1 Bonds:

8.50% Series 2011B1 Term Bonds Maturing Jan. 1, 2032				9.00% Series 2011B1 Term Bonds Maturing July 22, 2051			
Payment Date (January 1)	Redemption Amt (Accr. Value)	Payment Date (January 1)	Redemption Amt (Accr. Value)	Payment Date (January 1)	Redemption Amt (Accr. Value)	Payment Date (January 1)	Redemption Amt (Accr. Value)
2013		2023		2033		2043	
2014		2024		2034		2044	
2015		2025		2035		2045	
2016		2026		2036		2046	
2017		2027		2037		2047	
2018		2028		2038		2048	
2019		2029		2039		2049	
2020		2030		2040		2050	
2021		2031		2041		2051	
2022		2032*		2042		7/22/2051*	

*Maturity dates.

3. The Series 2011C1 Bonds:

10.00% Series 2011C1 Term Bonds
Maturing July 22, 2051

Payment Date (January 1)	Redemption Amt (Accr. Value)	Payment Date (January 1)	Redemption Amt (Accr. Value)	Payment Date (January 1)	Redemption Amt (Accr. Value)	Payment Date (January 1)	Redemption Amt (Accr. Value)
2013		2023		2033		2043	
2014		2024		2034		2044	
2015		2025		2035		2045	
2016		2026		2036		2046	
2017		2027		2037		2047	
2018		2028		2038		2048	
2019		2029		2039		2049	
2020		2030		2040		2050	
2021		2031		2041		2051	
2022		2032		2042		7/22/2051*	

*Maturity date.

4. Redemption Mechanics. The Trustee shall timely send notices of redemption of the Series 2011 New Term Bonds at the times and in the Sinking Fund Installments set forth in subsections (1), (2) and (3) of this Section 302 as provided in Section 305 hereof, as such Sinking Fund Installments may be adjusted in accordance with the Master Indenture. At the time such notices of redemption are delivered, there will not be funds in the debt service accounts for the various Tiers of the Series 2011 New Term Bonds so such notices of redemption will be conditioned on the deposit of funds into such debt service accounts sufficient to pay the Redemption Price of the Sinking Fund Installments to be redeemed. In the event that any mandatory sinking fund redemption of any Series 2011 New Term Bonds on any January 1 is cancelled due to insufficient funds available in the applicable debt service accounts to pay any Sinking Fund Installment in full, the Trustee will timely deliver notice of the redemption on the following February 15 of such Series 2011 New Term Bonds as provided in Section 305 hereof in the aggregate Redemption Price not greater than the available balance in the applicable debt service accounts without further accretion. The Redemption Price of Series 2011 New Term Bonds called for redemption on such February 15 will be equal to the Accreted Value of such Bonds as of such preceding January 1 of such year, not the Accreted Value of such Bonds as of the February 15 Redemption Date.

Section 303. Extraordinary Mandatory Prepayment and Redemption. If there is in excess of \$50,000 in the Extraordinary Prepayment Fund, as of January 1 in any year, including as a result of the transfer of funds into the Extraordinary Prepayment Fund pursuant to Section 508 or 717 of the Master Indenture, then the Trustee shall apply any amounts on deposit in the Extraordinary Prepayment Fund to the mandatory prepayment or redemption, in Authorized Denominations, of the Outstanding Series 2011 Bonds on the immediately following February 15. Bonds which have been defeased as provided in Article VIII of the Master Indenture are not subject to Extraordinary Mandatory Prepayment or Redemption hereunder. The Prepayment Price shall be 105% of the Accreted Value as of the Prepayment Date of the Series 2011A Serial Bonds or the Retained Bonds to be prepaid. The Redemption Price shall be 105% of the Accreted Value as of the Redemption Date of the Series 2011 New Term Bonds to be redeemed. The Prepayment Price of any Series 2011A Serial Bonds or the Retained Bonds or portions thereof shall be distributed to the beneficial owners of such Bonds by a Pro Rata Paydown. The Redemption Price of any Series 2011 New Term Bonds or portions thereof shall be distributed to the beneficial owners of such Bonds by lot. The Trustee shall apply such amounts in the Extraordinary Prepayment Fund to the prepayment of the Retained Bonds and to the redemption of the Series 2011 New Term Bonds ratably in the manner described in Section 301(2)(C) hereof.

Section 304. Selection of Bonds to be Prepaid or Redeemed.

1. If any Series 2011 Bonds are to be prepaid or redeemed pursuant to Section 303 of this First Supplemental Indenture, the Senior Bonds shall be prepaid and redeemed first, and if there are no Senior Bonds then outstanding, then the Senior Subordinate Bonds shall be next prepaid and redeemed, and if there are no other Series 2011 Bonds Outstanding, then the Junior Subordinate Bonds shall be prepaid and redeemed. If less than all of the Series 2011 Bonds of a Tier are prepaid or redeemed, then the prepayment or redemption shall be in inverse order of maturity (which for this purpose shall include a Sinking Fund Installment and an Annual Pro-Rata Paydown Payment as a maturity) within that Tier. If less than all of the Outstanding amount of any Series 2011 Bonds are to be prepaid or redeemed, the Association shall deliver to the Trustee not later than 90 days after any such partial prepayment or redemption a revised schedule of Annual Pro Rata Paydown Payments for the Retained Bonds and a revised schedule of Sinking Fund Installments for the Series 2011 New Term Bonds which will reduce the latest remaining installments of Annual Pro Rata Paydown Amounts and Sinking Fund Installments (as the case may be) by an amount equal to the future value of (i) the Accreted Value of the Series 2011 Bonds so prepaid or redeemed (excluding any prepayment or redemption premium paid in respect thereof) (ii) to the date of the latest remaining Sinking Fund Installments and Annual Pro-Rata Paydown Payment (as the case may be) for such Series 2011 Bonds, (iii) at the yield on the Series 2011 Bonds so prepaid or redeemed. Any such schedule delivered to the Trustee by the Association in good faith shall be binding upon the Trustee, DTC and the Owners of the Series 2011 Bonds and absent manifest error shall be conclusive as to the revised Annual Pro Rata Paydown Amounts and Sinking Fund Installments (as the case may be).

2. If less than all of the Series 2011A Serial Bonds or the Retained Bonds of a single maturity within the same Series are to be prepaid for any reason under the Master Indenture or this First Supplemental Indenture, the Bonds of such maturity to be prepaid will be selected pro-rata among all of the Owners of such maturity, such that the amounts which remain Outstanding after such prepayment are in Authorized Denominations; provided that the portion of any Bond to be prepaid shall be in an Authorized Denomination and, in selecting such Bonds for prepayment, each such Bond shall be treated as representing the number of Bonds as is obtained by dividing the Original Principal Amount or Accreted Value of such Bonds as of such date by the Original Principal Amount or the Accreted Value of the minimum Authorized Denomination for such Series of Bonds.

3. If less than all of the Series 2011 New Term Bonds of a single maturity within the same Series are to be redeemed for any reason under the Master Indenture or this First Supplemental Indenture, the Series 2011 New Term Bonds of such maturity to be redeemed will be selected by lot among all of the Owners of such maturity, such that the amounts which remain Outstanding after such redemption are in Authorized Denominations; provided that the portion of any Series 2011 New Term Bond to be redeemed shall be in an Authorized Denomination and, in selecting Series 2011 New Term Bonds for redemption, each Series 2011 New Term Bond shall be treated as representing the number of Series 2011 New Term Bonds as is obtained by dividing the Maturity Value of such Series 2011 New Term Bonds by the minimum Authorized Denomination for the Series 2011 New Term Bonds.

Section 305. Notice of Prepayment or Redemption. Notice of prepayment or redemption of Series 2011 Bonds shall be given in accordance with this Section. When the Trustee shall receive notice from the Association of its election or direction to prepay or redeem Series 2011 Bonds pursuant to Section 301 hereof, and when prepayment or redemption of Bonds is required pursuant to Sections 302 and 303 hereof or 508(1) of the Master Indenture, the Trustee shall give notice, in the name of the Association, of the prepayment or redemption of such Series 2011 Bonds, which notice shall specify the Tier, Series and maturities of the Bonds to be prepaid or redeemed, the Prepayment Date or Redemption Date and the place or places where amounts due upon such Prepayment Date or Redemption Date will be

payable and, if less than all of the Bonds of any like Series and maturity are to be prepaid or redeemed, the letters and numbers or other distinguishing marks of such Bonds so to be prepaid or redeemed, and, in the case of Bonds to be prepaid or redeemed in part only, such notices shall also specify the respective portions thereof to be prepaid or redeemed. Such notice shall further state that on such Prepayment Date or Redemption Date there shall become due and payable upon each Bond to be prepaid or redeemed the Prepayment Price or Redemption Price thereof, or the Prepayment Price or Redemption Price of the specified portions thereof, in the case of Bonds to be prepaid or redeemed in part only, and that from and after such date the Accreted Value shall cease to accrete. The Trustee shall mail a copy of such notice, first class mail postage prepaid, not less than 30 days nor more than 60 days before the Prepayment Date or Redemption Date, to the Owners of any Bonds, or portions of Bonds which are to be prepaid or redeemed, at their last addresses, if any, appearing upon the Register. The Trustee's obligation to give notice required by this Section shall not be conditioned upon the prior payment to the Trustee of funds sufficient to pay the Prepayment Price or Redemption Price of the Bonds to which such notice relates and may be given in conditional form, specifying that the prepayment or redemption is subject to receipt by the Trustee of moneys sufficient to pay the Prepayment Price or Redemption Price of the Bonds to be prepaid or redeemed or to other conditions. The failure to give notice required by this Section to any Owner of any Bond or portion thereof to be prepaid or redeemed shall not affect the validity of any proceedings for the prepayment or redemption of any other Bond for which such notice has been duly given.

Section 306. Payment of Prepaid or Redeemed Bonds. Notice having been given in the manner provided in Section 305 hereof, the Series 2011 Bonds or portions thereof so called for prepayment or redemption shall, provided that any conditions specified in such notice are satisfied, become due and payable on the Prepayment Date or Redemption Date so designated at the Prepayment Price or Redemption Price upon presentation and surrender thereof at the office specified in such notice. If there shall be called for prepayment or redemption less than all of the principal of any Series 2011 Bond, the Association shall, if the Series 2011 Bonds are not then registered with a Securities Depository, execute and the Trustee or the Authenticating Agent shall authenticate and deliver, upon the surrender of such Series 2011 Bond, without charge to the Owner thereof, for the unpaid balance of the principal amount of the Series 2011 Bond so surrendered, Bonds of like Series and maturity in any Authorized Denomination. All partial prepayments of Series 2011A Serial Bonds and Retained Bonds shall be distributed to the beneficial owners of such Bonds by the Securities Depository pursuant to a Pro Rata Paydown. All partial prepayments or redemptions of Series 2011 New Term Bonds shall be distributed to the beneficial owners of such Bonds by the Securities Depository by lot. If, on the Prepayment Date or Redemption Date, moneys equal to the Prepayment Price or Redemption Price of all the Series 2011 Bonds or portions thereof to be prepaid or redeemed shall be held by the Trustee or Paying Agent so as to be available therefor on said date and if notice of prepayment or redemption shall have been given as aforesaid, then, from and after the Prepayment Date or Redemption Date the Accreted Value of such Series 2011 Bonds or portions thereof so called for prepayment or redemption shall cease to accrete. If said moneys shall not be so available on the Prepayment Date or Redemption Date, such Series 2011 Bonds or portions thereof shall continue to accrete in value until paid at the same rate as if they had not been called for prepayment or redemption.

ARTICLE IV

COMPLIANCE WITH AND AMENDMENTS TO THE MASTER INDENTURE

Section 401. Provisions for Delivery of the Bonds.

The Series 2011 New Term Bonds shall be executed and authenticated as provided in Section 307 of the Master Indenture, subject to the following. Prior to the authentication and delivery of the Series 2011 New Term Bonds, the Trustee shall receive:

1. one executed counterpart of this First Supplemental Indenture and the Series 2011 New Term Bonds for each maturity thereof, together with a letter, signed by an Authorized Association Representative, instructing the Trustee as to the delivery of such Bonds; and
2. one copy of the executed Order duly entered by the Court; and
3. an opinion of Bond Counsel to the effect that, as of its date (i) the Master Indenture and this First Supplemental Indenture have been duly authorized, executed and delivered by the Association and each constitutes the legal, valid and binding special, limited obligation of the Association; provided, however, that such opinion may include exceptions for limitations imposed by or resulting from bankruptcy, insolvency, moratorium, reorganization, or other laws affecting creditors' rights generally, matters relating to equitable principles and other customary exceptions or qualifications appropriate in the circumstances; (ii) the Master Indenture and this First Supplemental Indenture create the valid pledge of and lien on the Trust Estate which it purports to create, subject only to the provisions hereof and of the Master Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein and in the Master Indenture; (iii) the Series 2011 New Term Bonds are valid and binding special, limited obligations of the Association, payable solely from the sources provided therefor herein and in the Master Indenture; provided, however, that such opinion may include exceptions for limitations imposed by or resulting from bankruptcy, insolvency, moratorium, reorganization, or other laws affecting creditors' rights generally, matters relating to equitable principles and other customary exceptions or qualifications appropriate in the circumstances; (iv) the Order has been duly entered and is final and unappealable; (v) all conditions precedent in the Order to the delivery of the Series 2011 New Term Bonds, if any, have been accomplished or waived; (vi) interest on the Series 2011 New Term Bonds will not be included in gross income of the Bondowners for federal income tax purposes; and (vii) the delivery of the Series 2011 New Term Bonds will not adversely affect the exclusion from gross income of the Owners of any prior Tax-Exempt Bonds then Outstanding for federal tax purposes; and
4. evidence of filed UCC-1 financing statements relating to the pledge of the Trust Estate and covering the Series 2011 New Term Bonds and the Master Indenture as amended from time to time, including by this First Supplemental Indenture.

Section 402. Amendments. In addition to the other amendments and supplements to the Master Indenture made hereunder, the Master Indenture is hereby supplemented, amended and modified as follows:

1. Costs of Issuance Fund; Debt Service Reserve Fund. The term "Costs of Issuance" will be deemed to include the fees and costs incurred by the Association and the Trustee (including for their professionals and other Consultants) in connection with their efforts to resolve the DTC issues and implement the exchange, including the negotiation, preparation and approval of this First Supplemental Indenture, the Motion, the Order, the exchange documents, and any other related documents or actions for implementation of the foregoing and the Plan, including DTC's approval for registration of the Series

2011 New Term Bonds at their Maturity Value. The term "August 22, 2011" in Sections 503 and 508 (2) of the Master Indenture is hereby changed to "[_____, 2012][insert date that is six months after date of entry of the Order on the Motion]".

2. Series 2011 Bonds Debt Service Reserve Account. The Series 2011 New Term Bonds will be payable and secured on parity with the Series 2011A Serial Bonds and the Retained Bonds and shall be of the same Tier as the Bonds for which they were exchanged. Section 508(3) of the Master Indenture is hereby amended to provide that each Series of the Series 2011 New Term Bonds shall be secured on parity with the corresponding Series of Retained Bonds by the Series 2011 Bonds Debt Service Reserve Account.

3. Defaults. Section 902 (1) of the Master Indenture is hereby amended by deleting such subsection and substituting in lieu thereof the following: "Failure to make due and punctual payment of the principal, interest, Annual Pro Rata Paydown Amounts or any Sinking Fund Installment when and as such principal, interest, Annual Pro Rata Paydown Amounts or Sinking Fund Installment shall become due and payable, whether at maturity or by mandatory prepayment or mandatory redemption, or otherwise, of any (i) Senior Bonds; or (ii) if no Senior Bonds are then Outstanding hereunder, any Senior Subordinate Bonds, or (iii) if no Senior Bonds or Senior Subordinate Bonds are then Outstanding hereunder, any Junior Subordinate Bonds;"

4. Supplemental Indentures. Section 1101 of the Master Indenture is hereby amended by adding to the end of such Section the following new subsections (21) and (22): "(21) To modify, amend or supplement this Master Indenture or any Supplemental Indenture as may be necessary to cause the Series 2011 New Term Bonds to be on parity with the Series 2011 Bonds that are Retained Bonds of the same Tier; and (22) to modify, amend or supplement this Master Indenture or any Supplemental Indenture as may be necessary or desirable to fully carry out the terms of the Order."

5. Defined Terms. The following defined terms in the Master Indenture are hereby amended. "Prepayment" as it appears in the Master Indenture shall be deemed to include redemption of the Series 2011 New Term Bonds. "*Prepayment Price*" shall include the Redemption Price of any Series 2011 New Term Bonds. "*Prepayment Date*" shall include the Redemption Date of any Series 2011 New Term Bonds.

ARTICLE V

MISCELLANEOUS PROVISIONS

Section 501. *Parties Interested Herein.* Except as otherwise expressly provided herein or by Supplemental Indenture, all the covenants, stipulations, promises and agreements herein contained by and on behalf of the Association shall be for the sole and exclusive benefit of the Association, the Trustee, other Fiduciaries and agents of the Association and the Owners of the Bonds, and nothing in this First Supplemental Indenture is intended nor shall it be construed to confer upon or to give to any person, other than the Association, the Trustee, any other Fiduciary or agent of the Association and the Owners of the Bonds, any right, remedy or claim under or by reason hereof or any covenant, condition or stipulation hereof.

Section 502. *Limitation of Liability of Directors, etc. of Association.* No covenant or agreement contained herein or in the Bonds shall be deemed to be the covenant or agreement of any member of the Board or any officer, director, agent, employee or representative of the Association, and neither the officers, directors, agents, employees or representatives of the Association nor any person executing the Bonds shall be personally liable thereon or be subject

to any personal liability or accountability by reason of the issuance thereof, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability being expressly released and waived as a condition of and in consideration for the execution of this First Supplemental Indenture and the issuance of the Bonds.

Section 503. Incorporation by Reference of Article XIII of Master Indenture. For the avoidance of doubt, all provisions of Article XIII of the Master Indenture (Miscellaneous) shall be deemed incorporated by reference in this First Supplemental Indenture as if set forth fully herein.

Section 504. Execution in Several Counterparts. This First Supplemental Indenture may be simultaneously executed in several counterparts, all of which shall constitute one and the same instrument and each of which shall be, and shall be deemed to be, an original.

IN WITNESS WHEREOF, the Association has caused this First Supplemental Indenture to be executed by its Chairman, and the Trustee has caused this First Supplemental Indenture to be executed on its behalf by one of its duly authorized officers all as of the day and year first written above.

CONNECTOR 2000 ASSOCIATION, INC.

By: _____
Its: Chairman

(SEAL)

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Its: _____

REGISTERED

MATURITY VALUE

2011A1 - 1 \$ _____

**CONNECTOR 2000 ASSOCIATION, INC.
 SENIOR CAPITAL APPRECIATION TOLL ROAD REVENUE BONDS
 (SOUTHERN CONNECTOR PROJECT, GREENVILLE, SOUTH CAROLINA)
 SERIES 2011A1**

MATURITY DATE	DATED DATE	YIELD	CUSIP
January 1, 2032	April 1, 2011	6.50%	20786L-__

REGISTERED OWNER: CEDE & CO.
 Tax Identification Number 13-2555119

MATURITY VALUE: _____ Million _____ Hundred _____ Thousand _____ Hundred
 _____ Dollars (\$ _____).

MANDATORY SINKING FUND REDEMPTION SCHEDULE:

Redemption Date	Redemption Amount (Accreted Value)
1/1/2023	
1/1/2024	
1/1/2025	
1/1/2026	
1/1/2027	
1/1/2028	
1/1/2029	
1/1/2030	
1/1/2031	
1/1/2032	
(Maturity)	

CONNECTOR 2000 ASSOCIATION, INC. (the “*Association*”), for value received, hereby promises to pay to the order of the registered owner (the “*Owner*”) named above, or registered assigns, solely from the sources and as herein provided, the Maturity Value stated above on the Maturity Date stated above, together with accreted interest thereon at the yield stated above, payable on the Maturity Date stated above, subject to prior redemption as herein provided. The Maturity Value, Accreted Value and Redemption Price of this Series 2011A1 Bond is payable to the Owner hereof upon presentation and surrender of this Series 2011A1 Bond at the corporate trust office of U.S. Bank National Association (the “*Trustee*” or “*Paying Agent*”) in St. Paul, Minnesota or such other office designated by the Trustee. Notwithstanding the foregoing, so long as Cede & Co. is the Owner of this Series 2011A1 Bond, the Debt Service on this Series 2011A1 Bond shall be paid by wire transfer to Cede & Co. Any payment of Debt Service on this Series 2011A1 Bond that is due on a day which is not a Business Day shall be made on the next succeeding Business Day with the same effect as if made on the day on which it was originally scheduled. All payments of Debt Service on this Series 2011A1 Bond shall be made in lawful money of the United States of America.

REGISTERED

MATURITY VALUE

2011A1 - 2

\$ _____

**CONNECTOR 2000 ASSOCIATION, INC.
 SENIOR CAPITAL APPRECIATION TOLL ROAD REVENUE BONDS
 (SOUTHERN CONNECTOR PROJECT, GREENVILLE, SOUTH CAROLINA)
 SERIES 2011A1**

MATURITY DATE	DATED DATE	YIELD	CUSIP
January 1, 2042	April 1, 2011	7.00%	20786L-__

REGISTERED OWNER: CEDE & CO.
 Tax Identification Number 13-2555119

MATURITY VALUE: _____ Million _____ Hundred _____ Thousand _____ Hundred
 _____ Dollars (\$ _____).

MANDATORY SINKING FUND REDEMPTION SCHEDULE:

Redemption Date	Redemption Amount (Accreted Value)
1/1/2033	
1/1/2034	
1/1/2035	
1/1/2036	
1/1/2037	
1/1/2038	
1/1/2039	
1/1/2040	
1/1/2041	
1/1/2042	
(Maturity)	

CONNECTOR 2000 ASSOCIATION, INC. (the “*Association*”), for value received, hereby promises to pay to the order of the registered owner (the “*Owner*”) named above, or registered assigns, solely from the sources and as herein provided, the Maturity Value stated above on the Maturity Date stated above, together with accreted interest thereon at the yield stated above, payable on the Maturity Date stated above, subject to prior redemption as herein provided. The Maturity Value, Accreted Value and Redemption Price of this Series 2011A1 Bond is payable to the Owner hereof upon presentation and surrender of this Series 2011A1 Bond at the corporate trust office of U.S. Bank National Association (the “*Trustee*” or “*Paying Agent*”) in St. Paul, Minnesota or such other office designated by the Trustee. Notwithstanding the foregoing, so long as Cede & Co. is the Owner of this Series 2011A1 Bond, the Debt Service on this Series 2011A1 Bond shall be paid by wire transfer to Cede & Co. Any payment of Debt Service on this Series 2011A1 Bond that is due on a day which is not a Business Day shall be made on the next succeeding Business Day with the same effect as if made on the day on which it was originally scheduled. All payments of Debt Service on this Series 2011A1 Bond shall be made in lawful money of the United States of America.

REGISTERED

MATURITY VALUE

2011A - 3

\$ _____

**CONNECTOR 2000 ASSOCIATION, INC.
 SENIOR CAPITAL APPRECIATION TOLL ROAD REVENUE BONDS
 (SOUTHERN CONNECTOR PROJECT, GREENVILLE, SOUTH CAROLINA)
 SERIES 2011A1**

MATURITY DATE	DATED DATE	YIELD	CUSIP
July 22, 2051	April 1, 2011	7.50%	20786L-__

REGISTERED OWNER: CEDE & CO.
 Tax Identification Number 13-2555119

MATURITY VALUE: _____ Million _____ Hundred _____ Thousand _____ Hundred
 _____ Dollars (\$ _____).

MANDATORY SINKING FUND REDEMPTION SCHEDULE:

Redemption Date	Redemption Amount (Accreted Value)
1/1/2043	
1/1/2044	
1/1/2045	
1/1/2046	
1/1/2047	
1/1/2048	
1/1/2049	
1/1/2050	
1/1/2051	
7/22/2051 (Maturity)	

CONNECTOR 2000 ASSOCIATION, INC. (the “*Association*”), for value received, hereby promises to pay to the order of the registered owner (the “*Owner*”) named above, or registered assigns, solely from the sources and as herein provided, the Maturity Value stated above on the Maturity Date stated above, together with accreted interest thereon at the yield stated above, payable on the Maturity Date stated above, subject to prior redemption as herein provided. The Maturity Value, Accreted Value and Redemption Price of this Series 2011A1 Bond is payable to the Owner hereof upon presentation and surrender of this Series 2011A1 Bond at the corporate trust office of U.S. Bank National Association (the “*Trustee*” or “*Paying Agent*”) in St. Paul, Minnesota or such other office designated by the Trustee. Notwithstanding the foregoing, so long as Cede & Co. is the Owner of this Series 2011A1 Bond, the Debt Service on this Series 2011A1 Bond shall be paid by wire transfer to Cede & Co. Any payment of Debt Service on this Series 2011A1 Bond that is due on a day which is not a Business Day shall be made on the next succeeding Business Day with the same effect as if made on the day on which it was originally scheduled. All payments of Debt Service on this Series 2011A1 Bond shall be made in lawful money of the United States of America.

Notwithstanding any other provision hereof, this Series 2011A1 Bond is issued in book-entry form maintained by DTC, and the payment of principal, premium, if any, and interest, the providing of notices and other matters shall be made as described in the Association's Letter of Representations to DTC.

This Series 2011A1 Bond is one of an issue of Connector 2000 Association, Inc. Senior Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011A1 (the "*Series 2011A1 Bonds*"), having an aggregate Maturity Value of \$ _____, being issued concurrently with the Association's (i) Connector 2000 Association, Inc. Senior Subordinate Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011B1 (the "*Series 2011B1 Bonds*"), issued in the aggregate Maturity Value of \$ _____, and (ii) Connector 2000 Association, Inc. Junior Subordinate Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011C1 issued in the aggregate Maturity Value of \$ _____ (the "*Series 2011C1 Bonds*" and, together with the Series 2011A1 Bonds and the Series 2011B1 Bonds, the "*Series 2011 New Term Bonds*"), issued under that certain First Amended and Restated Master Indenture of Trust dated as of April 1, 2011 as supplemented and amended by that certain First Supplemental Indenture of Trust dated as of _____, 2012 effective as of April 21, 2011 (together, the "*Indenture*") between the Association and the Trustee and that certain Order (I) Authorizing A Supplement To The Indenture In Aid Of Implementation Of The Plan: and (II) Approving Bond Exchange Materials And Procedures For Term Bonds of the United States Bankruptcy Court for the District of South Carolina entered on _____ 2012 (the "*Order*"). The Series 2011 New Term Bonds are issued in exchange for certain Series 2011 Bonds as provided in the Indenture and the Order. The Series 2011 New Term Bonds continue to evidence debt of the Association incurred for the construction and financing of the Southern Connector Project, as defined in the Indenture. Capitalized terms not otherwise defined herein are intended to have the meanings assigned thereto in the Indenture or the Order, if defined therein.

This Series 2011A1 Bond and the premium, if any, and the interest hereon are special, limited, non-recourse obligations of the Association payable solely from the Trust Estate, as defined in the Indenture, including the Revenues, as defined in the Indenture, in accordance with the Indenture. Such Revenues are pledged to the payment of the Bonds to the extent and as provided in the Indenture. Reference is hereby made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Association, the rights of the Owners, as defined in the Indenture, of the Series 2011A1 Bonds and the terms upon which the Series 2011A1 Bonds are issued and secured. Additional Bonds ranking on parity with or subordinate to the Series 2011A1 Bonds may be issued on the terms provided in the Indenture. The Indenture constitutes a contract between the Owner of this Series 2011A1 Bond and the Association. This Series 2011A1 Bond certificate is only the evidence of such contract and, as such, is subject in all respects to the terms of the Indenture, which supersedes any inconsistent statement herein.

THE SERIES 2011A1 BONDS DO NOT NOW AND SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF THE STATE OF SOUTH CAROLINA (THE "*STATE*") OR THE SOUTH CAROLINA DEPARTMENT OF TRANSPORTATION ("*SCDOT*") WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NEVER CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OR AN OBLIGATION (LEGAL, MORAL OR OTHERWISE) OF THE STATE, SCDOT OR ANY AGENCY, DEPARTMENT OR POLITICAL SUBDIVISION OF THE STATE (INCLUDING, WITHOUT LIMITATION, THE COUNTY OF GREENVILLE, SOUTH CAROLINA OR THE CITY OF GREENVILLE, SOUTH CAROLINA) OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE STATE, SCDOT OR ANY AGENCY, DEPARTMENT OR POLITICAL SUBDIVISION OF THE

STATE (INCLUDING, WITHOUT LIMITATION, THE COUNTY OF GREENVILLE, SOUTH CAROLINA OR THE CITY OF GREENVILLE, SOUTH CAROLINA).

The Series 2011A1 Bonds may be called for optional, extraordinary and mandatory redemption by the Association as provided in the Indenture. The Trustee shall timely send notices of redemption of this Series 2011A1 Bond at the times and in the amounts provided in the Indenture. In the case of Mandatory Sinking Fund Redemption at the time such notices of redemption are delivered, there will not be funds in the Senior Bonds Debt Service Account so such notices of redemption will be conditioned on the deposit of funds into such Senior Bonds Debt Service Account sufficient to pay the Redemption Price of the Sinking Fund Installments of the Series 2011A1 Bonds to be redeemed. In the event that any Mandatory Sinking Fund Redemption of any part of this Series 2011A1 Bond on any January 1 is cancelled due to insufficient funds available in the Senior Bonds Debt Service Account to pay any Sinking Fund Installment in full, the Trustee will timely deliver notice of the redemption for February 15 of that same calendar year as provided in Section 305 of the Indenture in the aggregate Redemption Price not greater than the available balance in the Senior Bonds Debt Service Account without further accretion. The Redemption Price of this Series 2011A1 Bond called for redemption on such February 15 will be equal to its Accreted Value as of such January 1 (of the same calendar year), not its Accreted Value as of the February 15 Redemption Date.

No Owner of any Series 2011A1 Bond shall have any right to institute any suit, action or proceedings at law or in equity for the appointment of a receiver or for any other remedy under the Indenture or by reason thereof, except to the extent and in the circumstances permitted by the Indenture.

The Series 2011A1 Bonds are issued in fully registered form in denominations of \$1.00 in Maturity Value and integral multiples thereof (the “*Authorized Denominations*”). Upon surrender for transfer or exchange of this Series 2011A1 Bond at the designated office of the Registrar, together with a written instrument of transfer or written request for exchange, as the case may be, satisfactory to the Registrar duly executed by the Owner or the Owner’s duly authorized attorney, the Association shall execute and the Trustee or the duly authorized Authenticating Agent, as defined in the Indenture, shall authenticate and deliver Series 2011A1 Bonds in accordance with the provisions of, and subject to the limitations and conditions contained in, the Indenture, a new Series 2011A1 Bond or Series 2011A1 Bonds of the same aggregate Maturity Value, Accreted Value and maturity as the surrendered Series 2011A1 Bond. For every such transfer of Series 2011A1 Bonds pursuant to the Indenture, whether temporary or definitive, the Association, the Trustee, the Registrar, and any Authenticating Agent may make a charge sufficient to reimburse it or them for any expense, tax, fee or other governmental charge required to be paid with respect to such transfer. In addition, for every exchange of Series 2011A1 Bonds (other than the exchange of temporary Series 2011A1 Bonds for definitive Series 2011A1 Bonds), the Association, the Trustee, the Registrar, and any Authenticating Agent may make reasonable charges to cover the costs of printing Series 2011A1 Bonds including any Trustee’s, Registrar’s, or Authenticating Agent’s charges in connection therewith. The payment of such sum or sums shall be made by the Owner requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The Registrar shall not be required to transfer or exchange Series 2011A1 Bonds for a period of 15 days next preceding the selection of Series 2011A1 Bonds for redemption or to transfer or exchange any Series 2011A1 Bonds called for redemption.

The Association, the Trustee, and any other Fiduciary, as defined in the Indenture, may deem and treat the person in whose name this Series 2011A1 Bond shall be registered in the Register as the absolute Owner of this Series 2011A1 Bond, whether this Series 2011A1 Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the Debt Service and Redemption Price of this Series 2011A1 Bond and for all other purposes, and all such payments so made to any such Owner or upon the Owner’s order shall be valid and effectual to satisfy and discharge the liability upon this Series 2011A1

Bond to the extent of the sum or sums so paid, and the Association, the Trustee, and any other Fiduciary shall not be affected by any notice to the contrary.

All acts, conditions and things required to happen, exist or be performed precedent to and in the issuance of this Series 2011A1 Bond have happened, exist and have been performed.

This Series 2011A1 Bond shall not be valid or entitled to any security or benefit under the Indenture until the Trustee shall have executed the Certificate of Authentication appearing hereon and inserted the date of authentication hereon.

IN WITNESS WHEREOF, the Connector 2000 Association, Inc. has caused this Series 2011A1 Bond to be signed by its Chairman by his manual signature and its corporate seal to be impressed thereon and attested to by the manual signature of its Secretary, and this Series 2011A1 Bond to be dated the Dated Date set forth above.

CONNECTOR 2000 ASSOCIATION, INC.

By: _____
Chairman

(SEAL)

Attest:

Secretary

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This Series 2011A1 Bond is one of the Series 2011A1 Bonds of the issue described in the within-mentioned Indenture.

U. S. Bank National Association, as Trustee

By: _____
Authorized Officer

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite Name and Address
including postal zip code of Transferee)

**PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF TRANSFEREE**

--

the within Bond and all rights thereunder, hereby irrevocably constituting and appointing _____
_____, Attorney, to transfer said Bond on the books kept for the registration
thereof, with full power of substitution in the premises.

Date: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed
by an Eligible Guarantor Institution
such as a Commercial Bank, Trust
Company, Securities Broker/Dealer,
Credit Union, or Savings Association who
is a member of a medallion program
approved by The Securities Transfer
Association, Inc.

REGISTERED

MATURITY VALUE

2011B1 - 1 \$ _____

**CONNECTOR 2000 ASSOCIATION, INC.
 SENIOR SUBORDINATE CAPITAL APPRECIATION TOLL ROAD REVENUE BONDS
 (SOUTHERN CONNECTOR PROJECT, GREENVILLE, SOUTH CAROLINA)
 SERIES 2011B1**

MATURITY DATE	DATED DATE	YIELD	CUSIP
January 1, 2032	April 1, 2011	8.50%	20786L-__

REGISTERED OWNER: CEDE & CO.
 Tax Identification Number 13-2555119

MATURITY VALUE: _____ Million _____ Hundred _____ Thousand _____
 Hundred _____ Dollars (\$ _____).

MANDATORY SINKING FUND REDEMPTION SCHEDULE:

Redemption Date (January 1)	Redemption Amount	Redemption Date (January 1)	Redemption Amount
2013		2023	
2014		2024	
2015		2025	
2016		2026	
2017		2027	
2018		2028	
2019		2029	
2020		2030	
2021		2031	
2022		2032 (Maturity)	

CONNECTOR 2000 ASSOCIATION, INC. (the “*Association*”), for value received, hereby promises to pay to the order of the registered owner (the “*Owner*”) named above, or registered assigns, solely from the sources and as herein provided, the Maturity Value stated above on the Maturity Date stated above, together with accreted interest thereon at the yield stated above, payable on the Maturity Date stated above, subject to prior redemption as herein provided. The Maturity Value, Accreted Value and Redemption Price of this Series 2011B1 Bond is payable to the Owner hereof upon presentation and surrender of this Series 2011B1 Bond at the corporate trust office of U.S. Bank National Association (the “*Trustee*” or “*Paying Agent*”) in St. Paul, Minnesota or such other office designated by the Trustee. Notwithstanding the foregoing, so long as Cede & Co. is the Owner of this Series 2011B1 Bond, the Debt Service on this Series 2011B1 Bond shall be paid by wire transfer to Cede & Co. Any payment of Debt Service on this Series 2011B1 Bond that is due on a day which is not a Business Day shall be made on the next succeeding Business Day with the same effect as if made on the day on which it was originally scheduled. All payments of Debt Service on this Series 2011B1 Bond shall be made in lawful money of the United States of America.

REGISTERED

MATURITY VALUE

2011B1 - 2

\$ _____

**CONNECTOR 2000 ASSOCIATION, INC.
 SENIOR SUBORDINATE CAPITAL APPRECIATION TOLL ROAD REVENUE BONDS
 (SOUTHERN CONNECTOR PROJECT, GREENVILLE, SOUTH CAROLINA)
 SERIES 2011B1**

MATURITY DATE	DATED DATE	YIELD	CUSIP
July 22, 2051	April 1, 2011	9.00%	20786L-__

REGISTERED OWNER: CEDE & CO.
 Tax Identification Number 13-2555119

MATURITY VALUE: _____ Million _____ Hundred _____ Thousand _____ Hundred
 _____ Dollars (\$ _____).

MANDATORY SINKING FUND REDEMPTION SCHEDULE:

Redemption Date (January 1)	Redemption Amount	Redemption Date	Redemption Amount
2033		1/1/2043	
2034		1/1/2044	
2035		1/1/2045	
2036		1/1/2046	
2037		1/1/2047	
2038		1/1/2048	
2039		1/1/2049	
2040		1/1/2050	
2041		1/1/2051	
2042		7/22/2051 (Maturity)	

CONNECTOR 2000 ASSOCIATION, INC. (the “*Association*”), for value received, hereby promises to pay to the order of the registered owner (the “*Owner*”) named above, or registered assigns, solely from the sources and as herein provided, the Maturity Value stated above on the Maturity Date stated above, together with accreted interest thereon at the yield stated above, payable on the Maturity Date stated above, subject to prior redemption as herein provided. The Maturity Value, Accreted Value and Redemption Price of this Series 2011B1 Bond is payable to the Owner hereof upon presentation and surrender of this Series 2011B1 Bond at the corporate trust office of U.S. Bank National Association (the “*Trustee*” or “*Paying Agent*”) in St. Paul, Minnesota or such other office designated by the Trustee. Notwithstanding the foregoing, so long as Cede & Co. is the Owner of this Series 2011B1 Bond, the Debt Service on this Series 2011B1 Bond shall be paid by wire transfer to Cede & Co. Any payment of Debt Service on this Series 2011B1 Bond that is due on a day which is not a Business Day shall be made on the next succeeding Business Day with the same effect as if made on the day on which it was originally scheduled. All payments of Debt Service on this Series 2011B1 Bond shall be made in lawful money of the United States of America.

Notwithstanding any other provision hereof, this Series 2011B1 Bond is issued in book-entry form maintained by DTC, and the payment of principal, premium, if any, and interest, the providing of notices and other matters shall be made as described in the Association's Letter of Representations to DTC.

This Series 2011B1 Bond is one of an issue of Connector 2000 Association, Inc. Senior Subordinate Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011B1 (the "*Series 2011B1 Bonds*"), having an aggregate Maturity Value of \$ _____, being issued concurrently with the Association's (i) Connector 2000 Association, Inc. Senior Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011A1 (the "*Series 2011A1 Bonds*"), issued in the aggregate Maturity Value of \$ _____, and (ii) Connector 2000 Association, Inc. Junior Subordinate Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011C1 issued in the aggregate Maturity Value of \$ _____ (the "*Series 2011C1 Bonds*" and, together with the Series 2011B1 Bonds and the Series 2011A1 Bonds, the "*Series 2011 New Term Bonds*"), issued under that certain First Amended and Restated Master Indenture of Trust dated as of April 1, 2011 as supplemented and amended by that certain First Supplemental Indenture of Trust dated as of _____, 2012 effective as of April 21, 2011 (together, the "*Indenture*") between the Association and the Trustee and that certain Order (I) Authorizing A Supplement To The Indenture In Aid Of Implementation Of The Plan: and (II) Approving Bond Exchange Materials And Procedures For Term Bonds of the United States Bankruptcy Court for the District of South Carolina entered on _____ 2012 (the "*Order*"). The Series 2011 New Term Bonds are issued in exchange for certain Series 2011 Bonds as provided in the Indenture and the Order. The Series 2011 New Term Bonds continue to evidence debt of the Association incurred for the construction and financing of the Southern Connector Project, as defined in the Indenture. Capitalized terms not otherwise defined herein are intended to have the meanings assigned thereto in the Indenture or the Order, if defined therein.

This Series 2011B1 Bond and the premium, if any, and the interest hereon are special, limited, non-recourse obligations of the Association payable solely from the Trust Estate, as defined in the Indenture, including the Revenues, as defined in the Indenture, in accordance with the Indenture. Such Revenues are pledged to the payment of the Bonds to the extent and as provided in the Indenture. Reference is hereby made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Association, the rights of the Owners, as defined in the Indenture, of the Series 2011B1 Bonds and the terms upon which the Series 2011B1 Bonds are issued and secured. Additional Bonds ranking senior to, on parity with or subordinate to the Series 2011B1 Bonds may be issued on the terms provided in the Indenture. The Indenture constitutes a contract between the Owner of this Series 2011B1 Bond and the Association. This Series 2011B1 Bond certificate is only the evidence of such contract and, as such, is subject in all respects to the terms of the Indenture, which supersedes any inconsistent statement herein.

THE SERIES 2011B1 BONDS DO NOT NOW AND SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF THE STATE OF SOUTH CAROLINA (THE "*STATE*") OR THE SOUTH CAROLINA DEPARTMENT OF TRANSPORTATION ("*SCDOT*") WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NEVER CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OR AN OBLIGATION (LEGAL, MORAL OR OTHERWISE) OF THE STATE, SCDOT OR ANY AGENCY, DEPARTMENT OR POLITICAL SUBDIVISION OF THE STATE (INCLUDING, WITHOUT LIMITATION, THE COUNTY OF GREENVILLE, SOUTH CAROLINA OR THE CITY OF GREENVILLE, SOUTH CAROLINA) OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE STATE, SCDOT OR ANY AGENCY, DEPARTMENT OR POLITICAL SUBDIVISION OF THE

STATE (INCLUDING, WITHOUT LIMITATION, THE COUNTY OF GREENVILLE, SOUTH CAROLINA OR THE CITY OF GREENVILLE, SOUTH CAROLINA).

The Series 2011B1 Bonds may be called for optional, extraordinary and mandatory redemption by the Association as provided in the Indenture. The Trustee shall timely send notices of redemption of this Series 2011B1 Bond at the times and in the amounts provided in the Indenture. In the case of Mandatory Sinking Fund Redemption at the time such notices of redemption are delivered, there will not be funds in the Senior Subordinate Bonds Debt Service Account so such notices of redemption will be conditioned on the deposit of funds into the Senior Subordinate Bonds Debt Service Account sufficient to pay the Redemption Price of the Sinking Fund Installments of the Series 2011B1 Bonds to be redeemed. In the event that any Mandatory Sinking Fund Redemption of any part of this Series 2011B1 Bond on any January 1 is cancelled due to insufficient funds available in the Senior Subordinate Bonds Debt Service Account to pay any Sinking Fund Installment in full, the Trustee will timely deliver notice of the redemption for February 15 of that same calendar year as provided in Section 305 of the Indenture in the aggregate Redemption Price not greater than the available balance in the Senior Subordinate Bonds Debt Service Account without further accretion. The Redemption Price of this Series 2011B1 Bond called for redemption on such February 15 will be equal to its Accreted Value as of such January 1 (of the same calendar year), not its Accreted Value as of the February 15 Redemption Date.

No Owner of any Series 2011B1 Bond shall have any right to institute any suit, action or proceedings at law or in equity for the appointment of a receiver or for any other remedy under the Indenture or by reason thereof, except to the extent and in the circumstances permitted by the Indenture.

The Series 2011B1 Bonds are issued in fully registered form in denominations of \$1.00 in Maturity Value and integral multiples thereof (the “*Authorized Denominations*”). Upon surrender for transfer or exchange of this Series 2011B1 Bond at the designated office of the Registrar, together with a written instrument of transfer or written request for exchange, as the case may be, satisfactory to the Registrar duly executed by the Owner or the Owner’s duly authorized attorney, the Association shall execute and the Trustee or the duly authorized Authenticating Agent, as defined in the Indenture, shall authenticate and deliver Series 2011B1 Bonds in accordance with the provisions of, and subject to the limitations and conditions contained in, the Indenture, a new Series 2011B1 Bond or Series 2011B1 Bonds of the same aggregate Maturity Value, Accreted Value and maturity as the surrendered Series 2011B1 Bond. For every such transfer of Series 2011B1 Bonds pursuant to the Indenture, whether temporary or definitive, the Association, the Trustee, the Registrar, and any Authenticating Agent may make a charge sufficient to reimburse it or them for any expense, tax, fee or other governmental charge required to be paid with respect to such transfer. In addition, for every exchange of Series 2011B1 Bonds (other than the exchange of temporary Series 2011B1 Bonds for definitive Series 2011B1 Bonds), the Association, the Trustee, the Registrar, and any Authenticating Agent may make reasonable charges to cover the costs of printing Series 2011B1 Bonds including any Trustee’s, Registrar’s, or Authenticating Agent’s charges in connection therewith. The payment of such sum or sums shall be made by the Owner requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The Registrar shall not be required to transfer or exchange Series 2011B1 Bonds for a period of 15 days next preceding the selection of Series 2011B1 Bonds for redemption or to transfer or exchange any Series 2011B1 Bonds called for redemption.

The Association, the Trustee, and any other Fiduciary, as defined in the Indenture, may deem and treat the person in whose name this Series 2011B1 Bond shall be registered in the Register as the absolute Owner of this Series 2011B1 Bond, whether this Series 2011B1 Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the Debt Service and Redemption Price of this Series 2011B1 Bond and for all other purposes, and all such payments so made to any such Owner or upon the Owner’s order shall be valid and effectual to satisfy and discharge the liability upon this Series 2011B1

Bond to the extent of the sum or sums so paid, and the Association, the Trustee, and any other Fiduciary shall not be affected by any notice to the contrary.

All acts, conditions and things required to happen, exist or be performed precedent to and in the issuance of this Series 2011B1 Bond have happened, exist and have been performed.

This Series 2011B1 Bond shall not be valid or entitled to any security or benefit under the Indenture until the Trustee shall have executed the Certificate of Authentication appearing hereon and inserted the date of authentication hereon.

IN WITNESS WHEREOF, the Connector 2000 Association, Inc. has caused this Series 2011B1 Bond to be signed by its Chairman by his manual signature and its corporate seal to be impressed thereon and attested to by the manual signature of its Secretary, and this Series 2011B1 Bond to be dated the Dated Date set forth above.

CONNECTOR 2000 ASSOCIATION, INC.

By: _____
Chairman

(SEAL)

Attest:

Secretary

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This Series 2011B1 Bond is one of the Series 2011B1 Bonds of the issue described in the within-mentioned Indenture.

U. S. Bank National Association, as Trustee

By: _____
Authorized Officer

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite Name and Address
including postal zip code of Transferee)

**PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF TRANSFEEE**

the within Bond and all rights thereunder, hereby irrevocably constituting and appointing _____
_____, Attorney, to transfer said Bond on the books kept for the registration thereof,
with full power of substitution in the premises.

Date: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed
by an Eligible Guarantor Institution
such as a Commercial Bank, Trust
Company, Securities Broker/Dealer,
Credit Union, or Savings Association who
is a member of a medallion program
approved by The Securities Transfer
Association, Inc.

REGISTERED

MATURITY VALUE

2011C1 - 1 \$ _____

**CONNECTOR 2000 ASSOCIATION, INC.
 JUNIOR SUBORDINATE CAPITAL APPRECIATION TOLL ROAD REVENUE BONDS
 (SOUTHERN CONNECTOR PROJECT, GREENVILLE, SOUTH CAROLINA)
 SERIES 2011C1**

MATURITY DATE	DATED DATE	YIELD	CUSIP
July 22, 2051	April 1, 2011	10.00%	20786L-__

REGISTERED OWNER: CEDE & CO.
 Tax Identification Number 13-2555119

MATURITY VALUE: _____ Million _____ Hundred _____ Thousand _____ Hundred
 Dollars (\$ _____).

MANDATORY SINKING FUND REDEMPTION SCHEDULE:

Redemption Date (January 1)	Redemption Amount	Redemption Date (January 1)	Redemption Amount	Redemption Date	Redemption Amount
2013		2026		1/1/2039	
2014		2027		1/1/2040	
2015		2028		1/1/2041	
2016		2029		1/1/2042	
2017		2030		1/1/2043	
2018		2031		1/1/2044	
2019		2032		1/1/2045	
2020		2033		1/1/2046	
2021		2034		1/1/2047	
2022		2035		1/1/2048	
2023		2036		1/1/2049	
2024		2037		1/1/2050	
2025		2038		1/1/2051	
				7/22/2051	
				(Maturity)	

CONNECTOR 2000 ASSOCIATION, INC. (the “*Association*”), for value received, hereby promises to pay to the order of the registered owner (the “*Owner*”) named above, or registered assigns, solely from the sources and as herein provided, the Maturity Value stated above on the Maturity Date stated above, together with accreted interest thereon at the yield stated above, payable on the Maturity Date stated above, subject to prior redemption as herein provided. The Maturity Value, Accreted Value and Redemption Price of this Series 2011C1 Bond is payable to the Owner hereof upon presentation and surrender of this Series 2011C1 Bond at the corporate trust office of U.S. Bank National Association (the “*Trustee*” or “*Paying Agent*”) in St. Paul, Minnesota or such other office designated by the Trustee. Notwithstanding the foregoing, so long as Cede & Co. is the Owner of this Series 2011C1 Bond, the Debt Service on this Series 2011C1 Bond shall be paid by wire transfer to Cede & Co. Any payment of Debt

Service on this Series 2011C1 Bond that is due on a day which is not a Business Day shall be made on the next succeeding Business Day with the same effect as if made on the day on which it was originally scheduled. All payments of Debt Service on this Series 2011C1 Bond shall be made in lawful money of the United States of America.

Notwithstanding any other provision hereof, this Series 2011C1 Bond is issued in book-entry form maintained by DTC, and the payment of principal, premium, if any, and interest, the providing of notices and other matters shall be made as described in the Association's Letter of Representations to DTC.

This Series 2011C1 Bond is one of an issue of Connector 2000 Association, Inc. Junior Subordinate Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011C1 (the "*Series 2011C1 Bonds*"), having an aggregate Maturity Value of \$ _____, being issued concurrently with the Association's (i) Connector 2000 Association, Inc. Senior Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011A1 (the "*Series 2011A1 Bonds*"), issued in the aggregate Maturity Value of \$ _____, and (ii) Connector 2000 Association, Inc. Senior Subordinate Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011B1 issued in the aggregate Maturity Value of \$ _____ (the "*Series 2011B1 Bonds*" and, together with the Series 2011C1 Bonds and the Series 2011A1 Bonds, the "*Series 2011 New Term Bonds*"), issued under that certain First Amended and Restated Master Indenture of Trust dated as of April 1, 2011 as supplemented and amended by that certain First Supplemental Indenture of Trust dated as of _____, 2012 effective as of April 21, 2011 (together, the "*Indenture*") between the Association and the Trustee and that certain Order (I) Authorizing A Supplement To The Indenture In Aid Of Implementation Of The Plan: and (II) Approving Bond Exchange Materials And Procedures For Term Bonds of the United States Bankruptcy Court for the District of South Carolina entered on _____ 2012 (the "*Order*"). The Series 2011 New Term Bonds are issued in exchange for certain Series 2011 Bonds as provided in the Indenture and the Order. The Series 2011 New Term Bonds continue to evidence debt of the Association incurred for the construction and financing of the Southern Connector Project, as defined in the Indenture. Capitalized terms not otherwise defined herein are intended to have the meanings assigned thereto in the Indenture or the Order, if defined therein.

This Series 2011C1 Bond and the premium, if any, and the interest hereon are special, limited, non-recourse obligations of the Association payable solely from the Trust Estate, as defined in the Indenture, including the Revenues, as defined in the Indenture, in accordance with the Indenture. Such Revenues are pledged to the payment of the Bonds to the extent and as provided in the Indenture. Reference is hereby made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Association, the rights of the Owners, as defined in the Indenture, of the Series 2011C1 Bonds and the terms upon which the Series 2011C1 Bonds are issued and secured. Additional Bonds ranking senior to or on parity with the Series 2011C1 Bonds may be issued on the terms provided in the Indenture. The Indenture constitutes a contract between the Owner of this Series 2011C1 Bond and the Association. This Series 2011C1 Bond certificate is only the evidence of such contract and, as such, is subject in all respects to the terms of the Indenture, which supersedes any inconsistent statement herein.

THE SERIES 2011C1 BONDS DO NOT NOW AND SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF THE STATE OF SOUTH CAROLINA (THE "*STATE*") OR THE SOUTH CAROLINA DEPARTMENT OF TRANSPORTATION ("*SCDOT*") WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NEVER CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OR AN OBLIGATION (LEGAL, MORAL OR OTHERWISE) OF THE STATE, SCDOT OR ANY AGENCY, DEPARTMENT

OR POLITICAL SUBDIVISION OF THE STATE (INCLUDING, WITHOUT LIMITATION, THE COUNTY OF GREENVILLE, SOUTH CAROLINA OR THE CITY OF GREENVILLE, SOUTH CAROLINA) OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE STATE, SCDOT OR ANY AGENCY, DEPARTMENT OR POLITICAL SUBDIVISION OF THE STATE (INCLUDING, WITHOUT LIMITATION, THE COUNTY OF GREENVILLE, SOUTH CAROLINA OR THE CITY OF GREENVILLE, SOUTH CAROLINA).

The Series 2011C1 Bonds may be called for optional, extraordinary and mandatory redemption by the Association as provided in the Indenture. The Trustee shall timely send notices of redemption of this Series 2011C1 Bond at the times and in the amounts provided in the Indenture. In the case of Mandatory Sinking Fund Redemption at the time such notices of redemption are delivered, there will not be funds in the Junior Subordinate Bonds Debt Service Account so such notices of redemption will be conditioned on the deposit of funds into the Junior Subordinate Bonds Debt Service Account sufficient to pay the Redemption Price of the Sinking Fund Installments of the Series 2011C1 Bonds to be redeemed. In the event that any Mandatory Sinking Fund Redemption of any part of this Series 2011C1 Bond on any January 1 is cancelled due to insufficient funds available in the Junior Subordinate Bonds Debt Service Account to pay any Sinking Fund Installment in full, the Trustee will timely deliver notice of the redemption for February 15 of that same calendar year as provided in Section 305 of the Indenture in the aggregate Redemption Price not greater than the available balance in the Junior Subordinate Bonds Debt Service Account without further accretion. The Redemption Price of this Series 2011C1 Bond called for redemption on such February 15 will be equal to its Accreted Value as of such January 1 (of the same calendar year), not its Accreted Value as of the February 15 Redemption Date.

No Owner of any Series 2011C1 Bond shall have any right to institute any suit, action or proceedings at law or in equity for the appointment of a receiver or for any other remedy under the Indenture or by reason thereof, except to the extent and in the circumstances permitted by the Indenture.

The Series 2011C1 Bonds are issued in fully registered form in denominations of \$1.00 in Maturity Value and integral multiples thereof (the “*Authorized Denominations*”). Upon surrender for transfer or exchange of this Series 2011C1 Bond at the designated office of the Registrar, together with a written instrument of transfer or written request for exchange, as the case may be, satisfactory to the Registrar duly executed by the Owner or the Owner’s duly authorized attorney, the Association shall execute and the Trustee or the duly authorized Authenticating Agent, as defined in the Indenture, shall authenticate and deliver Series 2011C1 Bonds in accordance with the provisions of, and subject to the limitations and conditions contained in, the Indenture, a new Series 2011C1 Bond or Series 2011C1 Bonds of the same aggregate Maturity Value, Accreted Value and maturity as the surrendered Series 2011C1 Bond. For every such transfer of Series 2011C1 Bonds pursuant to the Indenture, whether temporary or definitive, the Association, the Trustee, the Registrar, and any Authenticating Agent may make a charge sufficient to reimburse it or them for any expense, tax, fee or other governmental charge required to be paid with respect to such transfer. In addition, for every exchange of Series 2011C1 Bonds (other than the exchange of temporary Series 2011C1 Bonds for definitive Series 2011C1 Bonds), the Association, the Trustee, the Registrar, and any Authenticating Agent may make reasonable charges to cover the costs of printing Series 2011C1 Bonds including any Trustee’s, Registrar’s, or Authenticating Agent’s charges in connection therewith. The payment of such sum or sums shall be made by the Owner requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The Registrar shall not be required to transfer or exchange Series 2011C1 Bonds for a period of 15 days next preceding the selection of Series 2011C1 Bonds for redemption or to transfer or exchange any Series 2011C1 Bonds called for redemption.

The Association, the Trustee, and any other Fiduciary, as defined in the Indenture, may deem and treat the person in whose name this Series 2011C1 Bond shall be registered in the Register as the absolute

Owner of this Series 2011C1 Bond, whether this Series 2011C1 Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the Debt Service and Redemption Price of this Series 2011C1 Bond and for all other purposes, and all such payments so made to any such Owner or upon the Owner's order shall be valid and effectual to satisfy and discharge the liability upon this Series 2011C1 Bond to the extent of the sum or sums so paid, and the Association, the Trustee, and any other Fiduciary shall not be affected by any notice to the contrary.

All acts, conditions and things required to happen, exist or be performed precedent to and in the issuance of this Series 2011C1 Bond have happened, exist and have been performed.

This Series 2011C1 Bond shall not be valid or entitled to any security or benefit under the Indenture until the Trustee shall have executed the Certificate of Authentication appearing hereon and inserted the date of authentication hereon.

IN WITNESS WHEREOF, the Connector 2000 Association, Inc. has caused this Series 2011C1 Bond to be signed by its Chairman by his manual signature and its corporate seal to be impressed thereon and attested to by the manual signature of its Secretary, and this Series 2011C1 Bond to be dated the Dated Date set forth above.

CONNECTOR 2000 ASSOCIATION, INC.

By: _____
Chairman

(SEAL)

Attest:

Secretary

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This Series 2011C1 Bond is one of the Series 2011C1 Bonds of the issue described in the within-mentioned Indenture.

U. S. Bank National Association, as Trustee

By: _____
Authorized Officer

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

(Please print or typewrite Name and Address
including postal zip code of Transferee)

**PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF TRANSFEREE**

--

the within Bond and all rights thereunder, hereby irrevocably constituting and appointing _____
_____, Attorney, to transfer said Bond on the books kept for the registration
thereof, with full power of substitution in the premises.

Date: _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed
by an Eligible Guarantor Institution
such as a Commercial Bank, Trust
Company, Securities Broker/Dealer,
Credit Union, or Savings Association who
is a member of a medallion program
approved by The Securities Transfer
Association, Inc.

APPENDIX T

CONNECTOR 2000 ASSOCIATION, INC.
 TOLL ROAD REVENUE BONDS
 (SOUTHERN CONNECTOR PROJECT, GREENVILLE, SOUTH CAROLINA)
 SERIES 2011A1, SERIES 2011B1 AND SERIES 2011C1

ACCRETED VALUE TABLE

Maturity or Redemption Date	2011A1 Term Bonds Maturing on:			2011B1 Bonds Maturing on:		2011C1 Bonds Maturing on:
	6.50%	7.00%	7.50%	8.50%	9.00%	10.00%
	01-Jan-32	01-Jan-42	22-Jul-51	01-Jan-32	22-Jul-51	22-Jul-51
01-Apr-11	\$0.27070	\$0.12487	\$0.05420	\$0.18401	\$0.03100	\$0.02146
21-Apr-11	0.27165	0.12534	0.05442	0.18484	0.03115	0.02157
01-Jan-12	0.28380	0.13137	0.05722	0.19562	0.03307	0.02304
01-Jan-13	0.30224	0.14056	0.06151	0.21224	0.03605	0.02535
01-Jan-14	0.32189	0.15040	0.06612	0.23028	0.03929	0.02788
01-Jan-15	0.34281	0.16093	0.07108	0.24986	0.04283	0.03067
01-Jan-16	0.36510	0.17220	0.07641	0.27110	0.04668	0.03374
01-Jan-17	0.38883	0.18425	0.08214	0.29414	0.05089	0.03711
01-Jan-18	0.41410	0.19715	0.08830	0.31914	0.05547	0.04083
01-Jan-19	0.44102	0.21095	0.09493	0.34627	0.06046	0.04491
01-Jan-20	0.46968	0.22571	0.10205	0.37570	0.06590	0.04940
01-Jan-21	0.50021	0.24151	0.10970	0.40764	0.07183	0.05434
01-Jan-22	0.53273	0.25842	0.11793	0.44229	0.07830	0.05977
01-Jan-23	0.56735	0.27651	0.12677	0.47988	0.08534	0.06575
01-Jan-24	0.60423	0.29586	0.13628	0.52067	0.09302	0.07232
01-Jan-25	0.64351	0.31657	0.14650	0.56493	0.10139	0.07956
01-Jan-26	0.68533	0.33873	0.15749	0.61295	0.11052	0.08751
01-Jan-27	0.72988	0.36245	0.16930	0.66505	0.12047	0.09626
01-Jan-28	0.77732	0.38782	0.18200	0.72157	0.13131	0.10589
01-Jan-29	0.82785	0.41496	0.19565	0.78291	0.14313	0.11648
01-Jan-30	0.88166	0.44401	0.21032	0.84946	0.15601	0.12813
01-Jan-31	0.93897	0.47509	0.22610	0.92166	0.17005	0.14094
01-Jan-32	1.00000	0.50835	0.24305	1.00000	0.18535	0.15503
01-Jan-33		0.54393	0.26128		0.20203	0.17054
01-Jan-34		0.58201	0.28088		0.22022	0.18759
01-Jan-35		0.62275	0.30195		0.24004	0.20635
01-Jan-36		0.66634	0.32459		0.26164	0.22699
01-Jan-37		0.71299	0.34894		0.28519	0.24968
01-Jan-38		0.76290	0.37511		0.31086	0.27465
01-Jan-39		0.81630	0.40324		0.33883	0.30212
01-Jan-40		0.87344	0.43348		0.36933	0.33233
01-Jan-41		0.93458	0.46599		0.40257	0.36556
01-Jan-42		1.00000	0.50094		0.43880	0.40212
01-Jan-43			0.53851		0.47829	0.44233
01-Jan-44			0.57890		0.52134	0.48656
01-Jan-45			0.62232		0.56826	0.53522
01-Jan-46			0.66899		0.61940	0.58874
01-Jan-47			0.71917		0.67515	0.64762
01-Jan-48			0.77310		0.73591	0.71238
01-Jan-49			0.83109		0.80214	0.78362
01-Jan-50			0.89342		0.87433	0.86198
01-Jan-51			0.96043		0.95302	0.94818
22-Jul-51			1.00000		1.00000	1.00000

ATTACHMENT #3 – COURT ORDER

U.S. BANKRUPTCY COURT
District of South Carolina

FILED
at ___ O'clock & ___ min. ___ M

APR 10 2012

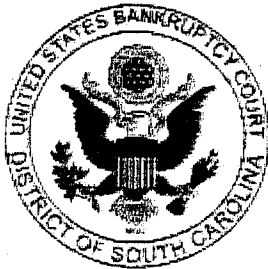
United States Bankruptcy Court
Columbia, South Carolina (19)

Case Number: 10-4467

ORDER

The relief set forth on the following pages, for a total of ___ pages including this page, is hereby **ORDERED**.

FILED BY THE COURT ON



David R. Duncan
US Bankruptcy Court Judge
District of South Carolina

ENTERED: _____

ENTERED

APR 10 2012

K.R.W.

**IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA**

In re:

Connector 2000 Association, Inc.,

Debtor.

Case No. 10-04467-dd
Chapter 9

ORDER (I) AUTHORIZING A SUPPLEMENT TO THE INDENTURE IN AID OF IMPLEMENTATION OF THE PLAN; AND (II) APPROVING BOND EXCHANGE MATERIALS AND PROCEDURES FOR TERM BONDS

This matter came before the United States Bankruptcy Court for the District of South Carolina (the "Court") on the Motion ("Motion")¹ of Connector 2000 Association, Inc. ("Debtor"), for entry of an order pursuant to sections 945, 1142(b), 1145, 364(f) and 105(a) of the Bankruptcy Code² (made applicable by sections 103(f) and 901): (I) approving a supplement to the First Amended and Restated Master Indenture of Trust between the Debtor and U.S. Bank National Association, as trustee (the "Trustee") dated as of April 1, 2011 (the "Indenture"); and (II) approving disclosure and exchange materials and procedures for the Term Bonds (as defined below). Upon consideration of the Motion, this Court finds the notice of the Motion and hearing on the Motion have been reasonable, sufficient and appropriate under the circumstances and that no other or further notice is required; that any objections thereto have been resolved, overruled by the Court, withdrawn or rendered moot; and following due deliberation, and just cause existing for the relief requested in the Motion, the Court hereby determines that the relief requested in the Motion is appropriate and in the best interests of the Debtor and other parties in interest in this case.

¹ Capitalized terms used and not defined in this Order shall have the meaning ascribed to such terms in the Motion.

² Further references to the Bankruptcy Code (11 U.S.C. §§ 101 et seq.) may be by section number only.

IT IS HEREBY FURTHER FOUND AND DETERMINED THAT:³

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157(a) and 1334, Article X of the Plan (setting forth “Retention of Jurisdiction of the Court”), and paragraph 61 of the order confirming the Plan entered April 1, 2011 [Docket No. 141] (the “Confirmation Order”) (stating *inter alia* that the “Bankruptcy Court’s retention of jurisdiction as set forth in Article X of the Plan is approved”).

2. Article X of the Plan provides in relevant part:

Pursuant to Bankruptcy Code Section 945, following the Effective Date, the Bankruptcy Court shall retain *sole and exclusive jurisdiction* of the following:

3. The correction of any defect, the curing of any omission, or the reconciliation of any inconsistency in the Plan or the Confirmation Order as may be necessary to carry out the purposes and intent of the Plan;
4. The enforcement and interpretation of the terms and conditions of the Plan and the Plan Documents;
5. The entry of any order, including injunctions, necessary to enforce any title, right and powers of the Debtor hereunder and to impose such limitations, restrictions and terms and conditions of such title, rights and powers as this Court may deem necessary;

(Plan at 27 (emphasis supplied)).

3. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b).

4. On June 24, 2010 (the “Petition Date”), the Debtor filed its voluntary petition for relief under Chapter 9 of the United States Bankruptcy Code (the “Bankruptcy Code”) in the Court.

5. On October 22, 2010, the Debtor filed an initial plan and a disclosure statement. On November 23, 2010, the Debtor filed a First Amended Disclosure Statement and First

³ To the extent any finding of fact shall be determined to be a conclusion of law, it shall be so deemed, and to the extent any conclusion of law shall be determined to be a finding of fact, it shall be so deemed. To the extent that any of the findings of fact or conclusions of law constitutes an order of this Bankruptcy Court, they are adopted as such.

Amended Plan for Adjustment of Debts, both of which were thereafter supplemented, modified and amended on January 17, 2011 with various exhibits [Docket Nos. 108, 110] and on March 16, 2011, with respect to the Plan only [Docket No. 129] (as such, the “Disclosure Statement” and “Plan”, respectively). Solicitation materials were distributed by the Debtor’s Solicitation Agent pursuant to the Solicitation Procedures Order entered by the Court [Docket No. 113], and the Plan was accepted by the requisite numbers of the Debtor’s creditors.

6. On April 1, 2011, the Court entered the Confirmation Order confirming the Plan. The Effective Date of the Plan was noticed by the Debtor as having occurred on April 21, 2011 [Docket No. 151].

7. On the Effective Date, the Debtor issued its Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina) Series 2011A, Series 2011B and Series 2011C (collectively, the “Bonds”)⁴ pursuant to the Indenture. The Bonds were issued to restructure the Debtor’s prepetition defaulted bonds (the “Original Bonds”)⁵ under the terms of the Plan and as further described in the Disclosure Statement. Pursuant to the Plan, the owners of the Original Bonds received a pro rata amount of the Bonds.⁶

⁴ The Bonds consist of the following three series: (A) The Series 2011A Bonds are senior secured zero coupon bonds issued in the aggregate Original Principal Amount of \$126,899,826.00; they consist of 11 serial bonds maturing January 1 of the years 2012 through 2022 (inclusive) and three term bonds, each subject to mandatory pro rata prepayment, maturing January 1, 2032, January 1, 2042 and July 22, 2051 (the “Series 2011A Bonds”); (B) The Series 2011B Bonds are senior subordinated secured zero coupon bonds issued in the aggregate Original Principal Amount of \$21,085,708.00; they consist of two term bonds, each subject to mandatory pro rata prepayment, maturing January 1, 2032 and July 22, 2051 (the “Series 2011B Bonds”); and (C) The Series 2011C Bonds are junior subordinated secured zero coupon term bonds issued in the aggregate Original Principal Amount of \$2,160,434; they accrete interest at 10.0% per annum and mature, subject to mandatory pro rata prepayment, on July 22, 2051 (the “Series 2011C Bonds”).

⁵ The Original Bonds consisted of the Debtor’s Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina) Series 1998A, Series 1998B and Series 1998C (collectively, the “Original Bonds”).

⁶ Under the Plan, owners of the Original Bonds received Bonds equal to the pro-rata amount of the Original Bonds owned, as provided in the Bond Exchange Tables attached to the Plan as Appendix C. Each owner of a Series 1998A Bond or Series 1998B Bond received its ratable portion of each of the 11 serial maturities of the Series 2011A Bonds, each of the three term Series 2011A Bonds and each of the two term Series 2011B Bonds. Each owner of a Subordinated Bond received its ratable portion of the term Series 2011C Bonds.

8. In addition to consisting of three separate Series reflecting payment priority (Series 2011A, 2011B, and 2011C), the Bonds are comprised of both “serial” and “term” zero coupon bonds.⁷ The eleven “serial” zero coupon bonds mature annually on each January 1 of 2012 to 2022 inclusive (the “Serial Bonds”). The six “term” zero coupon bonds each mature on a final specified maturity year (respectively, 2032, 2042 and 2051) (the “Term Bonds”).⁸

9. As noted above, the Bonds are all zero coupon bonds. Zero coupon bonds can be described in two general ways, either as Discount Bonds or as Capital Appreciation Bonds. Generally, “Discount Bonds” are zero coupon bonds which are issued at a discount from their stated maturity value and then “accrete” to their final stated maturity value (e.g., \$1.00). In contrast, “Capital Appreciation Bonds” are issued at a stated original principal amount (e.g., \$1.00) and then accrete forward from such stated original principal amount to a higher maturity value. The difference is descriptive – i.e., whether the stated “amount” of the bond is determined by reference to its final maturity value or its original principal amount.

10. The Plan contemplated that the Bonds would be “book entry” securities and thus that the beneficial ownership of the Bonds would be registered under the industry-wide securities clearing system established by DTC. In this regard, the Disclosure Statement states as follows at page 55 under the heading “Issues Related to Mechanics of Amended Bonds”:

Bonds will be issued as soon as practicable after the Effective Date. However, due to the nature of the Bonds as book entry securities held through DTC, the effectuation of the exchange may involve some time delay after the effective date to complete the exchange process. It should also be noted that the Bond Exchange Table sets forth the issuance amount of the Bonds to be received. However, as book entry securities, the Bonds will be issued and noted in DTC’s records at their Maturity Value.

⁷ See *supra* regarding the details of each Series of the Bonds.

⁸ The Bonds were issued in the aggregate Original Principal Amount of \$150,145,968. The Term Bonds constitute \$113,520,318 of this aggregate amount. The Bonds have 17 separate CUSIPs (unique identifiers), reflecting their Series and whether they are Term Bonds or Serial Bonds within the Series.

(Disclosure Statement at 55).

11. The Debtor intended for the Bonds to be issued in authorized denominations of \$1.00 in Maturity Value per Bond (such that the Bonds were Discount Bonds registered at stated Maturity Value). However, the Plan also contemplated that all payments made by the Debtor to the Trustee would be distributed to the beneficial owners of the Bonds entitled to payment on a “pro-rata” basis within a given series of Bonds, so that each holder would receive a pro-rata share of any distributions on their series of Bonds.

12. DTC’s policies and procedures under its book entry system require that for the Term Bonds to be registered at their Maturity Value, the distribution of redemption proceeds to the beneficial owners is to occur “by-lot” rather than on a pro-rata basis. Currently, the Term Bonds are reflected by DTC at their Original Principal Amount (as Capital Appreciation Bonds) to permit pro-rata distribution of prepayments on the Term Bonds under DTC’s “Pro-Rata Paydown” program.

13. After issuance of the Bonds, certain Bondholders informed the Debtor and the Trustee that a problem existed with the DTC registration. Namely, as further discussed below, the registration and pricing of the Term Bonds did not conform to the brokers’ trading systems for such zero coupon tax exempt bonds, creating a secondary market trading impediment that is a continuing problem for holders of the Term Bonds.

14. Because of these issues,⁹ the Debtor has sought Court approval for the Debtor and the Trustee to take necessary action, including amending the Indenture and conducting an exchange of the current Term Bonds for “by-lot” term bonds to be registered by DTC at their Maturity Value. However, since this change to “by-lot” distributions would mean that holders will not receive pro rata distributions of payments on such bonds, it is possible that some holders

⁹ The Debtor sets forth a detailed explanation of the DTC registration issues in Section II of the Motion.

may prefer to retain their current Term Bonds with pro rata distributions and suffer the illiquidity of those obligations, instead of exchanging them for “by-lot” bonds without pro rata distributions. Thus, the Debtor and Trustee propose an exchange which allows holders to elect to retain their current Term Bonds; or, if no election to retain is made, holders will receive new by-lot bonds. The foregoing exchange is referred to as a “mandatory exchange with an option to retain”.

15. The Majority Holders have requested that the Debtor and Trustee remedy the DTC registration issue with respect to the Term Bonds to allow for “by-lot” term bonds which can be registered with DTC at Maturity Value and thus traded in the secondary public security markets. This would require a change from the current pro-rata paydown feature of the Term Bonds to payment of redemption proceeds “by lot” according to DTC’s Operational Arrangements. Thereafter, DTC would use its standard lottery system to distribute any redemption proceeds among Beneficial Holders of a Series of Term Bonds, rather than having to make each distribution proportionally among all Beneficial Holders of a Series in accordance with their Term Bond holdings (which requires calculation of the proper prorations based on then current holdings for each distribution by DTC). This change to “by lot” redemptions would allow for term bonds which DTC has indicated can be registered based on Maturity Value, thereby conforming to the broker’s trading and pricing systems and to the structure contemplated under the Plan and Disclosure Statement.

16. The Majority Holders have requested that the Debtor facilitate the exchange of the Term Bonds for new term bonds which provide for DTC’s distribution of redemption payments to the Beneficial Holders by lot (the “By-Lot Bonds”). Under the Debtor’s proposal, the By-Lot Bonds will be dated the Effective Date and have identical yields, aggregate Original Principal Amounts, maturities and pay-down schedules as the Term Bonds for which they are exchanged,

but will provide for by-lot distribution of redemption proceeds instead of pro-rata. This would mean that the Beneficial Holders of the By-Lot Bonds would not be assured of the timing of any particular payments prior to maturity, since distribution of redemption proceeds would be distributed under DTC's lottery process. However, Beneficial Holders may elect to retain their current Term Bonds.

17. The change from a pro-rata distribution to redemption also introduces a time constraint not currently present in the Indenture. Pro-rata distributions take place on each January 1 Bond Payment Date, without the need for any notices to the beneficial owners of the Term Bonds. However, since by-lot distributions of redemption proceeds involve the selection of certain By-Lot Bonds for payment, the First Supplement will obligate the Trustee to send notices of redemption of the By-Lot Bonds (at the times and in the amount of the Sinking Fund Installments set forth in subsections (1), (2) and (3) of Section 302 of the First Supplement). At the time such notices of redemption are delivered, there will not be funds in the debt service accounts for the various Tiers of the By-Lot Bonds, so such notices of redemption will be conditioned on the deposit of funds into such debt service accounts sufficient to pay the Redemption Price of the Sinking Fund Installments to be redeemed. In the event that any mandatory sinking fund redemption of any By-Lot Bonds on any January 1 is cancelled due to insufficient funds being available in the applicable debt service accounts to pay any Sinking Fund Installment in full, the First Supplement will obligate the Trustee to deliver notice of the redemption of such By-Lot Bonds for February 15 of that same calendar year, as provided in Section 305 of the First Supplement, in the aggregate Redemption Price not greater than the available balance in the applicable debt service accounts on such January 1 without further accretion. The Redemption Price of By-Lot Bonds called for redemption on February 15 will be

equal to the Accreted Value of such Bonds as of such January 1 (of the same calendar year), not the Accreted Value of such Bonds as of the February 15 Redemption Date. Therefore, in the event of any such delayed redemption, the Beneficial Holders selected for redemption will not receive interest accretions on the amount being distributed on February 15 for the period from January 1 to February 15.

18. The Debtor proposes that the exchange occur as a mandatory exchange for By-Lot Bonds but with an option for any Beneficial Holder of current Term Bonds to opt out and retain their existing Term Bonds, as follows:

- (a) A disclosure of the exchange will be sent to the holders of the Term Bonds in which they would be notified of the DTC registration issue described above, and that the Term Bonds will be exchanged for By-Lot Bonds which have the same payment terms and yields as the current Term Bonds, with the exception that the distributions of redemption payments on the By-Lot Bonds will be made to the Beneficial Holders of the By-Lot Bonds pursuant to DTC's lottery process rather than on a pro rata basis;
- (b) Holders would be given the option to elect to "opt out" of the exchange and keep their Term Bonds as is (the "Retained Bonds");
- (c) If a holder does not affirmatively elect to opt out of the exchange, the Term Bonds owned by such Beneficial Holder will be exchanged for By-Lot Bonds; and
- (d) If a holder opts out of the exchange, such holder will retain its current Term Bonds as Retained Bonds, which will be paid based on their pro rata paydown provisions.

19. The Debtor proposes that the By-Lot Bonds and corresponding revisions to the Indenture will be reflected in a First Supplemental Indenture of Trust (the "First Supplement"), substantially in the form attached to the Motion as *Exhibit A* (but with such changes as determined necessary or advisable by the Debtor and the Trustee to effectuate the intent and purpose of the exchange and other relief requested in the Motion (including changes required by law, regulatory agencies or DTC), provided that such changes do not materially adversely affect the Bondholders or the Bonds, as further authorized below).

20. The By-Lot Bonds will be issued as a new series of bonds with new CUSIP numbers. Each series of By-Lot Bonds will have the same maturity, interest accrual yield and aggregate redemption amounts as the Term Bonds for the Series for which they being exchanged under the First Supplement. However, the By-Lot Bonds will provide for by-lot distribution of redemption proceeds instead of pro-rata. This would mean that the Beneficial Holders of the By-Lot Bonds would not be assured of the timing of any particular payments prior to maturity, since distribution of redemption proceeds would be distributed under DTC's lottery process. However, Beneficial Holders may elect to retain their current Term Bonds.

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

A. The Motion is approved and is necessary to fully consummate and implement the Plan and is proper pursuant to Bankruptcy Code sections 945, 1142(b), 1145, 364(f) and 105(a), as made applicable by sections 103(f) and 901.

B. Pursuant to sections 945 and Article X of the Plan, the Court has sole and exclusive jurisdiction among other things to remedy any Plan inconsistency or defect.¹⁰ Pursuant to section 1142(b), the "court may direct the debtor and any other necessary party to execute or deliver or to join in the execution or delivery of any instrument required to effect a transfer of property dealt with by the confirmed plan, and to perform any other act, ... that is necessary for consummation of the plan." Section 1145 allows, and the Court approves, the exchange of the By-Lot Bonds for the Term Bonds to proceed *nunc pro tunc* to the Effective Date and be deemed along with the original issuance of the Bonds under section 1145 and 364(f) to comply with any otherwise applicable securities law in furtherance of full consummation and implementation of

¹⁰ Section 945(a) provides: "The court may retain jurisdiction over the case for such period of time as is necessary for the successful implementation of the plan."

the Plan. The January 1, 2012 distributions on the Term Bonds were made in accordance with the terms of the Plan and current Indenture and are not affected by this Order.

C. Based upon the terms of the Plan and Disclosure Statement, the lack of viable alternatives to otherwise achieve acceptable book-entry registration and secondary market liquidity of the current Term Bonds as discussed above, and the support from the Majority Holders for the relief requested herein, the Court finds that the exchange and other proposed relief is necessary and proper pursuant to the authority above to fully consummate and implement the Plan.

D. The exchange offer shall be communicated in an exchange memorandum, which *inter alia* would:

- (a) explain the reasons for the exchange;
- (b) state that the exchange is being offered in response to a request received by the Debtor from the Majority Holders of the Term Bonds and to more fully effectuate the purposes and intent of the Plan given the incompatibility of the Term Bonds as currently registered with DTC and the secondary market trading systems;
- (c) describe the differences between the By-Lot Bonds and the existing Term Bonds;
- (d) permit a holder to elect to “opt out” of the exchange and keep its bonds as Retained Bonds and continue to receive distributions on a pro-rata basis;
- (e) explain that if no response is received electing to opt out, the Term Bonds will be exchanged for the By-Lot Bonds;
- (f) require, as a condition to the effectiveness of the exchange, the delivery of an opinion of bond counsel, substantially to the effect that the By-Lot Bonds are valid and enforceable obligations of the Debtor under the Indenture and that original issue discount properly allocated to such By-Lot Bonds will be excludable from gross income for federal income tax purposes and that the exchange of the By-Lot Bonds will not adversely affect the exclusion from gross income for federal income tax purposes of original issue discount properly allocated to the Retained Bonds or the Series 2011A Serial Bonds; and
- (g) provide direction for obtaining additional information concerning the Debtor and the exchange.

The exchange memorandum shall also be accompanied by the First Supplement and the Trustee’s Bondholder Notice No. 3 (which documents (other than the First Supplement attached as *Exhibit A* to the Motion) shall be in substantially the form of the documents attached as

Exhibit B to the Motion (collectively, the “Exchange Package”). The Court recognizes that in the course of implementing the exchange and to effectuate the intent and purpose of the exchange and other relief ordered herein, it may be necessary to make certain changes to the Exchange Package. Consequently, the Debtor and Trustee are hereby authorized to make such changes as they have agreed upon and determined necessary or advisable (including changes required by law, regulatory agencies or DTC), provided that such changes do not materially adversely affect the Bondholders or the Bonds.

E. The procedures for the disclosure of the exchange offer and exchange of the Term Bonds (the “Exchange Procedures”) are hereby approved, as follows:

- (a) The Trustee will disseminate a bondholder notice with the Exchange Package through DTC, including notice that holders may opt out of the exchange by causing a filing through DTC's Automated Tender Offer Program (“ATOP”) to retain the current Term Bonds.
- (b) The Trustee will also publish a bondholder notice regarding the exchange via the Electronic Municipal Market Access (“EMMA”) system.¹¹
- (c) The Debtor will issue a press release in the national editions of *The Bond Buyer* and *USA Today* about the exchange.
- (d) The Exchange Package also will be posted on the Debtor’s website.

F. To the extent that circumstances arise that require a modification of the proposed Exchange Procedures outlined above, the Debtor and Trustee are authorized to supplement or amend such Exchange Procedures, including if necessary to satisfy the requirements of DTC or others.

G. The Court hereby approves (i) the First Supplement, substantially in the form attached hereto as *Exhibit A*; and (ii) the other documents comprising the Exchange Package, substantially in the form attached hereto as *Exhibit B*; and (iii) the disclosure and exchange procedures as described more fully herein or in the Motion, all subject to such changes as agreed

¹¹ EMMA is a comprehensive, centralized online source for free access to municipal disclosures, market transparency data and educational materials about the municipal securities market.

upon and determined necessary or advisable by the Debtor and Trustee to effectuate the intent and purposes of the exchange and other relief requested herein (including changes required by law, regulatory agencies or DTC), provided that such changes do not materially adversely affect the Bondholders or the Bonds.

H. While the Exchange Date is anticipated to occur in 2012 (because of the necessary steps involved in effectuating the exchange), the exchange (except for the distributions on the Term Bonds as of January 1, 2012) will be effective *nunc pro tunc* to the Effective Date in further implementation of the Plan. The January 1, 2012 distributions on the Term Bonds were made in accordance with the terms of the Plan and current Indenture and are not affected by this Order.

I. With respect to funding, the First Supplement provides that \$583,463.75 of funds in the "Cost of Issuance" Fund established under Section 503 of the Indenture may be used to pay the additional fees and costs incurred by the Debtor and the Trustee in connection with their efforts to resolve the DTC issues and implement the exchange, including the preparation and approval of the Motion and related Order, the First Supplement, the exchange documents, and any other related documents or actions for implementation of the foregoing and the Plan, including DTC's approval for registration of the Bonds (collectively, the "Costs of Issuance").¹² The Indenture established the Cost of Issuance Fund from a portion of reserves and funds held by the Trustee under the original indenture to pay the costs and expenses associated with implementing the Plan, including therefore the exchange contemplated herein. The First Supplement provides that the date to which the Cost of Issuance Fund will be left open will be

¹² As set forth in the Motion, the Indenture established the Cost of Issuance Fund from a portion of the reserves and funds held by the Trustee under the original indenture to pay the costs and expenses associated with implementing the Plan, which should include the exchange contemplated hereby. An additional \$318,984.40 formerly held in a suspense account at U.S. Bank and related to Debtor's prepetition repurchase agreement was deposited by the Trustee in the Cost of Issuance Fund pending consideration of this Motion.

changed from the original date of August 22, 2011¹³ to a date that is six months from the date of entry of this Order. Section 503 of the Indenture provides that the Trustee thereafter will transfer any remaining amounts in the Cost of Issuance Fund to the Series 2011 Bonds Debt Service Reserve Account.

J. The Court hereby approves the extension of the date to which the Cost of Issuance Fund will be left open from the original date of August 22, 2011, to a date that is six months from the date of entry of this Order and specifically approves the payment of the Costs of Issuance as defined above from the Cost of Issuance Fund.¹⁴ Provided, however, payment of the Costs of Issuance, including any fees, costs or expenses directly or indirectly relating to the solicitation, exchange, registration and distribution of the New Term Bonds, will be limited to the monies in the Costs of Issuance Fund. Provided further, no payments in respect of such Costs of Issuance may be made or amounts withdrawn, directly or indirectly, from the Revenue Fund established under the Indenture.

K. The Court approves and authorizes the Trustee to pay Costs of Issuance, as described above, upon and after entry of this Order.

L. This Order will become effective immediately upon its entry.

M. This Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order or otherwise under the Plan.

AND IT IS SO ORDERED.

¹³ As set forth in the Motion, because of ongoing efforts to resolve the DTC registration issues and pending fees and costs related thereto that are unpaid, the Trustee, as of August 22, 2011, reserved and did not then transfer the remaining amounts in the Cost of Issuance Fund.

¹⁴ As stated in the Motion, the requested relief as to the payment of Costs of Issuance is sought regardless of the effectiveness of the First Supplement or other relief related to the exchange, *inter alia*, because such Costs of Issuance have been and are being incurred to address the DTC registration issues in order to fully effectuate and implement the Debtor's Plan. By the Motion, the Debtor and Trustee thus seek immediate Court approval of and authority to pay Costs of Issuance, as described above, upon and after entry of an order on the Motion.

**ATTACHMENT #4 – PRIOR BONDHOLDER
NOTICE #2 DATED FEBRUARY 8, 2012
(excluding exhibits due to duplicativeness)**



Corporate Trust Services
60 Livingston Avenue, EP-MN-WS1D
St. Paul, MN 55107

Notice #2

NOTICE OF HEARING ON MOTION SEEKING EXCHANGE OF TERM BONDS

**Re: Connector 2000 Association, Inc. Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina),
Series 2011A, Series 2011B and Series 2011C**

CUSIP Prefix 20786L

[Please forward to beneficial owners]

U.S. Bank National Association is the trustee (the “Trustee”) for the holders of the Connector 2000 Association, Inc. Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011A, Series 2011B and Series 2011C (the “Bonds”), which were issued under the Amended and Restated Master Indenture of Trust dated as of April 1, 2011 (the “Indenture”) between Connector 2000 Association, Inc. (the “Association”) and the Trustee, as authorized under the Association’s First Amended Plan for Adjustment of Debts under Chapter 9 of the Bankruptcy Code, confirmed on April 1, 2011 (the “Plan”). Holders and beneficial owners of the Bonds are referred to herein as the “Bondholders”.

Capitalized terms used in this notice and not defined herein have the meaning ascribed to such terms in the Indenture.

I. Background for Notice.

A material technical issue has arisen regarding the Bonds which is described below together with a proposed solution. First, it might be helpful to repeat some background related to the Association and the Bonds. This background comes in part from the Plan and the related Disclosure Statement that were utilized and should have been previously made available to you by the Association in connection with its Chapter 9 bankruptcy proceeding (the “Bankruptcy Case”). Although the Plan was confirmed, the Bankruptcy Case is still pending before the United States Bankruptcy Court for the District of South Carolina (the “Bankruptcy Court”) as Chapter 9 Case No. 10-04467-dd.

Pursuant to the confirmed Plan, on April 21, 2011, the Association issued the Bonds under the Indenture. There are three series of Bonds of differing priorities (Series 2011A, 2011B, and 2011C). The Bonds have 17 separate CUSIPs (unique identifiers) and consist of two types of capital appreciation bonds, serial and term. The eleven “serial” capital appreciation bonds mature annually on each January 1st of the years 2012 to 2022 inclusive (the “Serial Bonds”).

The six “term” capital appreciation bonds mature over a term of years in a final specified maturity year (respectively, 2032, 2042, 2051, and 2051) (the “Term Bonds”). The Term Bonds have scheduled annual paydown amounts prior to their maturity.

The Bonds are registered through the Depository Trust Company (“DTC”) as book-entry bonds, as is customary in the municipal bond business. A problem arose with the DTC registration, however. This issue is summarized briefly herein but is further set forth in the Motion (as defined below) and other attachments hereto and qualified by reference thereto. The Plan contemplated that the Bonds would be issued in authorized denominations of \$1.00 of Maturity Value, discounted to their Original Principal Amounts at the yield on each such Series 2011 Term Bond, subject to annual mandatory sinking fund redemption at their Accreted Value (expressed as a discount to their Maturity Value). In addition, it was contemplated that holders would receive pro-rata portions of any redemption payments on the Bonds.

Due to the pro rata payment feature discussed above, DTC was unable to register the Bonds at their maturity value, and would only register the Bonds at their initial issuance amount. Because virtually all public bond issues are registered with DTC in order to facilitate payment upon and trading of the bonds, and the Disclosure Statement provided for the Bonds to be issued through DTC, the Bonds were registered at their issuance value of \$1.00 per authorized denomination as then required by DTC.

A number of institutional holders of the Bonds have informed the Association and the Trustee that registration at issuance value creates a problem in trading the Bonds. We understand this is because the brokers' and industry pricing systems for trading capital appreciation bonds such as the Bonds are set up to use only maturity values as further set forth in the Motion. These holders have informed the Trustee and the Association that it is impossible to convert or translate the “issuance” value listing into maturity value to allow entry and pricing of the bonds on the broker's systems.

The Trustee has been working for months to resolve this issue with DTC and the Association. The Trustee and its advisors conducted a number of extensive discussions with DTC in an attempt to have it reflect the Bonds on the DTC system at maturity value. Following one of these discussions, DTC re-registered the Serial Bonds at their maturity value of a multiple of \$1.00 per authorized denomination. However, with respect to the Term Bonds, DTC has stated that it is unable to register them at their maturity value as currently structured because such registration does not conform to its Operational Arrangements.¹

However, as stated above, DTC has indicated that re-registration of term bonds of the Association at maturity value can occur if any pre-maturity redemption payments thereon are distributed to Bondholders on a “by lot” or lottery basis (rather than on the “pro rata” (proportional) payment method currently utilized under the Indenture) because this satisfies the terms of DTC’s Operational Arrangements. Usage of “by lot” redemptions thus would allow such term bonds to be registered by DTC at maturity value, thereby further allowing the term bonds to be entered into the broker's trading and pricing systems and facilitating trading. The

¹ DTC’s Operational Arrangements are Procedures that have been filed and approved with the U.S. Securities and Exchange Commission.

Trustee understands that holders of a majority of the Bonds are very much in favor of the foregoing “by lot” redemption methodology.

II. Proposed Resolution.

The Trustee (upon consultation with Bondholders owning a majority in principal amount of the Bonds) and the Association have been discussing a possible resolution of this issue. The proposed resolution would be to seek approval from the Bankruptcy Court to provide for amendment of the Indenture and exchange of the existing Term Bonds for new term bonds providing for redemption payments by lot, rather than on a pro rata basis (the “By-Lot Bonds”). As part of this resolution, however, if a holder wanted to retain such right to pro-rata payments under its existing Term Bonds, each Bondholder would be given the right to affirmatively elect to opt out of the exchange (“Opt Out”) and continue to hold its current Term Bonds which are subject to redemption on a pro rata basis rather than on a by lot basis (the “Retained Term Bonds”). If a bondholder does not Opt Out, its Term Bonds will be automatically exchanged for By-Lot Bonds.

If the proposed resolution is implemented, the By-Lot Bonds would be registered at DTC at their maturity value as set forth in the Motion, thus alleviating the trading issue created by current registration of the Term Bonds at issuance value. A Bondholder Opting Out of the exchange for By-Lot Bonds would continue to have redemption of its Retained Term Bonds done on a pro rata basis. However, its Retained Term Bonds also would continue to be registered at DTC at their issuance value, with the above noted negative ability or inability to trade such Retained Term Bonds of which the Trustee has been informed.

Three additional points should be noted about the proposed exchange. First, retention elections as to a holder’s investment in the Term Bonds will be “all or nothing” and must be consistent. In other words, bondholders will not be able to elect to retain part (but not all) of their investment in the Term Bonds. Second, the elections to receive By-Lot Bonds will be “now or never” from a timing perspective. If a holder Opts Out and elects to retain its current bonds, such holder will not be able in the future to convert such Retained Term Bonds to By-Lot Bonds. The opportunity to exchange will be offered only one time, regardless of any value or trading differences among the bonds or any other issues that may exist or arise with respect to the Retained Term Bonds in the future (which issues may or may not be similar to those described in the exchange documents). The proposed exchange procedures are set forth more fully in the Motion (as defined below) and accompanying documents.

Third, the change from a pro-rata distribution to redemption also introduces a time constraint not currently present in the Indenture. The current pro-rata distributions take place on each January 1 Bond Payment Date, without the need for notice thereof to the beneficial owners of the Term Bonds. However, since by-lot distributions of redemption proceeds involve the selection of certain By-Lot Bonds for payment, the Trustee will send notices of redemption of the By-Lot Bonds under the First Supplemental Indenture (as defined below) at the times and in amount of the Sinking Fund Installments set forth therein. At the time such redemption notices are delivered, there will not be funds in the debt service accounts for the various Tiers of the By-Lot Bonds, so such notices of redemption will be conditioned on the deposit of funds into such debt service accounts sufficient to pay the Redemption Price of the Sinking Fund Installments to

be redeemed. In the event that any mandatory sinking fund redemption of any By-Lot Bonds on any January 1 is cancelled due to insufficient funds being available in the applicable debt service accounts to pay any Sinking Fund Installment in full, the First Supplemental Indenture provides that the Trustee will deliver notice of the redemption of such By-Lot Bonds for February 15 of that same calendar year, as provided in Section 305 thereof, in the aggregate Redemption Price not greater than the available balance in the applicable debt service accounts on such January 1 without further accretion. The Redemption Price of By-Lot Bonds called for redemption on February 15 will be equal to the Accreted Value of such Bonds as of such January 1 (of the same calendar year), not the Accreted Value of such Bonds as of the February 15 Redemption Date. In other words, in the event of any such delayed redemption, the Bondholders selected for redemption will not receive interest accretions on the amount being distributed on February 15 for the period from January 1 to February 15.

In furtherance of the above proposed resolution providing for the exchange, the Association has filed the attached Debtor's Motion for an Order (I) Authorizing Supplement to the Indenture in Aid of Implementation of the Plan; and (II) Approving Bond Exchange Materials and Procedures for Term Bonds (the "Motion") with the Bankruptcy Court to approve the foregoing resolution and necessary conforming changes to the Indenture and the forms of the Bonds. The Motion also contains a request for the Court to approve a clarification that allows the parties to use funds in the Cost of Issuance Fund (including amounts reserved by the Trustee as of August 22, 2011 and additional amounts deposited therein as set forth in the Motion currently totaling \$583,463.75)² to pay the various fees and expenses incurred in addressing the above Plan Implementation issue. The Motion seeks to hold the Cost of Issuance Fund open through the date that is 6 months after entry of the Bankruptcy Court's Order approving the Motion. The Motion provides that costs of the exchange may only be paid from the Costs of Issuance Fund; no Costs of Issuance will be paid from the Revenue Fund. Section 503 of the Indenture provides that the Trustee thereafter will transfer any remaining amounts in the Cost of Issuance Fund to the Series 2011 Bonds Debt Service Reserve Account.

A copy of the Motion is attached hereto. You will note that attached to the Motion is a draft of the amendment to the Indenture in the form of a supplemental indenture (the "First Supplemental Indenture") to reflect the foregoing changes. The First Supplemental Indenture makes amendments to the Indenture to accommodate the exchange and resulting splitting of the Term Bonds into By-lot Bonds and Retained Bonds.

We will send a follow up notice after a decision is rendered by the Bankruptcy Court on the Motion. If the Motion is approved, the follow up notice will explain the procedure to Opt Out and affirmatively elect to retain the existing Term Bonds with the pro rata redemption feature if any Bondholders want to do so. Except for any Retained Term Bonds which a Bondholder has affirmatively elected to keep, the Term Bonds will be mandatorily exchanged as set forth above for the By-Lot Bonds, which shall be a new series of term bonds providing for the "by-lot" redemption feature. The By-Lot Bonds will be registered with DTC at their maturity value as further set forth in the Motion and attachments. This exchange to By-Lot Bonds will occur without the Bondholder taking additional action (assuming no Opt Out). These new By-Lot Bonds will have new CUSIPs. The CUSIPs will remain the same for any Retained Term

² As set forth in the Motion, this balance in the Cost of Issuance Fund is held subject to unpaid amounts due.

Bonds which a Bondholder has affirmatively elected to keep.

III. Hearing Date.

The hearing on the Motion is scheduled for 2:00 p.m. (prevailing eastern time) on April 10, 2012, before Judge David R. Duncan, at the following address: J. Bratton Davis United States Court House, 1100 Laurel Street, Columbia, SC 29202.

You are entitled to be present at the hearing and present your support or objection to the Motion. If you desire to object or appear and be heard on the Motion, you need to provide a written objection or response to the Court, on or before 5:00 p.m. (prevailing eastern time) on April 3, 2012 and serve that response on the parties set forth in the attached notice on the Motion. Objections must be timely filed and served, or such objections may be overruled. If you have objections to the Motion and fail to file and serve these objections in writing by the above deadline in accordance with the terms of the notice as applicable, you may be denied the opportunity to appear and be heard as set forth therein.

IV. Additional Information.

The Trustee directs your attention to the detailed background and historical information (i) set forth in our earlier notices (with the more recent notices available to be viewed on the Municipal Securities Rulemaking Board website at www.emma.msrb.org), and (ii) located at the Association website at www.southernconnector.com under News and Filings, Official Filings. The Bondholders are also directed to other potential sources of information, including the Bankruptcy Court's PACER public document system (fee based; PACER subscription required) found at <https://ecf.scb.uscourts.gov/cgi-bin/login.pl> or accessible with instructions through the Bankruptcy Court's website at www.scb.uscourts.gov.

The Trustee may invest funds held under the Indenture in a mutual fund for which either (a) the Trustee receives a service fee from the fund or fund service provider, or (b) investment or advisory services are provided by the Trustee or an affiliate of the Trustee. As such, the Trustee and its affiliates may receive compensation for the investment advisory, custodial, distribution and other services provided. A prospectus that explains the services and costs, including the rate, formula and method of calculating such compensation, is available by contacting U.S. Bank at (800) 934-6802, option #4, or at the following web address: www.usbank.com/corp_trust/bondholder_contact.html.

Holder should not rely on the Trustee as their sole source of information. We encourage Bondholders to keep themselves informed from other sources of available information. The Trustee may conclude that a specific response to particular inquiries from individual holders is not consistent with equal and full dissemination of information to all holders. The Trustee makes no recommendations and gives no investment advice.

Please direct any questions or comments in writing to Susan Jacobsen, U.S. Bank National Association, Corporate Trust Services, 60 Livingston Avenue, EP-MN-WS1D, St. Paul, Minnesota 55107, phone number (651) 495-3954, fax number (651) 495-8100, or by e-mail to susan.jacobsen2@usbank.com.

**U. S. Bank National Association,
as Indenture Trustee**

February 8, 2012

ATTACHMENT #5 – EXCHANGE MOTION
(excluding exhibits due to duplicativeness)

**IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA**

In re:

Connector 2000 Association, Inc.,

Debtor.

Case No. 10-04467-dd
Chapter 9

DEBTOR’S MOTION FOR AN ORDER (I) AUTHORIZING A SUPPLEMENT TO THE INDENTURE IN AID OF IMPLEMENTATION OF THE PLAN; AND (II) APPROVING BOND EXCHANGE MATERIALS AND PROCEDURES FOR TERM BONDS¹

Connector 2000 Association, Inc. (the “Debtor”) submits this motion (the “Motion”) for an order pursuant to sections 945, 1142(b), 1145, 364(f) and 105(a) of the Bankruptcy Code² (made applicable by sections 103(f) and 901): (I) approving a supplement to the First Amended and Restated Master Indenture of Trust between the Debtor and U.S. Bank National Association, as trustee (the “Trustee”) dated as of April 1, 2011 (the “Indenture”); and (II) approving disclosure and exchange materials and procedures for the Term Bonds (as defined below). By this Motion, the Debtor seeks authority and approval for the items in (I) and (II) above in order to address an unforeseen circumstance related to implementation of the Debtor’s First Amended Plan for Adjustment of Debts under Chapter 9 (as further defined below, the “Plan”).³ Specifically, although the Plan and Disclosure Statement contemplated that the Debtor’s restructured bonds would be registered with the Depository Trust Corporation (“DTC”) at their Maturity Value of \$1.00 authorized denomination per bond,⁴ DTC’s Operational Arrangements⁵

¹ The DTC registration issue which is being addressed by this Motion involves only remedying what the Trustee and holders believe is a Plan inconsistency involving the Term Bonds issued under the Plan. The proposed relief requested herein does not attempt in any way to affect SCDOT or any other Plan creditors or parties in interest other than the holders of the Bonds.

² Further references to the Bankruptcy Code (11 U.S.C. §§ 101 et seq.) may be by section number only.

³ Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Plan, Disclosure Statement (as defined below), or Indenture, as may be applicable.

⁴ “Maturity Value” generally is the final cumulative value of the Bonds after accretion of unpaid interest and

and related procedures for registrations of term bonds at maturity value require that redemptions be paid “by lot”, as further discussed below. The Trustee and holders of more than a majority in aggregate Original Principal Amount (“Majority Holders”) of the Term Bonds assert that the Debtor’s Chapter 9 Plan cannot be fully consummated and implemented unless the Term Bonds are registered at their Maturity Value with DTC, and thus have requested that the Debtor seek the relief requested herein. In support of this Motion, the Debtor respectfully represents as follows:

JURISDICTION

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157(a) and 1334, Article X of the Plan (setting forth “Retention of Jurisdiction of the Court”), and paragraph 61 of the order confirming the Plan entered April 1, 2011 [Docket No. 141] (the “Confirmation Order”) (stating *inter alia* that the “Bankruptcy Court’s retention of jurisdiction as set forth in Article X of the Plan is approved”).

2. Article X of the Plan provides in relevant part:

Pursuant to Bankruptcy Code Section 945, following the Effective Date, the Bankruptcy Court shall retain *sole and exclusive jurisdiction* of the following:

3. The correction of any defect, the curing of any omission, or the reconciliation of any inconsistency in the Plan or the Confirmation Order as may be necessary to carry out the purposes and intent of the Plan;
4. The enforcement and interpretation of the terms and conditions of the Plan and the Plan Documents;
5. The entry of any order, including injunctions, necessary to enforce any title, right and powers of the Debtor hereunder and to impose such limitations, restrictions and terms and conditions of such title, rights and powers as this Court may deem necessary;

principal on the bonds. Maturity value differs from the original principal amount of zero coupon bonds such as the Bonds, because interest is not paid on a current coupon basis, but rather is added to principal and “accretes” over time. To the extent not previously paid, the total accreted principal and interest amounts are paid at maturity of the zero coupon bonds. As used in this Motion and by DTC, “Maturity Value” for any Bond of an authorized denomination means \$1.00 (commonly referred to as “par” or “face” value). Prior to its maturity date the Accreted Value of any such Bond is less than \$1.00.

⁵ DTC’s Operational Arrangements are Procedures that have been filed and approved with the U.S. Securities and Exchange Commission.

(Plan at 27 (emphasis supplied)).

3. The statutory predicates for the relief sought herein are sections 945, 1142(b), 1145, and 105(a) of the Bankruptcy Code, made applicable by sections 103(f) and 901. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. §§ 157(b).

DISCUSSION

I. Background

4. On June 24, 2010 (the “Petition Date”), the Debtor filed its voluntary petition for relief under Chapter 9 of the United States Bankruptcy Code (the “Bankruptcy Code”), in the United States Bankruptcy Court for the District of South Carolina (the “Court”).

5. On October 22, 2010, the Debtor filed an initial plan and a disclosure statement. On November 23, 2010, the Debtor filed a First Amended Disclosure Statement and First Amended Plan for Adjustment of Debts, both of which were thereafter supplemented, modified and amended on January 17, 2011 with various exhibits [Docket Nos. 108, 110] and on March 16, 2011, with respect to the Plan only [Docket No. 129] (as such, the “Disclosure Statement” and “Plan”, respectively). Solicitation materials were distributed by the Debtor’s Solicitation Agent pursuant to the Solicitation Procedures Order entered by the Court [Docket No. 113], and the Plan was accepted by the requisite numbers of the Debtor’s creditors.

6. On April 1, 2011, the Court entered the Confirmation Order confirming the Plan. The Effective Date of the Plan was noticed by the Debtor as having occurred on April 21, 2011 [Docket No. 151].

7. On the Effective Date, the Debtor issued its Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina) Series 2011A, Series 2011B and Series 2011C

(collectively, the “Bonds”)⁶ pursuant to the Indenture. The Bonds were issued to restructure the Debtor’s prepetition defaulted bonds (the “Original Bonds”)⁷ under the terms of the Plan and as further described in the Disclosure Statement. Pursuant to the Plan, the owners of the Original Bonds received a pro rata amount of the Bonds.⁸

8. In addition to consisting of three separate Series reflecting payment priority (Series 2011A, 2011B, and 2011C), the Bonds are comprised of both “serial” and “term” zero coupon bonds.⁹ The eleven “serial” zero coupon bonds mature annually on each January 1 of 2012 to 2022 inclusive (the “Serial Bonds”). The six “term” zero coupon bonds each mature on a final specified maturity year (respectively, 2032, 2042 and 2051) (the “Term Bonds”).¹⁰

9. As noted above, the Bonds are all zero coupon bonds. Zero coupon bonds can be described in two general ways, either as Discount Bonds or as Capital Appreciation Bonds. Generally, “Discount Bonds” are zero coupon bonds which are issued at a discount from their stated maturity value and then “accrete” to their final stated maturity value (e.g., \$1.00). In contrast, “Capital Appreciation Bonds” are issued at a stated original principal amount (e.g.,

⁶ The Bonds consist of the following three series: (A) The Series 2011A Bonds are senior secured zero coupon bonds issued in the aggregate Original Principal Amount of \$126,899,826.00; they consist of 11 serial bonds maturing January 1 of the years 2012 through 2022 (inclusive) and three term bonds, each subject to mandatory pro rata prepayment, maturing January 1, 2032, January 1, 2042 and July 22, 2051 (the “Series 2011A Bonds”); (B) The Series 2011B Bonds are senior subordinated secured zero coupon bonds issued in the aggregate Original Principal Amount of \$21,085,708.00; they consist of two term bonds, each subject to mandatory pro rata prepayment, maturing January 1, 2032 and July 22, 2051 (the “Series 2011B Bonds”); and (C) The Series 2011C Bonds are junior subordinated secured zero coupon term bonds issued in the aggregate Original Principal Amount of \$2,160,434; they accrete interest at 10.0% per annum and mature, subject to mandatory pro rata prepayment, on July 22, 2051 (the “Series 2011C Bonds”).

⁷ The Original Bonds consisted of the Debtor’s Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina) Series 1998A, Series 1998B and Series 1998C (collectively, the “Original Bonds”).

⁸ Under the Plan, owners of the Original Bonds received Bonds equal to the pro-rata amount of the Original Bonds owned, as provided in the Bond Exchange Tables attached to the Plan as Appendix C. Each owner of a Series 1998A Bond or Series 1998B Bond received its ratable portion of each of the 11 serial maturities of the Series 2011A Bonds, each of the three term Series 2011A Bonds and each of the two term Series 2011B Bonds. Each owner of a Subordinated Bond received its ratable portion of the term Series 2011C Bonds.

⁹ See *supra* regarding the details of each Series of the Bonds.

¹⁰ The Bonds were issued in the aggregate Original Principal Amount of \$150,145,968. The Term Bonds constitute \$113,520,318 of this aggregate amount. The Bonds have 17 separate CUSIPs (unique identifiers), reflecting their Series and whether they are Term Bonds or Serial Bonds within the Series.

\$1.00) and then accrete forward from such stated original principal amount to a higher maturity value. The difference is descriptive – i.e., whether the stated “amount” of the bond is determined by reference to its final maturity value or its original principal amount.¹¹

10. Significantly, the Plan contemplated that the Bonds would be “book entry” securities and thus that the beneficial ownership of the Bonds would be registered under the industry-wide securities clearing system established by DTC. In this regard, the Disclosure Statement states as follows at page 55 under the heading “Issues Related to Mechanics of Amended Bonds”:

Bonds will be issued as soon as practicable after the Effective Date. However, due to the nature of the Bonds as book entry securities held through DTC, the effectuation of the exchange may involve some time delay after the effective date to complete the exchange process. It should also be noted that the Bond Exchange Table sets forth the issuance amount of the Bonds to be received. However, as book entry securities, the Bonds will be issued and noted in DTC’s records at their Maturity Value.

(Disclosure Statement at 55).

11. The Debtor intended for the Bonds to be issued in authorized denominations of \$1.00 in Maturity Value per Bond (such that the Bonds were Discount Bonds registered at stated Maturity Value). However, the Plan also contemplated that all payments made by the Debtor to

¹¹ A simple example will illustrate this point. Assume Company borrows \$100.00 from Bank but does not want to make any payment on the loan until the maturity of the loan 10 years later. Bank agrees to make the loan at an annually compounded yield of 7.717735% so that the amount Company will pay Bank in 10 years is \$200. The Company’s note evidencing its obligation to repay this loan can be drafted in two alternative ways. Company may issue a single \$100 note that accretes interest at an annually compounded yield of 7.717735% and matures in year 10 in the amount of \$200. This note is a “capital appreciation” debt instrument. If it is redeemed or prepaid any time after it is issued and before it matures, the accreted value of the instrument will be greater than \$100 and less than \$200, depending on when the payment is made and the resulting interest accrued on the \$100 loan. Alternatively, the same loan could result in two notes each maturing in the amount of \$100 in year 10, delivered by Company to Bank discounted at the annually compounded yield of 7.717735% to their original principal amount of \$50.00. These are two “discount” debt instruments each of which accretes interest and matures in the amount of \$100 in year 10. If they are redeemed or prepaid any time after they are issued and before their maturity, the accreted value of each of the instruments will be greater than \$50.00 and less than \$100, depending on when the payment is made and the resulting interest accrued on the loan. Thus the zero coupon debt obligation resulting from the loan can be described either as a single capital appreciation note or as two discount obligations, each of which reflect the exact same debtor-creditor relationship. The Series 1998B Bonds and Series 1998C Bonds were documented as Discount Bonds.

the Trustee would be distributed to the beneficial owners of the Bonds entitled to payment on a “pro-rata” basis within a given series of Bonds, so that each holder would receive a pro-rata share of any distributions on their series of Bonds.

12. As discussed in more detail below, however, DTC’s policies and procedures under its book entry system require that for the Term Bonds to be registered at their Maturity Value, the distribution of redemption proceeds to the beneficial owners is to occur “by-lot” rather than on a pro-rata basis. Currently, the Term Bonds are reflected by DTC at their Original Principal Amount (as Capital Appreciation Bonds) to permit pro-rata distribution of prepayments on the Term Bonds under DTC’s “Pro-Rata Paydown” program.

13. After issuance of the Bonds, certain Bondholders informed the Debtor and the Trustee that a problem existed with the DTC registration. Namely, as further discussed below, the registration and pricing of the Term Bonds did not conform to the brokers’ trading systems for such zero coupon tax exempt bonds, creating a secondary market trading impediment that is a continuing problem for holders of the Term Bonds.

14. This Motion thus seeks approval for the Debtor and the Trustee to take necessary action, including amending the Indenture and conducting an exchange of the current Term Bonds for “by-lot” term bonds to be registered by DTC at their Maturity Value, as further discussed below. However, since this change to “by-lot” distributions would mean that holders will not receive pro rata distributions of payments on such bonds, it is possible that some holders may prefer to retain their current Term Bonds with pro rata distributions and suffer the illiquidity of those obligations, instead of exchanging them for “by-lot” bonds without pro rata distributions. This is why the Debtor and Trustee are proposing an exchange which allows holders to elect to retain their current Term Bonds; or, if no election to retain is made, holders will receive new by-

lot bonds. The foregoing exchange is referred to as a “mandatory exchange with an option to retain”.

15. A more detailed background and explanation of the registration issues and the proposed resolution are provided below.

II. More Detailed Statement of the DTC Registration Issues

16. DTC serves as a clearinghouse for the vast majority of publicly-traded municipal bond issues, allowing such bonds to meet the regulatory requirements for timely transfer of securities. Under the DTC book entry system, the beneficial ownership interest in obligations such as the Bonds is made in book-entry-only form through brokers and dealers who are, or act through, DTC participants (“DTC Participants”). The beneficial owners of the Bonds (collectively, the “Beneficial Holders”) are not entitled to receive physical delivery of the Bonds. For so long as any person is the Beneficial Holder of a Bond, such person must maintain an account with a broker or dealer who is, or acts through, a DTC Participant in order to receive payment of principal and interest on such Bond. Consequently, the Debtor does not have a record of the identity of any Beneficial Holders, and the Trustee reflects only DTC as the owner of the Bonds.

17. As set forth above, it is industry standard for obligations such as the Bonds to be registered with DTC. To be eligible for registration with DTC, obligations such as the Bonds must conform to DTC’s rules and requirements for book-entry registration of the obligations. Certain features of the Bonds, however, created issues in trying to obtain DTC registration as contemplated because they were not consistent with DTC’s standard Operational Arrangements.

18. All of the Bonds are “zero coupon bonds” documented as Capital Appreciation Bonds. Generally, publicly issued zero coupon bonds are issued as Discount Bonds registered

with DTC at Maturity Value.¹² The Plan called for the Bonds to be so structured and registered at Maturity Value. As set forth above, the documents further contemplated that each Beneficial Holder would receive his or her pro rata share of any payments made prior to maturity on a series of Bonds; however, under DTC's Operational Arrangements, this did not meet DTC's eligibility requirements for redemption payments.

19. Because of the provision for redemption payments to be distributed pro-rata to holders, which did not comply with DTC's procedures, difficulties arose with registration of the Bonds for book entry clearing with DTC as contemplated. As outlined in its Operational Arrangements, to permit the distribution of prepayments to the beneficial owners of the Bonds pro rata under its "Pro-Rata Paydown Program", DTC required that the Bonds be registered based on authorized denominations of \$1.00 in Original Principal Amount (as Capital Appreciation Bonds) rather than based on authorized denominations of \$1.00 in Maturity Value (as Discount Bonds).¹³

20. In addition, several technical changes to the Indenture were necessary to satisfy DTC's requirements under the Pro-Rata Paydown Program. First, the Debtor's pre-maturity payments to amortize the Term Bonds needed to be renamed from "sinking fund redemption payments" to "pro-rata paydown amounts". (The latter is how the Indenture now reflects such payments.) Second, the accreted value tables for the Bonds also had to be modified (to reflect accretion starting at \$1.00 in Original Principal Amount up to maturity amount at the yield of

¹² For example, U.S. Treasury Bills are Discount Bonds, as they are issued at face maturity value (in \$100,000 amounts), but the amounts paid for those obligations at their original issue date are lower than maturity value, with the difference between the price at issue and the amount paid at maturity being original issue discount treated as interest for federal income tax purposes. Secondary market trading of Discount Bonds are at prices reflecting that discount to their maturity value. Until its maturity, the accreted value of a Discount Bond is always less than its maturity value per authorized denomination (less than \$100,000 for Treasury Bills).

¹³ These Capital Appreciation Bonds accrete in value from Original Principal Amount at issuance at the yield on each Bond. For example, Exhibit "T" to the Indenture lists the accreted values of the Bonds. The accreted value of the 6.5% Term Series 2011A Bond maturing on January 1, 2032 is \$1.00 on April 1, 2011 and accretes to a maturity value of \$3.69406.

each Bond). DTC worked cooperatively with the Debtor and Trustee to explain what changes were necessary for DTC to register the Bonds based on its Pro-Rata Paydown Program.¹⁴ Effective April 21, 2011, the Bonds were registered with DTC at Original Principal Amount under the Pro-Rata Paydown Program discussed above.

21. Shortly after the Bonds were issued, certain institutional holders and broker dealers began contacting the Trustee regarding the bonds. Because the Term Bonds were listed by DTC as set forth above, they did not “fit” into the brokers’ systems or into industry pricing systems. The Term Bonds thus were untradeable in the public secondary market. More specifically, the brokers’ and industry pricing systems for trading zero coupon bonds are based upon the assumption that they are registered at Maturity Value, and trade at a price discount from such “face” amount at maturity. Consequently, the Term Bonds as registered through DTC under the Pro-Rata Paydown Program could not be priced or traded.¹⁵

22. The Debtor has been informed by the Trustee and certain institutional bondholders that DTC agreed to reflect the Serial Bonds at Maturity Value in conformity with DTC’s Operational Arrangements. Consequently, the Series 2011A Serial Bonds will not be amended or exchanged. However, DTC informed the Trustee that the Term Bonds could be listed at Maturity Value only if any annual sinking fund redemption payments for a series of Term Bonds are made by DTC to Beneficial Holders on a “by lot” basis, rather than pro-rata.

¹⁴ The name and table changes did not modify the amounts to be paid to the Beneficial Holders of the Bonds, but as discussed herein changed the face amount of the Term Bonds (to Original Principal Amount from Maturity Value) and the characterization of periodic interest and principal payments to be made under the Bonds (from sinking fund payments to pro rata paydowns).

¹⁵ Holders of the Bonds have informed the Debtor and the Trustee that it is impossible to convert or translate DTC’s Capital Appreciation Term Bond value under the Pro-Rata Paydown Program into a value as a Discount Bond to allow entry and pricing of the bonds on the brokers’ systems.

III. The Proposed Solution

23. The Majority Holders have requested that the Debtor and Trustee remedy the DTC registration issue with respect to the Term Bonds to allow for “by-lot” term bonds which can be registered with DTC at Maturity Value and thus traded in the secondary public security markets. As stated above, this would require a change from the current pro-rata paydown feature of the Term Bonds to payment of redemption proceeds “by lot” according to DTC’s Operational Arrangements. Thereafter, DTC would use its standard lottery system to distribute any redemption proceeds among Beneficial Holders of a Series of Term Bonds, rather than having to make each distribution proportionally among all Beneficial Holders of a Series in accordance with their Term Bond holdings (which requires calculation of the proper prorations based on then current holdings for each distribution by DTC).¹⁶ This change to “by lot” redemptions would allow for term bonds which DTC has indicated can be registered based on Maturity Value, thereby conforming to the broker’s trading and pricing systems and to the structure contemplated under the Plan and Disclosure Statement.

IV. Procedures for Exchange of Term Bonds for By-Lot Bonds

24. Based on the above, the Majority Holders have requested that the Debtor facilitate the exchange of the Term Bonds for new term bonds which provide for DTC’s distribution of redemption payments to the Beneficial Holders by lot (the “By-Lot Bonds”). The By-Lot Bonds

¹⁶ The difference in the mechanics of pro-rata versus by lot payment can be simply illustrated as follows: If a \$500 redemption payment is made as a pro-rata payment on \$1,000 in outstanding Accreted Value of Term Bonds with a Maturity Value of \$2,000, the \$500 would be paid “pro rata”, meaning proportionally so that every Beneficial Holder of such Term Bond receives a percentage of the \$500 equal to the percentage of the Term Bonds owned by such bondholder (i.e., 10% of \$500 for a 10% holder). The Debtor understands that under the “by lot” system, the same \$500 would be distributed using a different process. The Maturity Value of the Term Bond then outstanding would be divided by the minimum denominations for the bonds (here, \$1.00), which yields 2,000 bonds which would be assigned to the beneficial owners. Each of the resulting 2,000 bonds would be assigned a number and then 1,000 of these numbers would be selected by DTC in a random lottery. Each of the 1,000 numbers selected would receive a distribution equal to \$0.50 (the Accreted Value of such deemed \$1.00 bond). Some beneficial owners could get no portion of such payment.

and corresponding revisions to the Indenture will be reflected in a First Supplemental Indenture of Trust (the "First Supplement"). The First Supplement will be substantially in the form attached hereto as *Exhibit A* (but with such changes as agreed upon and determined necessary or advisable by the Debtor and Trustee to effectuate the intent and purposes of the exchange and other relief requested herein (including changes required by law, regulatory agencies or DTC), provided that such changes do not materially adversely affect the Bondholders or the Bonds).

25. The By-Lot Bonds will be dated the Effective Date and have identical yields, aggregate Original Principal Amounts, maturities and pay-down schedules as the Term Bonds for which they are exchanged, but will provide for by-lot distribution of redemption proceeds instead of pro-rata. This would mean that the Beneficial Holders of the By-Lot Bonds would not be assured of the timing of any particular payments prior to maturity, since distribution of redemption proceeds would be distributed under DTC's lottery process. However, Beneficial Holders may elect to retain their current Term Bonds.

26. The change from a pro-rata distribution to redemption also introduces a time constraint not currently present in the Indenture. Pro-rata distributions take place on each January 1 Bond Payment Date, without the need for any notices to the beneficial owners of the Term Bonds. However, since by-lot distributions of redemption proceeds involve the selection of certain By-Lot Bonds for payment, the First Supplement will obligate the Trustee to send notices of redemption of the By-Lot Bonds (at the times and in the amount of the Sinking Fund Installments set forth in subsections (1), (2) and (3) of Section 302 of the First Supplement). At the time such notices of redemption are delivered, there will not be funds in the debt service accounts for the various Tiers of the By-Lot Bonds, so such notices of redemption will be conditioned on the deposit of funds into such debt service accounts sufficient to pay the

Redemption Price of the Sinking Fund Installments to be redeemed. In the event that any mandatory sinking fund redemption of any By-Lot Bonds on any January 1 is cancelled due to insufficient funds being available in the applicable debt service accounts to pay any Sinking Fund Installment in full, the First Supplement will obligate the Trustee to deliver notice of the redemption of such By-Lot Bonds for February 15 of that same calendar year, as provided in Section 305 of the First Supplement, in the aggregate Redemption Price not greater than the available balance in the applicable debt service accounts on such January 1 without further accretion. The Redemption Price of By-Lot Bonds called for redemption on February 15 will be equal to the Accreted Value of such Bonds as of such January 1 (of the same calendar year), not the Accreted Value of such Bonds as of the February 15 Redemption Date. In other words, in the event of any such delayed redemption, the Beneficial Holders selected for redemption will not receive interest accretions on the amount being distributed on February 15 for the period from January 1 to February 15.

27. The Debtor proposes that the exchange occur as a mandatory exchange for By-Lot Bonds but with an option for any Beneficial Holder of current Term Bonds to opt out and retain their existing Term Bonds, as follows:

- (a) A disclosure of the exchange will be sent to the holders of the Term Bonds in which they would be notified of the DTC registration issue described above, and that the Term Bonds will be exchanged for By-Lot Bonds which have the same payment terms and yields as the current Term Bonds, with the exception that the distributions of redemption payments on the By-Lot Bonds will be made to the Beneficial Holders of the By-Lot Bonds pursuant to DTC's lottery process rather than on a pro rata basis;
- (b) Holders would be given the option to elect to "opt out" of the exchange and keep their Term Bonds as is (the "Retained Bonds");
- (c) If a holder does not affirmatively elect to opt out of the exchange, the Term Bonds owned by such Beneficial Holder will be exchanged for By-Lot Bonds; and
- (d) If a holder opts out of the exchange, such holder will retain its current Term Bonds as Retained Bonds, which will be paid based on their pro rata paydown provisions.

28. The By-Lot Bonds will be issued as new series of bonds with new CUSIP numbers. Each series of By-Lot Bonds will have the same maturity, interest accrual yield and aggregate redemption amounts as the Term Bonds of that Series for which they are being exchanged under the First Supplement to the Indenture.

29. The Debtor will solicit the response of Beneficial Holders of the current Term Bonds to the exchange offer using the exchange procedures set forth below. The Debtor proposes that the exchange offer be communicated in an exchange memorandum, which *inter alia* would:

- (a) explain the reasons for the exchange;
- (b) state that the exchange is being offered in response to a request received by the Debtor from the Majority Holders of the Term Bonds and to more fully effectuate the purposes and intent of the Plan given the incompatibility of the Term Bonds as currently registered with DTC and the secondary market trading systems;
- (c) describe the differences between the By-Lot Bonds and the existing Term Bonds;
- (d) permit a holder to elect to “opt out” of the exchange and keep its bonds as Retained Bonds and continue to receive distributions on a pro-rata basis;
- (e) explain that if no response is received electing to opt out, the Term Bonds will be exchanged for the By-Lot Bonds;
- (f) require, as a condition to the effectiveness of the exchange, the delivery of an opinion of bond counsel, substantially to the effect that the By-Lot Bonds are valid and enforceable obligations of the Debtor under the Indenture and that original issue discount properly allocated to such By-Lot Bonds will be excludable from gross income for federal income tax purposes and that the exchange of the By-Lot Bonds will not adversely affect the exclusion from gross income for federal income tax purposes of original issue discount properly allocated to the Retained Bonds or the Series 2011A Serial Bonds; and
- (g) provide direction for obtaining additional information concerning the Debtor and the exchange.

The exchange memorandum would also be accompanied by the First Supplement and the Trustee’s Bondholder Notice No. 3 (which documents other than the First Supplement (attached as *Exhibit A*) shall be in substantially the form of the documents attached hereto as *Exhibit B*, but with such changes to the documents from time to time as agreed upon and determined necessary or advisable by the Debtor and Trustee to effectuate the intent and purposes of the exchange and

other relief requested herein (including changes required by law, regulatory agencies or DTC), provided that such changes do not materially adversely affect the Bondholders or the Bonds, collectively, the “Exchange Package”).

30. Assuming the relief requested in this Motion is granted after notice and a hearing, the Debtor seeks approval of the following procedures for the disclosure of the exchange offer and exchange of the Term Bonds (the “Exchange Procedures”):

- (a) The Trustee will disseminate a bondholder notice with the Exchange Package through DTC, including notice that holders may opt out of the exchange by causing a filing through DTC's Automated Tender Offer Program (“ATOP”) to retain the current Term Bonds.
- (b) The Trustee will also publish a bondholder notice regarding the exchange via the Electronic Municipal Market Access (“EMMA”) system.¹⁷
- (c) The Debtor will issue a press release in the national editions of *The Bond Buyer* and *USA Today* about the exchange.
- (d) The Exchange Package also will be posted on the Debtor’s website.

31. To the extent that circumstances arise that require a modification of the proposed Exchange Procedures outlined above, the Debtor and Trustee reserve the right to supplement or amend such Exchange Procedures as agreed upon and determined necessary or advisable by the Debtor and Trustee to effectuate the intent and purposes of the exchange and other relief requested herein (including changes required by law, regulatory agencies or DTC), provided that such changes do not materially adversely affect the Bondholders or the Bonds).

32. The following is a schedule of events relating to the exchange process that the Debtor believes is a reasonable schedule to be followed with respect to the proposed exchange:

February 7, 2012		Filing of this Motion
February 14, 2012 (5 business days after filing)		Service by Epiq of this Motion on the notice parties, including all holders

¹⁷ EMMA is a comprehensive, centralized online source for free access to municipal disclosures, market transparency data and educational materials about the municipal securities market.

April 3, 2012		Deadline for filing objections to Motion
April 10, 2012		Hearing on the Motion
_____, 2012 (5 days after entry of an Order on the Motion)		Mailing of Exchange Package to DTC
_____, 2012 (with exchange left open at least 20 business days)		ATOP Deadline to Elect to Retain
_____, 2012		Exchange Date for By-Lot Bonds (effective as of the Effective Date)

33. As noted above, the Exchange Date is anticipated to occur in 2012 because of the necessary steps involved in effectuating the exchange, but the Debtor and Trustee propose that the exchange will be effective *nunc pro tunc* to the Effective Date in further implementation of the Plan. The January 1, 2012 distributions on the Term Bonds were made in accordance with the terms of the Plan and current Indenture and will not be affected by this Motion.

34. With respect to funding, the First Supplement provides that \$583,463.75 of funds in the “Cost of Issuance” Fund established under Section 503 of the Indenture may be used to pay the additional fees and costs incurred by the Debtor and the Trustee in connection with their efforts to resolve the DTC issues and implement the exchange, including the preparation and approval of this Motion and related Order, the First Supplement, the exchange documents, and any other related documents or actions for implementation of the foregoing and the Plan, including DTC’s approval for registration of the Bonds (collectively, the “Costs of Issuance”). The Indenture established the Cost of Issuance Fund from a portion of the reserves and funds held by the Trustee under the original indenture to pay the costs and expenses associated with

implementing the Plan, which should include the exchange contemplated hereby.¹⁸ The First Supplement provides that the date to which the Cost of Issuance Fund will be left open will be changed from the original date of August 22, 2011 to the date that is six months after the date of entry of an Order on this Motion. Section 503 of the Indenture provides that the Trustee thereafter will transfer any remaining amounts in the Cost of Issuance Fund to the Series 2011 Bonds Debt Service Reserve Account.

35. Because of ongoing efforts to resolve the registration issues and pending fees and costs related thereto that are unpaid, the Trustee as of August 22, 2011 reserved and did not transfer the remaining amounts in the Cost of Issuance Fund. By this Motion, the Debtor and the Trustee seek Court approval to extend the date to which the Cost of Issuance Fund will be left open from the original date of August 22, 2011 to a date that is six months after the date of entry of an Order on this Motion, and to specifically approve the payment of the Costs of Issuance as defined above from the Cost of Issuance Fund.

36. The Trustee has requested that the Debtor seek the above relief as to the payment of Costs of Issuance regardless of the effectiveness of the First Supplement or other relief requested herein, *inter alia*, because such Costs of Issuance have been and are being incurred to address the DTC registration issues in order to fully effectuate and implement the Debtor's Plan. Provided, however, payment of the Costs of Issuance, including any fees, costs or expenses directly or indirectly relating to the solicitation, exchange, registration and distribution of the By-Lot Bonds, will be limited to the monies in the Costs of Issuance Fund. In addition, no payments in respect of such Costs of Issuance may be made or amounts withdrawn, directly or indirectly, from the Revenue Fund established under the Indenture. The approval of Debtor's Board for the

¹⁸ An additional \$318,984.40 formerly held in a suspense account at U.S. Bank and related to Debtor's prepetition repurchase agreement was deposited by the Trustee in the Cost of Issuance Fund pending consideration of this Motion.

exchange was made contingent on the foregoing provisos. By this Motion, the Debtor and Trustee thus seek Court approval of and authority to pay Costs of Issuance, as described above, upon and after entry of an Order on this Motion.

AUTHORITY FOR RELIEF REQUESTED

37. The Debtor submits that the Court's granting of the relief requested herein, including the approval of the First Supplement amending the Indenture and providing for the By-Lot Bonds, and approval of the Exchange Package and procedures, is necessary to fully consummate and implement the Plan and is proper pursuant to Bankruptcy Code sections 945, 1142(b), 1145, 364(f) and 105(a), as made applicable by sections 103(f) and 901.

38. Pursuant to sections 945 and Article X of the Plan, the Court has sole and exclusive jurisdiction among other things to remedy any Plan inconsistency or defect.¹⁹ Pursuant to section 1142(b), the "court may direct the debtor and any other necessary party to execute or deliver or to join in the execution or delivery of any instrument required to effect a transfer of property dealt with by the confirmed plan, and to perform any other act, ... that is necessary for consummation of the plan." Section 1145 allows, and the Debtor requests approval of the Court for, the exchange of the By-Lot Bonds for the Term Bonds to proceed *nunc pro tunc* to the Effective Date and be deemed along with the original issuance of the Bonds under section 1145 and 364(f) to comply with any otherwise applicable securities law in furtherance of full consummation and implementation of the Plan. The January 1, 2012 distributions on the Term Bonds were made in accordance with the terms of the Plan and current Indenture and will not be affected by this Motion.

¹⁹ Section 945(a) provides: "The court may retain jurisdiction over the case for such period of time as is necessary for the successful implementation of the plan."

39. Based upon the terms of the Plan and Disclosure Statement, the lack of viable alternatives to otherwise achieve acceptable book-entry registration and secondary market liquidity of the current Term Bonds as discussed above, and the support from the Majority Holders for the relief requested herein, the Debtor respectfully submits that the exchange and other proposed relief is necessary and proper pursuant to the authority above to fully consummate and implement the Plan.²⁰

40. By this Motion, the Debtor requests, among other things, that the Court enter an order in the form attached hereto or to be filed with the Court: (i) approving the First Supplement, substantially in the form attached hereto as *Exhibit A*; (ii) approving the other documents comprising the Exchange Package, substantially in the form attached hereto as *Exhibit B*; and (iii) approving disclosure and exchange procedures as described more fully herein, all subject to such changes as may be necessary to effectuate the intent and purposes of the exchange and other relief requested herein.

NOTICE

41. Notice of this Motion via CMECF and/or U.S. Mail has been given to (i) the counsel for the Trustee; (ii) counsel for the Office of Treasurer of the State of South Carolina; (iii) counsel for the SCDOT; (iv) the United States Trustee; (v) any parties who have filed a Notice of Appearance.

42. In addition, so that this Motion is fully and properly disseminated to the holders of the Bonds, the Debtor proposes to distribute this Motion in a manner substantially similar to the process used to send out the Debtor's Plan Solicitation Package to bondholders in voting classes, as follows: It is contemplated that DTC will provide the Debtor and its claim and

²⁰ Neither the Debtor nor the Trustee are aware of any bondholder who opposes the exchange to By-Lot Bonds or other relief proposed by this Motion.

balloting agent, Epiq Bankruptcy Solutions, LLC (“Epiq”), the names of the DTC Participants or any other representatives such as brokers, banks, commercial banks, transfer agents, trust companies, dealers, other agents or nominees, or their mailing agents (collectively, the “Nominees”).²¹ Epiq will distribute the Motion to the Nominees and/or any designated agent that might be identified by any Nominee. The Debtor further proposes that each Nominee be required to forward a copy of the Motion to the Beneficial Holders of the Bonds for whom such Nominee acts. Epiq will also distribute the Motion to all other creditors of Debtor who were entitled to vote on the Plan. The Debtor believes the distribution of the Motion in this manner is a reasonable way to provide notice to the bondholders of the relief being requested by the Debtor in this Motion and provide bondholders with notice of the objection deadline to this Motion as well as the hearing date.

43. A copy of the Motion also will be posted on the EMMA system, as will a Trustee bondholder notice discussing the filing of the Motion. Additionally, the Motion will be posted on Debtor’s website.

[CONTINUED ON NEXT PAGE]

²¹ Due to the DTC registration issue and resulting trading problems, the Debtor believes it reasonable to expect that the Bondholders issued Term Bonds on the Effective Date should be substantially the same to the current holders of Term Bonds.

WHEREFORE, the Debtor respectfully request that the Court enter an order (i) granting the relief requested herein and (ii) granting such other and further relief as is just and proper.

HAYNSWORTH SINKLER BOYD, P.A.

By: /s/Stanley H. McGuffin
Stanley H. McGuffin
District ID No. 2833
William H. Short, Jr.
District ID No. 3831
Lindsey Carlberg Livingston
District ID No. 9518
Post Office Drawer 11889
Columbia, South Carolina 29211
(803) 779.3080 Tel
(803) 765.1243 Fax
smcguffin@hsblawfirm.com
bshort@hsblawfirm.com
llivingston@hsblawfirm.com

February 7, 2012

Attorneys for Debtor Connector 2000 Association, Inc.



100 Wall Street
16th Floor
New York, NY 10005

January 23, 2012

TO:
Holders of Certificates of Bond Insurance Issued by

ACA Financial Guaranty Corporation
Relating to
Connector 2000 Association, Inc Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina)
Bearing Cusips **20786LCS8**

As Custodian for the Policy issued by ACA Financial Guaranty Corporation and the securities issued by order of the Bankruptcy Court in consideration of the claim filed for the former Connector 2000 Association, Inc, Toll Road Revenue Bonds (Southern Connector Project, Greenville South Carolina), (formerly Cusip 20786L AA9), this is to provide information relative to the payment due January 1, 2012 ..We received an aggregate of \$ 28,739.93 from the securities issued by order of the Bankruptcy Court and, as Custodian, sent a Notice of Nonpayment for the deficiency of \$53,816.32 to ACA Financial Guaranty Corporation under their Policy Number S0601-15, which is held by us, as Custodian, for your benefit. We have paid Holders the amount received, \$28,739.83, approximately 34.8125% of the interest due or \$9.13797 per \$1,000. We are forwarding a letter to Holders from ACA Financial Guaranty Corporation and materials identified in that letter.

Please forward this material to beneficial holders.

By U.S. Bank Trust National Association,
As Custodian



ACA Financial Guaranty Corporation
600 Fifth Avenue, 2nd Floor
New York, NY 10020
212 375 2000 Tel
212 375 2100 Fax



www.aca.com

Date: January 4, 2012

TO:

Holders of certificates of Bond Insurance Issued by

ACA Financial Guaranty Corporation
Relating to
Connector 2000 Association, Inc. Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina)
Bearing CUSIP 20786LCS8

U.S. Bank Trust National Association is Custodian (the "Custodian") under the Custody Agreement with ACA Financial Guaranty Corporation dated November 3, 1997 (the "Custody Agreement"). We are in receipt of a Notice of Nonpayment from the Custodian dated January 3, 2012 referring to our secondary market policy S0601-15 (the "Policy"). The Custodian has requested payment pursuant to the Policy of certain interest payments originally due under that certain Master Indenture of Trust and First Supplemental Indenture of Trust, both dated as of February 1, 1998, pursuant to which the Connector 2000 bonds referred to in the Policy (the "Bonds") were issued. As you are aware, the issuer of the Bonds successfully confirmed a Chapter 9 plan (the "Plan"), and emerged from its bankruptcy proceeding on April 1, 2011. Pursuant to the terms of the Plan and by operation of law, the Bonds were exchanged for new obligations of the issuer (the "New Obligations") and were effectively cancelled. As a result, the Bonds are no longer enforceable obligations, and as such, neither is the guaranty obligation originally provided by ACA under the Policy. Please refer to ACA's letter to Holders of Certificates of Bond Insurance dated May 12, 2011, which included a copy of the Policy and other relevant documents including the Custody Agreement. A copy of such letter, with all attachments, is included with this notice for your convenience.

Because the Bonds are no longer effective or enforceable obligations by virtue of the exchange effected under the Plan, and because the original guaranty issued by ACA in connection with the Bonds under the Policy was not extended under the Plan or otherwise to the New Obligations, ACA has no further liability or obligation under its Policy.

ACA Financial Guaranty Corp.



100 Wall Street
16th Floor
New York, NY 10005

January 23, 2012

TO:
Holders of Certificates of Bond Insurance Issued by

ACA Financial Guaranty Corporation
Relating to
Connector 2000 Association, Inc Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina)
Bearing Cusips **20786LCS8**

As Custodian for the Policy issued by ACA Financial Guaranty Corporation and the securities issued by order of the Bankruptcy Court in consideration of the claim filed for the former Connector 2000 Association, Inc, Toll Road Revenue Bonds (Southern Connector Project, Greenville South Carolina), (formerly Cusip 20786L AA9), this is to provide information relative to the payment due January 1, 2012 ..We received an aggregate of \$ 28,739.93 from the securities issued by order of the Bankruptcy Court and, as Custodian, sent a Notice of Nonpayment for the deficiency of \$53,816.32 to ACA Financial Guaranty Corporation under their Policy Number S0601-15, which is held by us, as Custodian, for your benefit. We have paid Holders the amount received, \$28,739.83, approximately 34.8125% of the interest due or \$9.13797 per \$1,000. We are forwarding a letter to Holders from ACA Financial Guaranty Corporation and materials identified in that letter.

Please forward this material to beneficial holders.

By U.S. Bank Trust National Association,
As Custodian



ACA Financial Guaranty Corporation
600 Fifth Avenue, 2nd Floor
New York, NY 10020
212 375 2000 Tel
212 375 2100 Fax



www.aca.com

Date: January 4, 2012

TO:

Holders of certificates of Bond Insurance Issued by

ACA Financial Guaranty Corporation
Relating to
Connector 2000 Association, Inc. Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina)
Bearing CUSIP 20786LCS8

U.S. Bank Trust National Association is Custodian (the “Custodian”) under the Custody Agreement with ACA Financial Guaranty Corporation dated November 3, 1997 (the “Custody Agreement”). We are in receipt of a Notice of Nonpayment from the Custodian dated January 3, 2012 referring to our secondary market policy S0601-15 (the “Policy”). The Custodian has requested payment pursuant to the Policy of certain interest payments originally due under that certain Master Indenture of Trust and First Supplemental Indenture of Trust, both dated as of February 1, 1998, pursuant to which the Connector 2000 bonds referred to in the Policy (the “Bonds”) were issued. As you are aware, the issuer of the Bonds successfully confirmed a Chapter 9 plan (the “Plan”), and emerged from its bankruptcy proceeding on April 1, 2011. Pursuant to the terms of the Plan and by operation of law, the Bonds were exchanged for new obligations of the issuer (the “New Obligations”) and were effectively cancelled. As a result, the Bonds are no longer enforceable obligations, and as such, neither is the guaranty obligation originally provided by ACA under the Policy. Please refer to ACA’s letter to Holders of Certificates of Bond Insurance dated May 12, 2011, which included a copy of the Policy and other relevant documents including the Custody Agreement. A copy of such letter, with all attachments, is included with this notice for your convenience.

Because the Bonds are no longer effective or enforceable obligations by virtue of the exchange effected under the Plan, and because the original guaranty issued by ACA in connection with the Bonds under the Policy was not extended under the Plan or otherwise to the New Obligations, ACA has no further liability or obligation under its Policy.

ACA Financial Guaranty Corp.

ACA Financial Guaranty Corporation
600 Fifth Avenue, 2nd Floor
New York, NY 10020
212 375 2000 Tel
212 375 2100 Fax



www.aca.com

Date: May 12, 2011

TO:

Holders of Certificates of Bond Insurance Issued by

ACA Financial Guaranty Corporation
Relating to
Connector 2000 Association, Inc. Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina)
Bearing CUSIPs
20786LCS8, 20786LCU3, 20786LCV1,
20786LCW9, 20786LCX7 and 20786LCY5

U.S. Bank Trust National Association is Custodian (the "Custodian") under the Custody Agreement with ACA Financial Guaranty Corporation dated November 3, 1997 (the "Custody Agreement") which provided for the issuance of Certificates of Bond Insurance (the "Custody Receipts") bearing the above CUSIP numbers. The Custody Receipts represent Insured Obligations on deposit with the Custodian bearing CUSIPs (the "Underlying CUSIPs") numbers 20786LAA9, AG6, AQ4, AR2, AU5 and AW1, respectively. Capitalized terms not defined in this notice shall have the meanings ascribed to them in the Custody Agreement.

On March 25, 2011, the U.S. Bankruptcy Court in the District of South Carolina (the "Bankruptcy Court") confirmed the First Amended Plan for Adjustment of Debts (the "Plan") of Connector 2000 Association, Inc. (the "Debtor"), which Plan is binding upon and enforceable against all holders of the Senior Bonds (as defined in the Plan). For copies of certain materials filed with the Bankruptcy Court, please go to www.southernconnector.com (see News and Filings -- Bankruptcy Filings).

On April 22, 2011, the Trustee distributed information (the "Exchange Information") to Connector bondholders regarding the exchange of the Senior Bonds for Exchange bonds as described in the Plan ("Exchange Bonds"). Please see Exhibit A for the Exchange Information. In order to locate the CUSIP number and terms of the Exchange Bonds that replaced your particular Insured Obligation held in custody on your behalf pursuant to the Custody Agreement, you need to determine the Underlying CUSIP for your old Senior Bonds using the CUSIP Information in the first paragraph of this letter. For example, if you hold a security with the CUSIP 20786LCS8, the corresponding Underlying CUSIP was 20786LAA9. You then look at the exchange table in the attached Exchange Information to find the terms of the new underlying Exchange Bonds that replaced your Insured Obligations.

In light of the custody arrangement in place in connection with the Policy relating to your Insured Obligation, the Exchange Bonds were delivered to U.S. National Bank as Custodian. A copy of the Custody Agreement is attached as Exhibit B. Copies of the Policies corresponding to old Underlying CUSIPs 20786LAA9, AG6, AQ4, AR2, AU5 and

AW1 are attached hereto as Exhibits C-1 through C-7, including Exhibit A to each which is an integral part of each Policy.

ACA intends to honor Policies, if at all, only in accordance with their specific terms. A determination of the validity and/or enforceability of any particular Policy will be made by ACA at the time a particular claim is made, based on, among other things, the language of the Policy and the facts and circumstances in existence at such time and applicable law. No determination of validity or enforceability of any particular Policy should be inferred herefrom and, in connection therewith or otherwise, ACA reserves all defenses in connection therewith and any and all other claims, rights, remedies, causes of action and defenses of every type and nature whatsoever.

Inquiries to the Custodian may be directed to Patrick Crowley, Vice President, U.S. Bank, 100 Wall Street, New York, NY 10005. Tel: 212-361-2505.

Inquiries to ACA Financial Guaranty Corporation may be directed to Brendan Malone, Assistant General Counsel, ACA Financial Guaranty Corporation, 600 Fifth Ave., 2nd Floor, New York, NY 10020. Tel: 212-375-2109.

ACA Financial Guaranty Corp.



Notice #37

NOTICE OF PLAN CONFIRMATION AND MANDATORY EXCHANGE

**Re: Connector 2000 Association, Inc. Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina),
Series 1998A and Series 1998B**

CUSIP Prefix 20786L

U.S. Bank National Association is as of the date of the Bondholder Notice the trustee (the "Trustee") for the holders of the Connector 2000 Association, Inc. Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 1998A and Series 1998B (the "Bonds"), which were issued under the Master Indenture of Trust dated as of February 1, 1998, as heretofore amended and supplemented (the "Indenture") between Connector 2000 Association, Inc. (the "Association") and the Trustee. Holders and beneficial owners of the Bonds are referred to herein as the "Bondholders". Also outstanding under the Indenture are the Series 1998C bonds (the "Subordinate Bonds").

Capitalized terms used in this notice and not defined herein have the meaning ascribed to such terms in the Indenture.

I. Background

As advised in the Trustee's previous notices, the Indenture provided for the Bonds to be repaid from the revenues generated from the operation of the Greenville Southern Connector toll road (the "Connector"), which the Association operates under a license agreement (the "License Agreement") with the South Carolina Department of Transportation ("SCDOT"). The revenues from the Connector have been (i) less than originally forecast and (ii) insufficient to pay the scheduled debt service on the Bonds. Further detailed background and historical information is: (i) set forth in our earlier notices (with the more recent notices available to be viewed on the Municipal Securities Rulemaking Board website at www.emma.msrb.org), and (ii) located at the Association website at www.southernconnector.com under News and Filings, Official Filings.

We previously notified you that on June 24, 2010, the Association filed its petition for bankruptcy protection as a debtor under Chapter 9 of Title 11 of the United States Code, 11 U.S.C. § 101 et seq. (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of South Carolina (the "Bankruptcy Court"). The bankruptcy is pending as Case Number 10-04467 (the "Bankruptcy Proceeding") and has been assigned to Judge David

Duncan. In our last notice, we informed you that the Association had submitted its plan to restructure its debt (the "Plan") to a vote of its creditors and that if the requisite creditors approvals were received, the Association planned to seek approval of the Bankruptcy Court to implement the Plan.

II. Update

The requisite creditors have voted in favor of adopting the Plan, and the Bankruptcy Court approved the Plan by entering the Order Confirming Debtor's First Amended Plan for Adjustment of Debts Pursuant to Chapter 9 of the Bankruptcy Code (the "Confirmation Order"). The Effective Date of the Plan occurred on April 21, 2011.

As one part of the Plan, the 1998 Bonds that you currently hold will be mandatorily exchanged for restructured bonds (the "2011 Bonds"), as provided in the Plan, with the exchange to occur on April 25, 2011 or as soon thereafter as is practicable.

Attached as Schedule 1 (which is first 6 pages of the attached) is a table (the "Exchange Table") that provides information from which you can determine what amount of 2011 Bonds you will receive. The formula requires that you know the CUSIPs and the maturity value of Bonds you currently hold. After determining that information, please reference the Exchange Table. At the far left of the Exchange Table, locate the CUSIP(s) of the Bonds you currently own. Once you locate that information, go immediately to the right where there are 17 columns. If you currently hold a 1998 Series A or 1998 Series B bond, you will receive 16 new bonds with varying maturities and interest rates in the amounts set forth in columns 1 through 16 immediately to the right of the CUSIP(s) of the Series A or Series B Bonds you currently own. If you currently hold a 1998 Series C bond, you will receive one new bond as set forth in column 17 of the Exchange Table immediately to the right of the Series C Bonds you currently own. Note that the Exchange Table also includes the new CUSIP number for the 2011 Bonds. Those are set forth at the top of each of the 17 columns.

As an example, let's assume you currently hold \$5,000 in maturity value of CUSIP 20786LAJO. If you go immediately to the right, in column 1, there are two numbers. (For purposes of this exercise, please disregard the first number in each of the 17 columns). The second number in that column is 5.661965, which is the principal amount of 2011 Bond CUSIP 20786LCZ2 you will receive for each \$1,000 in maturity value of CUSIP 20786LAJO that you currently hold. In our hypothetical, as you hold \$5,000 in maturity value, that would mean you would multiply 5 (which is \$5000 divided by 1000) times 5.661965 to determine the principal amount of the 2011 Bond CUSIP 20786LCZ2 that you would receive. You would repeat this same process for each other column to the right of the CUSIP of Bonds you hold, and that would produce the total principal value of 2011 Bonds you would receive for the maturity value of that CUSIP of Bonds you currently hold. If you hold Bonds of additional CUSIPs, you would repeat this process for each CUSIP.

Each of the CUSIPs listed at the top of columns 1 through 17 has a separate maturity and interest rate, which is set forth on Schedule 2 hereof. Those 2011 Bonds that are marked as Capital Appreciation Bonds are subject to an annual payment as reflected on Schedule 3 hereof. Those payments are made on a pro rata basis amongst holders of the particular CUSIP.

This exchange represents the final distribution you will receive on the Bonds, and future distributions and payments will be pursuant to the 2011 Bonds and the First Amended and Restated Master Trust Indenture dated April 1, 2011 between the Association and the Trustee (the "Restated Master Trust Indenture").

Note that as part of the exchange of the Bonds for 2011 Bonds, this exchange will take place on the records of the Depository Trust Company and will not require you to take further action to conclude the exchange.

III. Further Communications.

The Trustee anticipates that this will be our last notice regarding the Bankruptcy, and that any future communications will once again be as and when required under the Restated Master Trust Indenture. Hereafter, notices from us regarding the 2011 Bonds will be using the new CUSIPS rather than the CUSIPS used with the Bonds as in our prior notices.

IV. Additional Information.

The Trustee may invest funds held under the Indenture in a mutual fund for which either (a) the Trustee receives a service fee from the fund or fund service provider, or (b) investment or advisory services are provided by the Trustee or an affiliate of the Trustee. As such, the Trustee and its affiliates may receive compensation for the investment advisory, custodial, distribution and other services provided. A prospectus that explains the services and costs, including the rate, formula and method of calculating such compensation, is available by contacting U.S. Bank at (800) 934-6802, option #4, or at the following web address: www.usbank.com/corp_trust/bondholder_contact.html.

Holders should not rely on the Trustee as their sole source of information. We encourage Bondholders to keep themselves informed from other sources of available information. The Trustee may conclude that a specific response to particular inquiries from individual holders is not consistent with equal and full dissemination of information to all holders. The Trustee makes no recommendations and gives no investment advice.

Please direct any questions or comments in writing to Susan Jacobsen, U.S. Bank National Association, Corporate Trust Services, 60 Livingston Avenue, BP-MN-WS1D, St. Paul, Minnesota 55107, phone number (651) 495-3954, fax number (651) 495-8100, or by e-mail to susan.jacobsen2@usbank.com.

U. S. Bank National Association,
as Indenture Trustee

April 22, 2011

#10284479_v10

Connector 2000 Association, Inc.
Distributions of New 2011 Bonds
to Old 1993 Bonds - Via Mandatory Exchange

CURRENT BOND INFORMATION					1 New Bond Cusip 20786L C22		2 New Bond Cusip 20786L DA6		3 New Bond Cusip 20786L DB4	
ISSUE DESCRIPTION	Due	Cusip	Trustee	DTC Principal	TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal	TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal	TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal
SR - Southern Connector PJ - SER A	11/23	20786LAA0	US Bank	19,600,000	142,054	7.247654	234,054	11.912061	234,420	11.960205
SR - Southern Connector PJ - SER A	11/18	20786LAB7	US Bank	44,800,000	325,683	7.256317	635,642	11.956295	636,458	11.974508
Capital Appreciation - SR - SER B	11/10	20786LAE1	US Bank	3,400,000	24,034	7.064824	39,601	11.617353	39,662	11.665295
Capital Appreciation - SR - SER B	11/11	20786LAF8	US Bank	3,900,000	26,119	6.697180	43,038	11.034872	43,102	11.051765
Capital Appreciation - SR - SER B	11/12	20786LAG6	US Bank	4,000,000	31,060	6.333770	51,178	10.444490	51,236	10.460499
Capital Appreciation - SR - SER B	11/13	20786LAH1	US Bank	6,200,000	31,167	6.993854	51,355	8.876962	51,433	9.899902
Capital Appreciation - SR - SER B	11/14	20786LAJ0	US Bank	5,600,000	31,707	5.651965	52,244	8.329288	52,324	9.243572
Capital Appreciation - SR - SER B	11/15	20786LAK7	US Bank	8,000,000	32,060	8.343334	52,826	8.884334	52,907	8.817834
Capital Appreciation - SR - SER B	11/16	20786LAL5	US Bank	6,400,000	32,277	5.043282	53,163	8.309844	53,264	8.322500
Capital Appreciation - SR - SER B	11/17	20786LAJ3	US Bank	8,800,000	41,943	4.766250	69,109	7.853296	69,215	7.865341
Capital Appreciation - SR - SER B	11/18	20786LAN1	US Bank	9,100,000	40,930	4.497403	67,441	7.411099	67,544	7.422419
Capital Appreciation - SR - SER B	11/19	20786LAP0	US Bank	9,400,000	39,550	4.250000	65,825	7.002660	65,925	7.013298
Capital Appreciation - SR - SER B	11/20	20786LAQ4	US Bank	9,600,000	39,645	4.804546	65,324	8.598384	65,424	8.608425
Capital Appreciation - SR - SER B	11/21	20786LAQ2	US Bank	12,300,000	46,528	3.782765	76,665	6.232927	76,782	6.242440
Capital Appreciation - SR - SER B	11/22	20786LAA0	US Bank	12,700,000	45,381	3.573308	74,774	6.887717	74,888	6.896693
Capital Appreciation - SR - SER B	11/23	20786LAI8	US Bank	13,000,000	43,773	3.387157	72,125	5.548077	72,235	5.556539
Capital Appreciation - SR - SER B	11/24	20786LAU5	US Bank	13,600,000	42,931	3.180076	70,737	6.239778	70,845	6.247778
Capital Appreciation - SR - SER B	11/25	20786LAV7	US Bank	18,200,000	48,654	3.003334	80,167	4.948501	80,289	4.950112
Capital Appreciation - SR - SER B	11/26	20786LAW1	US Bank	10,700,000	47,154	2.823593	77,697	4.852510	77,816	4.859581
Capital Appreciation - SR - SER B	11/27	20786LAX0	US Bank	17,100,000	45,587	2.665907	75,115	4.392691	75,228	4.399357
Capital Appreciation - SR - SER B	11/28	20786LAY7	US Bank	17,500,000	44,018	2.517029	72,679	4.143272	72,809	4.153658
Capital Appreciation - SR - SER B	11/29	20786LAZ4	US Bank	20,600,000	48,718	2.376488	80,273	3.919757	80,395	3.921703
Capital Appreciation - SR - SER B	11/30	20786LBA8	US Bank	21,800,000	49,911	2.235286	77,344	3.688661	77,462	3.688661
Capital Appreciation - SR - SER B	11/31	20786LBB0	US Bank	21,600,000	45,577	2.110047	75,097	3.478713	75,211	3.481991
Capital Appreciation - SR - SER B	11/02	20786LBC4	US Bank	22,100,000	44,819	1.991810	72,630	3.281901	72,744	3.286924
Capital Appreciation - SR - SER B	11/03	20786LBD2	US Bank	22,700,000	42,651	1.880221	70,325	3.098018	70,432	3.102732
Capital Appreciation - SR - SER B	11/04	20786LBE0	US Bank	23,300,000	41,354	1.774850	68,139	2.924421	68,243	2.928885
Capital Appreciation - SR - SER B	11/05	20786LBF7	US Bank	23,800,000	39,815	1.675421	65,702	2.760589	65,802	2.764790
Capital Appreciation - SR - SER B	11/06	20786LBG5	US Bank	24,400,000	38,589	1.581517	63,561	2.605902	63,681	2.609878
Capital Appreciation - SR - SER B	11/07	20786LBH3	US Bank	26,000,000	37,323	1.492920	61,497	2.459880	61,611	2.463101
Capital Appreciation - SR - SER B	11/08	20786LBJ9	US Bank	36,300,000	51,157	1.409284	84,231	2.322097	84,420	2.326020
Capital Appreciation - SUB - SER C	11/10	20786LBJ2	US Bank	2,900,000						
Capital Appreciation - SUB - SER C	11/11	20786LBN0	US Bank	3,200,000						
Capital Appreciation - SUB - SER C	11/12	20786LBP5	US Bank	3,900,000						
Capital Appreciation - SUB - SER C	11/13	20786LBQ3	US Bank	4,100,000						
Capital Appreciation - SUB - SER C	11/14	20786LBH1	US Bank	4,200,000						
Capital Appreciation - SUB - SER C	11/15	20786LBS9	US Bank	4,400,000						
Capital Appreciation - SUB - SER C	11/16	20786LBT7	US Bank	4,600,000						
Capital Appreciation - SUB - SER C	11/17	20786LBW4	US Bank	5,800,000						
Capital Appreciation - SUB - SER C	11/18	20786LBV2	US Bank	5,900,000						
Capital Appreciation - SUB - SER C	11/19	20786LBW0	US Bank	5,000,000						
Capital Appreciation - SUB - SER C	11/20	20786LBX8	US Bank	6,000,000						
Capital Appreciation - SUB - SER C	11/21	20786LBY6	US Bank	7,100,000						
Capital Appreciation - SUB - SER C	11/22	20786L0Z3	US Bank	7,300,000						
Capital Appreciation - SUB - SER C	11/23	20786L0A7	US Bank	7,400,000						
Capital Appreciation - SUB - SER C	11/24	20786L0D5	US Bank	7,500,000						
Capital Appreciation - SUB - SER C	11/25	20786L0C3	US Bank	8,780,000						
Capital Appreciation - SUB - SER C	11/26	20786L0D1	US Bank	8,000,000						
Capital Appreciation - SUB - SER C	11/27	20786L0E9	US Bank	9,100,000						
Capital Appreciation - SUB - SER C	11/28	20786L0F6	US Bank	9,300,000						
Capital Appreciation - SUB - SER C	11/29	20786L0G4	US Bank	10,800,000						
Capital Appreciation - SUB - SER C	11/30	20786L0H2	US Bank	10,800,000						
Capital Appreciation - SUB - SER C	11/31	20786L0J8	US Bank	11,000,000						
Capital Appreciation - SUB - SER C	11/32	20786L0K5	US Bank	11,200,000						
Capital Appreciation - SUB - SER C	11/33	20786L0L3	US Bank	11,600,000						
Capital Appreciation - SUB - SER C	11/34	20786L0M1	US Bank	11,700,000						
Capital Appreciation - SUB - SER C	11/35	20786L0N9	US Bank	12,000,000						
Capital Appreciation - SUB - SER C	11/36	20786L0P4	US Bank	12,200,000						
Capital Appreciation - SUB - SER C	11/37	20786L0Q2	US Bank	12,400,000						
Capital Appreciation - SUB - SER C	11/38	20786L0R0	US Bank	17,200,000						
TOTAL DTC NEW BONDS					1,638,319.00		2,929,469.00		2,705,891.00	

Connector 2000 Association, Inc.
 Distributions of New 2011 Bonds
 to Old 1993 Bonds - Via Mandatory Exchange

CURRENT BOND INFORMATION					4 New Bond Cusip 20785L DG2		5 New Bond Cusip 20786L D00		6 New Bond Cusip 20786L DE8	
ISSUE DESCRIPTION	Due	Cusip	Trustee	DTC Principal	TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal	TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal	TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal
SR - Southern Connector PJ - SER A	11/23	20785L A9	US Bank	18,600,000	241,635	12.323215	252,453	12.682255	321,816	16.439380
SR - Southern Connector PJ - SER A	11/28	20785L A97	US Bank	44,800,000	552,740	12.337917	577,725	12.695648	735,602	16.428811
Capital Appreciation - SR - SER B	11/10	20785L AE1	US Bank	3,400,000	40,666	12.010412	42,713	12.602648	64,415	18.004412
Capital Appreciation - SR - SER B	11/11	20785L AF8	US Bank	3,000,000	44,410	11.387180	46,417	11.901795	59,134	16.162555
Capital Appreciation - SR - SER B	11/12	20785L AG6	US Bank	4,600,000	52,811	10.777766	55,199	11.265101	70,321	14.351225
Capital Appreciation - SR - SER B	11/13	20785L AH4	US Bank	5,200,000	52,994	10.191151	65,390	10.651924	70,564	13.570000
Capital Appreciation - SR - SER B	11/14	20785L AJ0	US Bank	5,600,000	53,912	9.627143	66,349	10.062322	71,788	12.819928
Capital Appreciation - SR - SER B	11/15	20785L AK7	US Bank	8,000,000	54,512	6.805334	56,076	6.950008	72,586	12.097007
Capital Appreciation - SR - SER B	11/16	20785L AL5	US Bank	6,400,000	64,880	8.576901	57,351	6.902657	73,076	11.418125
Capital Appreciation - SR - SER B	11/17	20785L AM3	US Bank	8,800,000	71,315	8.103978	74,539	6.470341	84,960	10.789910
Capital Appreciation - SR - SER B	11/18	20785L AN1	US Bank	9,100,000	69,694	7.647693	72,740	7.993407	82,668	10.183397
Capital Appreciation - SR - SER B	11/19	20785L AP9	US Bank	9,400,000	67,526	7.226171	70,997	7.525873	80,447	8.622022
Capital Appreciation - SR - SER B	11/20	20785L AQ4	US Bank	9,900,000	67,403	6.808390	70,458	7.110768	89,759	9.056550
Capital Appreciation - SR - SER B	11/21	20785L AR2	US Bank	12,300,000	78,112	6.431020	82,088	6.728002	105,342	8.664391
Capital Appreciation - SR - SER B	11/22	20785L AS0	US Bank	12,700,000	77,161	6.078570	80,849	6.556315	102,744	8.090978
Capital Appreciation - SR - SER B	11/23	20785L AT8	US Bank	13,000,000	74,427	6.776164	77,792	6.984006	99,104	7.623385
Capital Appreciation - SR - SER B	11/24	20785L AU5	US Bank	13,500,000	72,895	5.407038	76,294	5.651408	97,198	7.199704
Capital Appreciation - SR - SER B	11/25	20785L AV3	US Bank	16,200,000	82,728	5.106544	85,466	5.337408	110,151	6.739630
Capital Appreciation - SR - SER B	11/26	20785L AW1	US Bank	16,700,000	88,177	4.801018	83,601	5.016024	106,760	6.392161
Capital Appreciation - SR - SER B	11/27	20785L AX9	US Bank	17,100,000	77,513	4.532924	81,016	4.737774	103,212	6.035789
Capital Appreciation - SR - SER B	11/28	20785L AY7	US Bank	17,500,000	74,896	4.278772	78,281	4.473200	99,727	6.093666
Capital Appreciation - SR - SER B	11/29	20785L AZ4	US Bank	20,500,000	82,835	4.040732	85,979	4.223166	119,299	6.350140
Capital Appreciation - SR - SER B	11/30	20785L BA8	US Bank	21,000,000	79,813	3.800620	83,421	3.972429	108,275	5.060716
Capital Appreciation - SR - SER B	11/31	20785L BB6	US Bank	21,600,000	77,494	3.587696	80,997	3.749302	103,197	4.777170
Capital Appreciation - SR - SER B	11/32	20785L BC4	US Bank	22,100,000	74,645	3.386652	78,238	3.530720	99,660	4.603503
Capital Appreciation - SR - SER B	11/33	20785L BD2	US Bank	22,700,000	72,570	3.199917	76,850	3.341410	96,531	4.266873
Capital Appreciation - SR - SER B	11/34	20785L BE0	US Bank	23,300,000	70,316	3.017812	73,493	3.154207	93,627	4.018527
Capital Appreciation - SR - SER B	11/35	20785L BF7	US Bank	23,800,000	67,799	2.848658	70,864	2.977479	90,278	3.793184
Capital Appreciation - SR - SER B	11/36	20785L BG5	US Bank	24,400,000	65,014	2.689095	68,550	2.810656	87,358	3.580558
Capital Appreciation - SR - SER B	11/37	20785L BH3	US Bank	25,000,000	63,401	2.538440	68,379	2.653106	84,501	3.320510
Capital Appreciation - SR - SER B	11/38	20785L BJ9	US Bank	38,300,000	66,582	2.390189	80,914	2.604518	115,821	3.160662
Capital Appreciation - SUB - SER C	11/10	20786L BM2	US Bank	2,900,000						
Capital Appreciation - SUB - SER C	11/11	20786L BN0	US Bank	3,200,000						
Capital Appreciation - SUB - SER C	11/12	20786L BP5	US Bank	3,600,000						
Capital Appreciation - SUB - SER C	11/13	20786L BQ3	US Bank	4,100,000						
Capital Appreciation - SUB - SER C	11/14	20786L BR1	US Bank	4,200,000						
Capital Appreciation - SUB - SER C	11/15	20786L BS9	US Bank	4,400,000						
Capital Appreciation - SUB - SER C	11/16	20786L BT7	US Bank	4,600,000						
Capital Appreciation - SUB - SER C	11/17	20786L BU4	US Bank	6,000,000						
Capital Appreciation - SUB - SER C	11/18	20786L BV2	US Bank	6,800,000						
Capital Appreciation - SUB - SER C	11/19	20786L BV0	US Bank	6,800,000						
Capital Appreciation - SUB - SER C	11/20	20786L BW0	US Bank	6,000,000						
Capital Appreciation - SUB - SER C	11/21	20786L BY8	US Bank	7,100,000						
Capital Appreciation - SUB - SER C	11/22	20786L BZ3	US Bank	7,300,000						
Capital Appreciation - SUB - SER C	11/23	20786L CA7	US Bank	7,400,000						
Capital Appreciation - SUB - SER C	11/24	20786L CB5	US Bank	7,500,000						
Capital Appreciation - SUB - SER C	11/25	20786L CC3	US Bank	8,700,000						
Capital Appreciation - SUB - SER C	11/26	20786L CD1	US Bank	8,000,000						
Capital Appreciation - SUB - SER C	11/27	20786L CE9	US Bank	9,100,000						
Capital Appreciation - SUB - SER C	11/28	20786L CF6	US Bank	8,300,000						
Capital Appreciation - SUB - SER C	11/29	20786L CG4	US Bank	10,500,000						
Capital Appreciation - SUB - SER C	11/30	20786L CH2	US Bank	10,600,000						
Capital Appreciation - SUB - SER C	11/31	20786L CI8	US Bank	11,099,000						
Capital Appreciation - SUB - SER C	11/32	20786L CK5	US Bank	11,299,000						
Capital Appreciation - SUB - SER C	11/33	20786L CL3	US Bank	11,699,000						
Capital Appreciation - SUB - SER C	11/34	20786L CM1	US Bank	11,700,000						
Capital Appreciation - SUB - SER C	11/35	20786L CN9	US Bank	12,500,000						
Capital Appreciation - SUB - SER C	11/36	20786L CP4	US Bank	12,200,000						
Capital Appreciation - SUB - SER C	11/37	20786L CQ2	US Bank	12,400,000						
Capital Appreciation - SUB - SER C	11/38	20786L CR0	US Bank	17,200,000						
TOTAL DTC NEW BONDS					2,786,639.00		2,911,657.00		3,709,228.00	

Connector 2000 Association, Inc
Distributions of New 2011 Bonds
to Old 1998 Bonds - Via Mandatory Exchange

CURRENT BOND INFORMATION					7 New Bond Cusip 20788L DF5		8 New Bond Cusip 20786L DQ3		9 New Bond Cusip 20786L DH1	
ISSUE DESCRIPTION	Due	Cusip	Trustee	DTG Principal	TOTAL DTG New Bond	Bond Amt per \$1,000 of Principal	TOTAL DTG New Bond	Bond Amt per \$1,000 of Principal	TOTAL DTG New Bond	Bond Amt per \$1,000 of Principal
GR - Southern Connector PJ - SER A	1/1/23	20788LAA9	US Bank	10,600,000	327,921	10.725592	332,133	10.945592	341,615	12.428337
GR - Southern Connector PJ - SER A	1/1/36	20786LAB7	US Bank	44,800,000	750,201	16.745559	760,068	16.656504	781,768	17.450179
Capital Appreciation - SR - SER B	1/1/10	20786LAE1	US Bank	3,400,000	55,484	16.312942	68,194	16.227648	87,793	10.999412
Capital Appreciation - SR - SER B	1/1/11	20786LAF8	US Bank	3,600,000	60,276	16.455120	61,060	16.658462	62,811	16.105385
Capital Appreciation - SR - SFR B	1/1/12	20786LAG5	US Bank	4,800,000	71,678	14.628164	72,620	14.820409	74,891	15.243074
Capital Appreciation - SR - SER B	1/1/13	20786LAH4	US Bank	6,200,000	71,926	13.631924	72,872	14.015847	74,832	14.413941
Capital Appreciation - SR - SER B	1/1/14	20786LAJ0	US Bank	6,800,000	73,171	13.062650	74,134	13.232215	76,250	13.616072
Capital Appreciation - SR - SER B	1/1/16	20786LAK7	US Bank	6,000,000	73,936	12.331000	74,958	12.493167	77,099	12.849994
Capital Appreciation - SR - SER B	1/1/16	20786LAL6	US Bank	6,400,000	74,485	11.638282	75,465	11.791407	77,628	12.128125
Capital Appreciation - SR - SER B	1/1/17	20786LAM3	US Bank	8,800,000	96,792	10.899091	98,095	11.143750	100,805	11.461932
Capital Appreciation - SR - SER B	1/1/19	20786LAN1	US Bank	0,100,000	91,450	10.397981	95,638	10.516264	98,430	10.816494
Capital Appreciation - SR - SER B	1/1/19	20786LAP6	US Bank	9,400,000	92,192	9.807660	93,495	9.936703	96,072	10.220420
Capital Appreciation - SR - SER B	1/1/20	20786LAQ4	US Bank	9,900,000	91,491	9.241516	92,694	9.363031	95,341	9.630405
Capital Appreciation - SR - SER B	1/1/21	20786LAR2	US Bank	12,300,000	107,374	8.728994	108,787	8.844472	111,893	9.096992
Capital Appreciation - SR - SER B	1/1/22	20786LAS0	US Bank	12,700,000	104,720	8.248142	106,103	8.358567	109,132	8.592071
Capital Appreciation - SR - SER B	1/1/23	20786LAT8	US Bank	13,000,000	101,016	7.770462	102,344	7.872010	105,266	8.037385
Capital Appreciation - SR - SER B	1/1/24	20786LAU5	US Bank	13,600,000	99,872	7.338667	100,376	7.435166	103,240	7.647403
Capital Appreciation - SR - SER B	1/1/25	20786LAV3	US Bank	16,200,000	112,270	6.939803	113,766	7.021978	117,094	7.222470
Capital Appreciation - SR - SER B	1/1/26	20786LAW1	US Bank	16,700,000	108,819	6.616108	110,250	6.661707	113,393	6.790300
Capital Appreciation - SR - SER B	1/1/27	20786LAX9	US Bank	17,100,000	105,203	6.192223	108,587	6.233158	109,839	6.411112
Capital Appreciation - SR - SER B	1/1/28	20786LAY7	US Bank	17,600,000	101,851	6.888620	102,688	6.885029	105,829	6.958056
Capital Appreciation - SR - SER B	1/1/29	20786LAZ4	US Bank	20,800,000	112,427	6.484214	113,000	6.550381	117,158	5.715025
Capital Appreciation - SR - SER B	1/1/30	20786LBA3	US Bank	21,000,000	108,328	6.198381	109,751	6.226239	112,884	6.375429
Capital Appreciation - SR - SER B	1/1/31	20786LBB6	US Bank	21,600,000	105,178	4.869352	106,561	4.833380	109,601	6.074260
Capital Appreciation - SR - SER B	1/1/32	20786LBC4	US Bank	22,100,000	101,583	4.696916	102,919	4.656969	105,857	4.789910
Capital Appreciation - SR - SER B	1/1/33	20786LBD2	US Bank	22,700,000	98,495	4.338887	98,790	4.396034	102,639	4.621542
Capital Appreciation - SR - SER B	1/1/34	20786LBE0	US Bank	23,300,000	95,434	4.065880	96,689	4.140743	99,449	4.268188
Capital Appreciation - SR - SER B	1/1/35	20786LBF7	US Bank	23,800,000	92,020	3.866387	93,230	3.917227	95,892	4.029076
Capital Appreciation - SR - SER B	1/1/36	20786LBG5	US Bank	24,400,000	89,054	3.649765	90,225	3.697746	92,861	3.803320
Capital Appreciation - SR - SER B	1/1/37	20786LBH3	US Bank	25,000,000	85,131	3.445240	87,294	3.485050	89,765	3.590200
Capital Appreciation - SR - SER B	1/1/38	20786LBJ9	US Bank	36,300,000	110,655	3.252204	110,608	3.294887	123,023	3.389064
Capital Appreciation - SUB - SER C	1/1/10	20786LBM2	US Bank	2,900,000						
Capital Appreciation - SUB - SER C	1/1/11	20786LBN0	US Bank	3,200,000						
Capital Appreciation - SUB - SER C	1/1/12	20786LBP5	US Bank	3,900,000						
Capital Appreciation - SUB - SER C	1/1/13	20786LBQ3	US Bank	4,100,000						
Capital Appreciation - SUB - SER C	1/1/14	20786LBR1	US Bank	4,200,000						
Capital Appreciation - SUB - SER C	1/1/16	20786LBS9	US Bank	4,400,000						
Capital Appreciation - SUB - SER C	1/1/16	20786LBT7	US Bank	4,600,000						
Capital Appreciation - SUB - SER C	1/1/17	20786LBU4	US Bank	6,600,000						
Capital Appreciation - SUB - SER C	1/1/18	20786LBV2	US Bank	6,800,000						
Capital Appreciation - SUB - SER C	1/1/19	20786LBW0	US Bank	6,900,000						
Capital Appreciation - SUB - SER C	1/1/20	20786LBX8	US Bank	6,800,000						
Capital Appreciation - SUB - SER C	1/1/21	20786LBY6	US Bank	7,100,000						
Capital Appreciation - SUB - SER C	1/1/22	20786LBZ3	US Bank	7,300,000						
Capital Appreciation - SUB - SER C	1/1/23	20786LCA7	US Bank	7,400,000						
Capital Appreciation - SUB - SER C	1/1/24	20786LCB5	US Bank	7,500,000						
Capital Appreciation - SUB - SER C	1/1/25	20786LCC3	US Bank	8,700,000						
Capital Appreciation - SUB - SER C	1/1/26	20786LCD1	US Bank	6,000,000						
Capital Appreciation - SUB - SER C	1/1/27	20786LCE9	US Bank	9,100,000						
Capital Appreciation - SUB - SER C	1/1/28	20786LCF6	US Bank	6,300,000						
Capital Appreciation - SUB - SER C	1/1/29	20786LCG4	US Bank	10,600,000						
Capital Appreciation - SUB - SER C	1/1/30	20786LCH2	US Bank	10,800,000						
Capital Appreciation - SUB - SER C	1/1/31	20786LCJ8	US Bank	11,000,000						
Capital Appreciation - SUB - SER C	1/1/32	20786LCK5	US Bank	11,200,000						
Capital Appreciation - SUB - SER C	1/1/33	20786LCL3	US Bank	11,600,000						
Capital Appreciation - SUB - SER C	1/1/34	20786LCM1	US Bank	11,700,000						
Capital Appreciation - SUB - SER C	1/1/35	20786LCN9	US Bank	12,000,000						
Capital Appreciation - SUB - SER C	1/1/36	20786LCP4	US Bank	12,200,000						
Capital Appreciation - SUB - SER C	1/1/37	20786LCQ2	US Bank	12,400,000						
Capital Appreciation - SUB - SER C	1/1/38	20786LCR0	US Bank	17,200,000						
TOTAL DTG NEW BONDS					3,780,761.00		3,830,608.00		3,919,869.00	

Connecticut 2000 Association, Inc.
Distributions of New 2018 Bonds
to Old 1998 Bonds - Via Mandatory Exchange

CURRENT BOND INFORMATION					10 New Bond Custp 20786L DJ1		11 New Bond Custp 20786L DX1		12 New Bond Custp 20786L DX2	
ISSUE DESCRIPTION	Due	Custp	Trustee	DTG Principal	TOTAL DTG New Bond	Bond Amt per \$1,000 of Principal	TOTAL DTG New Bond	Bond Amt per \$1,000 of Principal	TOTAL DTG New Bond	Bond Amt per \$1,000 of Principal
SR - Southern Connector PJ - SER A	11/23	20786LAA9	US Bank	19,600,000	374,442	19.104184	373,556	19.058990	3,572,019	179.694867
SR - Southern Connector PJ - SER A	11/23	20786LAB7	US Bank	44,800,000	850,891	19.127037	854,862	19.081742	8,059,952	179.899643
Capital Appreciation - SR - SER B	11/10	20786LAE1	US Bank	3,400,000	63,352	18.632942	63,292	18.598824	595,893	175.262648
Capital Appreciation - SR - SER B	11/11	20786LAF8	US Bank	3,900,000	68,847	17.653977	69,684	17.611283	647,678	166.045842
Capital Appreciation - SR - SER D	11/12	20786LAG6	US Bank	4,900,000	81,971	16.708369	81,678	16.668930	770,035	157.350205
Capital Appreciation - SR - SER B	11/13	20786LAJ1	US Bank	5,200,000	82,155	16.799039	81,950	16.761619	772,750	148.603770
Capital Appreciation - SR - SER B	11/14	20786LAK0	US Bank	5,600,000	83,577	14.924465	83,378	14.889188	788,130	140.300558
Capital Appreciation - SR - SER B	11/15	20786LAK7	US Bank	8,000,000	84,508	14.064687	84,308	14.051534	784,688	132.481534
Capital Appreciation - SR - SER B	11/16	20786LAL5	US Bank	6,400,000	85,079	13.283594	84,877	13.262032	800,252	125.039375
Capital Appreciation - SR - SER B	11/17	20786LAJ3	US Bank	8,400,000	110,657	12.663296	110,299	12.53637	1,039,907	118.171298
Capital Appreciation - SR - SER B	11/18	20786LAN1	US Bank	9,100,000	107,889	11.655935	107,633	11.627603	1,014,808	111.671443
Capital Appreciation - SR - SER B	11/19	20786LAP6	US Bank	4,400,000	105,304	11.202554	105,054	11.155556	990,489	105.371171
Capital Appreciation - SR - SER B	11/20	20786LAQ4	US Bank	8,900,000	104,602	10.555758	104,255	10.530609	987,051	99.287805
Capital Appreciation - SR - SER B	11/21	20786LAR2	US Bank	12,300,000	122,845	9.971135	122,354	9.947480	1,153,601	93.788700
Capital Appreciation - SR - SER D	11/22	20786LAD0	US Bank	12,700,000	119,619	9.418818	119,336	9.386538	1,125,143	88.893938
Capital Appreciation - SR - SER B	11/23	20786LAT8	US Bank	13,000,000	115,392	8.875598	115,109	8.845439	1,085,286	83.483339
Capital Appreciation - SR - SER B	11/24	20786LAU5	US Bank	13,600,000	113,181	8.382297	112,893	8.352445	1,064,398	78.444797
Capital Appreciation - SR - SER B	11/25	20786LAV3	US Bank	10,200,000	128,247	7.916482	127,943	7.897717	1,206,297	74.482778
Capital Appreciation - SR - SER D	11/26	20786LAW1	US Bank	16,700,000	124,285	7.442815	124,001	7.425210	1,169,123	70.003465
Capital Appreciation - SR - SER D	11/27	20786LAX0	US Bank	11,100,000	120,164	7.027135	119,880	7.010527	1,130,271	66.097729
Capital Appreciation - SR - SER B	11/28	20786LAY7	US Bank	17,600,000	116,108	6.634743	115,833	6.618029	1,092,112	62.406100
Capital Appreciation - SR - SER B	11/29	20786LAZ4	US Bank	20,500,000	128,416	6.284196	128,112	6.249365	1,207,885	68.801220
Capital Appreciation - SR - SER B	11/30	20786LAB8	US Bank	21,000,000	123,731	5.891953	123,438	5.878009	1,183,822	65.426096
Capital Appreciation - SR - SER B	11/31	20786LBC8	US Bank	21,800,000	120,136	5.504852	119,851	5.490558	1,130,002	52.344988
Capital Appreciation - SR - SER B	11/32	20786LBC4	US Bank	22,100,000	116,030	5.250227	115,765	5.237783	1,091,380	49.385711
Capital Appreciation - SR - SER B	11/33	20786LBD2	US Bank	22,700,000	112,692	4.959036	112,396	4.944316	1,068,200	48.615441
Capital Appreciation - SR - SER B	11/34	20786LBE0	US Bank	23,300,000	109,006	4.678370	108,748	4.664297	1,025,312	44.604687
Capital Appreciation - SR - SER B	11/35	20786LBF7	US Bank	23,800,000	105,168	4.416219	104,857	4.405757	988,633	41.839282
Capital Appreciation - SR - SER B	11/36	20786LUG5	US Bank	24,400,000	101,718	4.188771	101,478	4.180335	956,767	39.211763
Capital Appreciation - SR - SER B	11/37	20786LHH3	US Bank	25,000,000	98,350	3.935200	98,147	3.925880	925,369	37.014768
Capital Appreciation - SR - SER B	11/38	20786LBJ9	US Bank	30,300,000	154,844	3.714711	154,525	3.705923	1,268,352	34.948827
Capital Appreciation - SUB - SER C	11/10	20786LBM2	US Bank	2,900,000						
Capital Appreciation - SUB - SER C	11/11	20786LBN0	US Bank	3,200,000						
Capital Appreciation - SUB - SER C	11/12	20786LBP5	US Bank	3,900,000						
Capital Appreciation - SUB - SER C	11/13	20786LBQ3	US Bank	4,100,000						
Capital Appreciation - SUB - SER C	11/14	20786LBR1	US Bank	4,200,000						
Capital Appreciation - SUB - SER C	11/15	20786LBS9	US Bank	4,400,000						
Capital Appreciation - SUB - SER C	11/16	20786LBT7	US Bank	4,600,000						
Capital Appreciation - SUB - SER C	11/17	20786LBU4	US Bank	5,000,000						
Capital Appreciation - SUB - SER C	11/18	20786LBV2	US Bank	5,800,000						
Capital Appreciation - SUB - SER C	11/19	20786LBW0	US Bank	5,900,000						
Capital Appreciation - SUB - SER C	11/20	20786LBX8	US Bank	6,000,000						
Capital Appreciation - SUB - SER C	11/21	20786LBY6	US Bank	7,100,000						
Capital Appreciation - SUB - SER C	11/22	20786LBZ3	US Bank	7,300,000						
Capital Appreciation - SUB - SER C	11/23	20786LCA7	US Bank	7,400,000						
Capital Appreciation - SUB - SER C	11/24	20786LCB5	US Bank	7,600,000						
Capital Appreciation - SUB - SER C	11/25	20786LCC3	US Bank	8,700,000						
Capital Appreciation - SUB - SER C	11/28	20786LCD1	US Bank	9,000,000						
Capital Appreciation - SUB - SER C	11/27	20786LCE9	US Bank	9,100,000						
Capital Appreciation - SUB - SER C	11/28	20786LCF8	US Bank	9,300,000						
Capital Appreciation - SUB - SER C	11/29	20786LCG4	US Bank	10,500,000						
Capital Appreciation - SUB - SER C	11/30	20786LCH2	US Bank	10,800,000						
Capital Appreciation - SUB - SER C	11/31	20786LCK8	US Bank	11,000,000						
Capital Appreciation - SUB - SER C	11/32	20786LCL5	US Bank	11,200,000						
Capital Appreciation - SUB - SER C	11/33	20786LCL3	US Bank	11,900,000						
Capital Appreciation - SUB - SER C	11/34	20786LCM1	US Bank	11,700,000						
Capital Appreciation - SUB - SER C	11/35	20786LCN9	US Bank	12,000,000						
Capital Appreciation - SUB - SER C	11/36	20786LCP4	US Bank	12,200,000						
Capital Appreciation - SUB - SER C	11/37	20786LCD2	US Bank	12,400,000						
Capital Appreciation - SUB - SER C	11/38	20786LCR0	US Bank	17,200,000						
TOTAL DTG NEW BONDS					4,318,464.00		4,308,240.00		48,618,843.00	

Connector 2000 Association, Inc.
Distributions of New 2011 Bonds
to Old 1998 Bonds - Via Mandatory Exchange

CURRENT BOND INFORMATION					13 New Bond Custp 20786L DM0		14 New Bond Custp 20786L DN8		15 New Bond Custp 20786L DP3	
ISSUE DESCRIPTION	Due	Custp	Trustee	DTG Principal	TOTAL DTG New Bond	Bond Amt per \$1,000 of Principal	TOTAL DTG New Bond	Bond Amt per \$1,000 of Principal	TOTAL DTG New Bond	Bond Amt per \$1,000 of Principal
SR - Southern Connector PJ - SER A	11/23	20786LAA9	US Bank	19,600,000	2,728,129	139.190256	1,677,279	80.473110	1,216,302	62.056226
SR - Southern Connector PJ - SER A	11/23	20786LAA7	US Bank	44,800,000	5,243,177	139.356630	3,609,519	80.569221	2,783,442	62.130407
Capital Appreciation - SR - SER B	11/10	20786LAE1	US Bank	3,400,000	461,574	135.757059	260,651	76.488530	265,787	60.525555
Capital Appreciation - SR - SER B	11/11	20786LAF9	US Bank	3,800,000	501,609	128.617693	290,007	74.360770	223,636	57.342665
Capital Appreciation - SR - SER B	11/12	20786LAG6	US Bank	4,900,000	596,602	121.735103	344,870	70.381633	265,013	61.274092
Capital Appreciation - SR - SER B	11/13	20786LAH4	US Bank	5,200,000	593,666	115.106847	348,064	66.550776	268,863	61.318003
Capital Appreciation - SR - SER B	11/14	20786LAJ0	US Bank	5,600,000	608,930	108.737500	392,055	62.666965	271,484	48.479286
Capital Appreciation - SR - SER B	11/15	20786LAK7	US Bank	6,000,000	615,714	102.619000	355,078	59.328607	224,508	45.751334
Capital Appreciation - SR - SER B	11/16	20786LAL5	US Bank	6,400,000	618,869	96.854532	358,380	55.966976	228,351	43.181407
Capital Appreciation - SR - SER B	11/17	20786LAM3	US Bank	8,600,000	865,604	91.534546	465,265	62.921003	359,124	40.809540
Capital Appreciation - SR - SER B	11/18	20786LAN1	US Bank	9,100,000	788,061	86.380330	454,464	49.841099	350,455	38.511539
Capital Appreciation - SR - SER B	11/19	20786LAP0	US Bank	9,400,000	767,225	81.619631	443,574	47.188724	342,055	36.389149
Capital Appreciation - SR - SER B	11/20	20786LAQ8	US Bank	9,900,000	761,386	76.900777	440,160	44.404540	338,455	34.288384
Capital Appreciation - SR - SER B	11/21	20786LAR2	US Bank	12,300,000	893,670	72.647668	616,621	42.001703	388,387	32.389187
Capital Appreciation - SR - SER B	11/22	20786LAS0	US Bank	12,700,000	871,527	68.674174	503,877	38.675355	388,659	30.695197
Capital Appreciation - SR - SER B	11/23	20786LAT8	US Bank	13,000,000	840,051	64.685693	486,028	37.386770	374,795	28.830385
Capital Appreciation - SR - SER B	11/24	20786LAU5	US Bank	13,600,000	624,474	61.072149	470,873	35.309112	387,692	27.229297
Capital Appreciation - SR - SER B	11/25	20786LAV3	US Bank	16,200,000	934,389	57.678334	540,221	33.346978	416,666	25.715186
Capital Appreciation - SR - SER B	11/26	20786LAW1	US Bank	16,700,000	905,694	54.227356	523,673	31.351677	493,718	24.176527
Capital Appreciation - SR - SER B	11/27	20786LAX9	US Bank	17,100,000	875,499	51.198772	506,173	29.600761	390,330	22.826316
Capital Appreciation - SR - SER B	11/28	20786LAY7	US Bank	17,500,000	845,947	48.339543	489,095	27.947715	372,192	21.651543
Capital Appreciation - SR - SER B	11/29	20786LAZ4	US Bank	20,500,000	835,619	45.639552	640,932	26.386927	417,134	20.348006
Capital Appreciation - SR - SER B	11/30	20786LAB8	US Bank	21,000,000	901,487	42.927853	521,199	24.818000	401,817	19.138905
Capital Appreciation - SR - SER B	11/31	20786LBB6	US Bank	21,600,000	874,201	40.620732	508,053	23.428380	390,237	18.066528
Capital Appreciation - SR - SER B	11/32	20786LBC4	US Bank	22,100,000	845,374	38.292218	488,757	22.116702	376,900	17.054209
Capital Appreciation - SR - SER B	11/33	20786LBD2	US Bank	22,700,000	819,673	36.108943	473,698	20.876584	365,441	16.098723
Capital Appreciation - SR - SER B	11/34	20786LBE0	US Bank	23,300,000	794,109	34.085784	459,169	19.706826	354,094	15.190759
Capital Appreciation - SR - SER B	11/35	20786LBF7	US Bank	23,800,000	765,768	32.176907	442,743	18.602618	341,417	14.345203
Capital Appreciation - SR - SER D	11/30	20786LBG5	US Bank	24,400,000	741,105	30.373156	428,473	17.560369	330,412	13.541470
Capital Appreciation - SR - SER B	11/37	20786LBH3	US Bank	25,000,000	716,784	28.671360	414,411	16.676418	319,669	12.782760
Capital Appreciation - SR - SER B	11/38	20786LBJ9	US Bank	30,300,000	982,456	27.084904	568,011	15.847666	438,015	12.066521
Capital Appreciation - SUB - SER C	11/10	20786LBM2	US Bank	2,900,000						
Capital Appreciation - SUB - SER C	11/11	20786LBN0	US Bank	3,200,000						
Capital Appreciation - SUB - SER C	11/12	20786LBP6	US Bank	3,800,000						
Capital Appreciation - SUB - SER C	11/13	20786LBQ3	US Bank	4,100,000						
Capital Appreciation - SUB - SER C	11/14	20786LBR1	US Bank	4,200,000						
Capital Appreciation - SUB - SER C	11/15	20786LBS9	US Bank	4,400,000						
Capital Appreciation - SUB - SER C	11/16	20786LBT7	US Bank	4,600,000						
Capital Appreciation - SUB - SER C	11/17	20786LBU4	US Bank	6,000,000						
Capital Appreciation - SUB - SER C	11/18	20786LBV2	US Bank	6,800,000						
Capital Appreciation - SUB - SER C	11/19	20786LBW0	US Bank	6,900,000						
Capital Appreciation - SUB - SER C	11/20	20786LBX8	US Bank	6,000,000						
Capital Appreciation - SUB - SER C	11/21	20786LBY6	US Bank	7,100,000						
Capital Appreciation - SUB - SER C	11/22	20786LBE3	US Bank	7,300,000						
Capital Appreciation - SUB - SER C	11/23	20786LCA7	US Bank	7,400,000						
Capital Appreciation - SUB - SER C	11/24	20786LCB5	US Bank	7,800,000						
Capital Appreciation - SUB - SER C	11/25	20786LCC3	US Bank	8,700,000						
Capital Appreciation - SUB - SER C	11/26	20786LCD1	US Bank	9,600,000						
Capital Appreciation - SUB - SER C	11/27	20786LCE9	US Bank	9,100,000						
Capital Appreciation - SUB - SER C	11/28	20786LCF6	US Bank	9,300,000						
Capital Appreciation - SUB - SER C	11/29	20786LCG4	US Bank	10,560,000						
Capital Appreciation - SUB - SER C	11/30	20786LCH2	US Bank	10,800,000						
Capital Appreciation - SUB - SER C	11/31	20786LCJ0	US Bank	11,000,000						
Capital Appreciation - SUB - SER C	11/32	20786LCK5	US Bank	11,200,000						
Capital Appreciation - SUB - SER C	11/33	20786LCL3	US Bank	11,800,000						
Capital Appreciation - SUB - SER C	11/34	20786LCM1	US Bank	11,700,000						
Capital Appreciation - SUB - SER C	11/35	20786LCN9	US Bank	12,000,000						
Capital Appreciation - SUB - SER C	11/36	20786LCP4	US Bank	12,200,000						
Capital Appreciation - SUB - SER G	11/37	20786LCQ2	US Bank	12,400,000						
Capital Appreciation - SUB - SER C	11/38	20786LCR0	US Bank	17,200,000						
TOTAL DTG NEW BONDS					31,483,871.00		16,190,652.00		14,027,683.00	

Connector 2000 Association, Inc.
 Distributions of New 2011 Bonds
 to Old 1998 Bonds - Via Mandatory Exchange

CURRENT BOND INFORMATION					16 New Bond Custp 20766L DGI		17 New Bond Custp 20766L DR3	
ISSUE DESCRIPTION	Due	Cu-lyp	Trustee	DIG Principal	TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal	TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal
SR - Southern Connector PJ - SER A	11/23	20766LAA9	US Bank	19,600,000	611,082	31.223572		
SR - Southern Connector PJ - SER A	11/23	20766LAB7	US Bank	44,800,000	1,400,488	31.260893		
Capital Appreciation - SR - SER B	11/10	20766LAE1	US Bank	3,400,000	103,542	30.453530		
Capital Appreciation - SR - SER B	11/11	20766LAF8	US Bank	3,900,000	112,522	28.651783		
Capital Appreciation - SR - SER B	11/12	20766LAG6	US Bank	4,900,000	133,809	27.307660		
Capital Appreciation - SR - SER B	11/13	20766LAH4	US Bank	5,200,000	134,272	25.821633		
Capital Appreciation - SR - SER B	11/14	20766LAI9	US Bank	5,600,000	136,697	24.392322		
Capital Appreciation - SR - SER B	11/15	20766LAJ7	US Bank	6,000,000	138,119	23.018834		
Capital Appreciation - SR - SER U	11/16	20766LAL4	US Bank	6,400,000	139,051	21.726719		
Capital Appreciation - SR - SER B	11/17	20766LAL3	US Bank	8,800,000	180,630	20.633296		
Capital Appreciation - SR - SER B	11/18	20766LAN1	US Bank	9,100,000	176,331	19.377053		
Capital Appreciation - SR - SER B	11/19	20766LAP6	US Bank	9,400,000	172,168	18.309149		
Capital Appreciation - SR - SER B	11/20	20766LAQ4	US Bank	9,900,000	170,796	17.252123		
Capital Appreciation - SR - SER B	11/21	20766LAT2	US Bank	12,300,000	200,448	16.286566		
Capital Appreciation - SR - SER D	11/22	20766LAQ9	US Bank	12,700,000	195,504	15.381016		
Capital Appreciation - SR - SER B	11/23	20766LAT8	US Bank	13,000,000	188,578	14.506000		
Capital Appreciation - SR - SER B	11/24	20766LAU5	US Bank	13,500,000	184,819	13.699928		
Capital Appreciation - SR - SER B	11/25	20766LAV3	US Bank	16,200,000	209,605	12.938581		
Capital Appreciation - SR - SER D	11/26	20766LAW1	US Bank	16,700,000	203,146	12.164432		
Capital Appreciation - SR - SER B	11/27	20766LAX9	US Bank	17,100,000	196,335	11.485928		
Capital Appreciation - SR - SER B	11/28	20766LAY7	US Bank	17,600,000	189,784	10.843558		
Capital Appreciation - SR - SER B	11/29	20766LAZ4	US Bank	20,800,000	209,881	10.238998		
Capital Appreciation - SR - SER B	11/30	20766LBA8	US Bank	21,000,000	202,224	9.828710		
Capital Appreciation - SR - SER B	11/31	20766LBB6	US Bank	21,600,000	190,348	9.050185		
Capital Appreciation - SR - SER B	11/32	20766LBC4	US Bank	22,100,000	189,637	8.580860		
Capital Appreciation - SR - SER B	11/33	20766LBD2	US Bank	22,700,000	183,072	8.100895		
Capital Appreciation - SR - SER B	11/34	20766LBE0	US Bank	23,300,000	178,157	7.640224		
Capital Appreciation - SR - SER B	11/35	20766LEF7	US Bank	23,800,000	171,784	7.217816		
Capital Appreciation - SR - SER B	11/36	20766LEG5	US Bank	24,400,000	166,247	6.813402		
Capital Appreciation - SR - SER B	11/37	20766LEH3	US Bank	25,000,000	160,791	6.431840		
Capital Appreciation - SR - SER B	11/38	20766LEJ9	US Bank	36,300,000	220,337	6.071256		
Capital Appreciation - SUB - SER C	11/10	20766LEJ2	US Bank	2,800,000			68874	23.749650
Capital Appreciation - SUB - SER C	11/11	20766LEK0	US Bank	3,200,000			71532	22.353750
Capital Appreciation - SUB - SER C	11/12	20766LEK5	US Bank	3,600,000			82056	21.040000
Capital Appreciation - SUB - SER C	11/13	20766LEL3	US Bank	4,100,000			81134	19.788761
Capital Appreciation - SUB - SER C	11/14	20766LEM1	US Bank	4,200,000			74205	18.620233
Capital Appreciation - SUB - SER C	11/15	20766LEO9	US Bank	4,400,000			77024	17.805455
Capital Appreciation - SUB - SER C	11/16	20766LEP7	US Bank	4,600,000			75755	16.468479
Capital Appreciation - SUB - SER D	11/17	20766LEQ4	US Bank	5,000,000			86652	15.473572
Capital Appreciation - SUB - SER C	11/18	20766LEQ2	US Bank	5,000,000			84414	14.851138
Capital Appreciation - SUB - SER C	11/19	20766LEW0	US Bank	5,900,000			80763	13.689492
Capital Appreciation - SUB - SER C	11/20	20766LEW8	US Bank	6,000,000			77043	12.340580
Capital Appreciation - SUB - SER C	11/21	20766LEW6	US Bank	7,100,000			85726	12.074885
Capital Appreciation - SUB - SER C	11/22	20766LEZ3	US Bank	7,300,000			82880	11.353425
Capital Appreciation - SUB - SER C	11/23	20766LEA7	US Bank	7,400,000			79001	10.878911
Capital Appreciation - SUB - SER C	11/24	20766LEB5	US Bank	7,500,000			75289	10.038534
Capital Appreciation - SUB - SER C	11/25	20766LECC3	US Bank	8,700,000			82122	8.493311
Capital Appreciation - SUB - SER C	11/26	20766LECO1	US Bank	9,000,000			78524	8.038000
Capital Appreciation - SUB - SER C	11/27	20766LECE9	US Bank	9,100,000			79580	8.306184
Capital Appreciation - SUB - SER C	11/28	20766LECF6	US Bank	9,300,000			72615	7.808065
Capital Appreciation - SUB - SER C	11/29	20766LECG4	US Bank	10,500,000			77669	7.339905
Capital Appreciation - SUB - SER C	11/30	20766LECH2	US Bank	10,800,000			74236	6.873704
Capital Appreciation - SUB - SER C	11/31	20766LECI8	US Bank	11,000,000			71064	6.460364
Capital Appreciation - SUB - SER C	11/32	20766LECK5	US Bank	11,200,000			69004	6.071786
Capital Appreciation - SUB - SER C	11/33	20766LECL3	US Bank	11,600,000			65626	5.700609
Capital Appreciation - SUB - SER C	11/34	20766LECM1	US Bank	11,700,000			62762	5.363416
Capital Appreciation - SUB - SER C	11/35	20766LECN0	US Bank	12,000,000			60490	5.040834
Capital Appreciation - SUB - SER C	11/36	20766LECP4	US Bank	12,200,000			57789	4.737823
Capital Appreciation - SUB - SER D	11/37	20766LECO2	US Bank	12,400,000			55214	4.452742
Capital Appreciation - SUB - SER C	11/38	20766LECR0	US Bank	12,200,000			71260	4.184681
TOTAL DTC NEW BONDS					7,058,026.00		2,860,434.50	

Schedule 2

Series 2011A Bonds Debt Service Table

Series 2011A Serial Capital Appreciation Bonds

<u>Maturity Date</u>	<u>Maturity Value</u>	<u>Original Principal</u>		<u>Yield</u>	<u>CUSIP</u>
		<u>Amount</u>	<u>Amount</u>		
1/1/2012	\$1,678,097.39	\$1,638,319.00		3.25%	20786LCZ2
1/1/2013	2,879,118.66	2,699,469.00		3.75%	20786LDA6
1/1/2014	3,011,495.18	2,703,584.00		4.00%	20786LDB4
1/1/2015	3,256,189.14	2,785,639.00		4.25%	20786LDC2
1/1/2016	3,629,576.07	2,911,557.00		4.75%	20786LDD0
1/1/2017	4,910,450.90	3,709,220.00		5.00%	20786LDE8
1/1/2018	5,426,706.20	3,780,781.00		5.50%	20786LDF5
1/1/2019	5,907,830.79	3,830,508.00		5.75%	20786LDG3
1/1/2020	6,425,926.34	3,939,869.00		5.75%	20786LDH1
1/1/2021	7,621,873.04	4,318,464.00		6.00%	20786LDJ7
1/1/2022	8,060,070.80	4,308,240.00		6.00%	20786LDK4
Total:	\$52,807,334.51	\$36,625,650.00			

Term Series 2011A Capital Appreciation Bonds

<u>Maturity Date</u>	<u>Original Principal Amount</u>	<u>Yield</u>	<u>CUSIP</u>
1/1/2032	40,619,653.00	6.50%	20786LDL2
1/1/2042	31,463,671.00	7.00%	20786LDM0
7/22/2051	18,190,852.00	7.50%	20786LDN8
Total:	90,274,176.00		

Series 2011B Bonds Debt Service Table

Term Series 2011B Capital Appreciation Bonds

<u>Maturity Date</u>	<u>Original Principal Amount</u>	<u>Yield</u>	<u>CUSIP</u>
1/1/2032	\$14,027,683.00	8.50%	20786LDP3
7/22/2051	7,058,025.00	9.00%	20786LDQ1
Total:	\$21,085,708.00		

Series 2011C Bonds Debt Service Table

Term Series 2011C Capital Appreciation Bonds

<u>Maturity Date</u>	<u>Original Principal Amount</u>	<u>Yield</u>	<u>CUSIP</u>
7/22/2051	\$2,160,434.00	10.00%	20786LDR9

Schedule 3

Annual Pro Rata Paydown Amount Schedule Series 2011A Term Bonds 6.5% Term Series 2011A CUSIP 20786L DL2 Capital Appreciation Bonds Maturing 1/1/2032		Annual Pro Rata Paydown Amount Schedule Series 2011A Term Bonds 7.0% Term Series 2011A CUSIP 20786L DMO Capital Appreciation Bonds Maturing 1/1/2042		Annual Pro Rata Paydown Amount Schedule Series 2011A Term Bonds 7.5% Term Series 2011A CUSIP 20786L DN8 Capital Appreciation Bonds Maturing 7/22/2051	
Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)
1/1/2023	8,521,446.51	1/1/2033	15,762,511.67	1/1/2043	22,515,040.48
1/1/2024	9,007,351.08	1/1/2034	16,038,108.38	1/1/2044	22,631,846.80
1/1/2025	10,334,438.55	1/1/2035	16,316,502.75	1/1/2045	24,026,718.74
1/1/2026	10,779,134.40	1/1/2036	16,600,451.77	1/1/2046	25,061,488.98
1/1/2027	11,103,067.05	1/1/2037	18,824,831.53	1/1/2047	25,193,942.64
1/1/2028	11,421,188.23	1/1/2038	19,155,274.05	1/1/2048	25,323,205.80
1/1/2029	12,763,078.03	1/1/2039	19,491,627.55	1/1/2049	27,719,960.97
1/1/2030	13,129,333.76	1/1/2040	19,833,067.78	1/1/2050	27,868,089.14
1/1/2031	13,506,659.03	1/1/2041	22,275,943.80	1/1/2051	28,013,263.86
1/1/2032	13,738,464.03	1/1/2042	22,396,362.88	7/22/2051	15,720,022.12

Annual Pro Rata Paydown Amount Schedule Series 2011B Term Bonds 8.5% Term Series 2011B; CUSIP# 20786L DP3 Capital Appreciation Bonds Maturing 1/1/2032				Annual Pro Rata Paydown Amount Schedule Series 2011B Term Bonds 9.0% Term Series 2011B; CUSIP #20786L DQ1 Capital Appreciation Bonds Maturing 7/22/2051			
Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)
1/1/2012	\$387,620.08	1/1/2022	1,861,780.22	1/1/2033	3,640,953.83	1/1/2043	5,200,698.53
1/1/2013	665,042.36	1/1/2023	1,968,352.87	1/1/2034	3,704,613.81	1/1/2044	5,227,682.20
1/1/2014	695,619.99	1/1/2024	2,080,592.98	1/1/2035	3,768,918.26	1/1/2045	5,757,779.35
1/1/2015	752,140.60	1/1/2025	2,387,133.73	1/1/2036	3,834,509.56	1/1/2046	5,788,894.66
1/1/2016	838,388.73	1/1/2026	2,489,851.49	1/1/2037	4,348,309.81	1/1/2047	5,819,500.57
1/1/2017	1,134,256.14	1/1/2027	2,564,679.03	1/1/2038	4,424,641.14	1/1/2048	5,849,363.12
1/1/2018	1,253,504.94	1/1/2028	2,638,158.29	1/1/2039	4,502,338.42	1/1/2049	6,402,972.64
1/1/2019	1,364,639.13	1/1/2029	2,948,118.46	1/1/2040	4,581,199.03	1/1/2050	6,437,201.86
1/1/2020	1,484,313.95	1/1/2030	3,032,719.48	1/1/2041	5,145,483.41	1/1/2051	6,470,730.84
1/1/2021	1,760,561.71	1/1/2031	3,119,876.21	1/1/2042	5,173,299.21	7/22/2051	3,631,129.14
		1/1/2032	3,173,425.57				

Annual Pro Rata Paydown Amount Schedule Series 2011C Term Bonds 10.0% Term Series 2011C Capital Appreciation Bonds Maturing 7/22/2051; CUSIP #20786L DR9							
Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)
1/1/2012	\$47,908.08	1/1/2022	230,110.29	1/1/2032	392,220.05	1/1/2042	639,396.63
1/1/2013	82,196.47	1/1/2023	243,280.78	1/1/2033	450,009.99	1/1/2043	642,785.29
1/1/2014	85,976.41	1/1/2024	257,155.21	1/1/2034	457,878.04	1/1/2044	646,127.45
1/1/2015	92,961.69	1/1/2025	295,040.80	1/1/2035	465,819.39	1/1/2045	711,638.25
1/1/2016	103,622.67	1/1/2026	307,735.93	1/1/2036	473,933.89	1/1/2046	715,489.85
1/1/2017	140,190.50	1/1/2027	316,986.52	1/1/2037	537,433.70	1/1/2047	719,273.84
1/1/2018	154,928.42	1/1/2028	326,066.10	1/1/2038	546,871.96	1/1/2048	722,935.23
1/1/2019	168,665.70	1/1/2029	364,378.19	1/1/2039	556,470.35	1/1/2049	791,337.27
1/1/2020	183,455.32	1/1/2030	374,832.28	1/1/2040	566,221.60	1/1/2050	795,605.13
1/1/2021	217,599.41	1/1/2031	385,605.58	1/1/2041	635,963.51	1/1/2051	799,727.20
						7/22/2051	448,798.45

EXHIBIT B – CUSTODY AGREEMENT

CUSTODY AGREEMENT

Between

**FIRST TRUST OF NEW YORK,
NATIONAL ASSOCIATION**

and

**AMERICAN CAPITAL ACCESS
CORPORATION**

Dated as of November 3, 1997

TABLE OF CONTENTS

PREAMBLE

ARTICLE I

DEFINITIONS

SECTION 1.01. Defined Terms

SECTION 1.02. Generic Terms

ARTICLE II

CERTIFICATE OF BOND INSURANCE OPTION

SECTION 2.01. Creation of Custody Accounts

SECTION 2.02. Requirements for Deposit of Insured Obligations

SECTION 2.03. Certificates of Bond Insurance

SECTION 2.04. Delivery of Certificates of Bond Insurance

SECTION 2.05. Mutilated, Lost, Stolen or Destroyed Certificates of Bond Insurance

SECTION 2.06. Registration and Transfer of Ownership; Exchange; Persons
Treated as Holders

ARTICLE III

POSITION OPTION

SECTION 3.01. Creation of Insured Position

SECTION 3.02. Defaults by Issuers; Rights of Related Owners

ARTICLE IV

ADMINISTRATION OF CUSTODY ACCOUNTS

- SECTION 4.01. Payments of Principal of and Premium and Interest on Insured Obligations
- SECTION 4.02. Redemptions; Notices
- SECTION 4.03. Duties With Respect to Policy
- SECTION 4.04. Defaults by Issuers; Rights of Related Holders
- SECTION 4.05. Transfers of Policies or Insured Obligations by Custodian
- SECTION 4.06. Termination of Custody Accounts and Withdrawal of Insured Obligations
- SECTION 4.07. Insolvency Proceedings
- SECTION 4.08. Other Obligations of the Custodian in Connection With the Certificates and Positions

ARTICLE V

THE CUSTODIAN

- SECTION 5.01. Standard of Liability
- SECTION 5.02. Termination of Agreement
- SECTION 5.03. Resignation of the Custodian
- SECTION 5.04. Appointment of Successor Custodian
- SECTION 5.05. Compensation of the Custodian
- SECTION 5.06. Indemnification of the Custodian

ARTICLE VI
MISCELLANEOUS

- SECTION 6.01. Amendment of Agreement
- SECTION 6.02. Counterparts
- SECTION 6.03. Exclusive Benefit of Parties; Effective Date
- SECTION 6.04. Custodian May Be Holder or Pledgee of Certificates of Bond Insurance
- SECTION 6.05. Invalidity of Provisions
- SECTION 6.06. Notice
- SECTION 6.07. Governing Law
- SECTION 6.08. Assignment

SIGNATURES

ATTACHMENT A - Secondary Market Insurance Policy

ATTACHMENT B - Form of Certificate of Bond Insurance

ATTACHMENT C - Form of Terms Agreement

CUSTODY AGREEMENT

PREAMBLE

THIS CUSTODY AGREEMENT dated as of November 3, 1997, is between First Trust of New York, National Association, a National Banking Association, as custodian ("Custodian") and American Capital Access Corporation, a Maryland corporation, as insurer ("Insurer").

RECITALS

WHEREAS, the Custodian and the Insurer desire to enter into a Custody Agreement in order to provide for the issuance of policies substantially in the form of Exhibit A ("Policy" or "Policies"), attached hereto, that insure scheduled payments of the principal and/or interest on certain previously issued debt obligations; and

WHEREAS, the Insurer and the Custodian desire to provide, when appropriate, custody receipts ("Certificates of Bond Insurance") substantially in the form of Exhibit B, attached hereto; and

WHEREAS, the Insurer and the Custodian desire to establish methods by which the premium payable with respect to the insurance of any series of debt obligations evidenced by Certificates of Bond Insurance or evidenced by book entry positions (collectively the "Positions") may be paid to the Insurer either up-front in aggregate, or on an installment basis; and

WHEREAS, the Insurer desires to clearly instruct the Custodian to obtain certain documentation from the holder of a Certificate of Bond Insurance (the "Holder") or the owner of a book entry position (the "Owner") prior to releasing funds paid under the Policy;

NOW, THEREFORE, the Custodian and the Insurer agree that the following terms and conditions shall govern the custodial relationship created hereby:

ARTICLE I
DEFINITIONS

Section 1.01. Defined Terms.

The terms defined in this Article I shall have the meanings provided herein for all purposes of this Custody Agreement, unless the context clearly requires otherwise, in both singular and plural form as appropriate.

"Authorized Denomination" means, with respect to any Series of Certificates of Bond Insurance or Positions, the denominations of the Obligations to which the Certificates of Bond Insurance or Positions relate.

"Authorized Depository" means DTC or any other securities depository registered under Section 17(a) of the Securities Exchange Act of 1934, as amended.

"Book-Entry Obligations" means Insured Obligations that are eligible for deposit and have been deposited with an Authorized Depository.

"Business Day" means any day of the year when the Custodian, the Insurer and DTC are all open for business. In any case, where the date on which any action is required to be taken hereunder shall not be a Business Day, then such action shall be taken on the next succeeding Business Day with the same effect as if on that day.

"Certificate of Bond Insurance" means an executed custody receipt substantially in the form of the custody receipt attached hereto as Exhibit B.

"Custodian" means the First Trust of New York, National Association or such successor custodian appointed as provided in Section 5.04 of this Custody Agreement.

"Custody Agreement" means the Custody Agreement between the Insurer and the Custodian dated as of November 3, 1997, as amended from time to time.

"Custody Account" means the separate account established and maintained pursuant to Section 2.01 of this Custody Agreement.

"DTC" means the Depository Trust Company.

"Holder" means the owner of a Certificate of Bond Insurance

"Indenture" means, with respect to an issue of Obligations, the trust indenture or other agreement pursuant to which such Obligations were issued, as amended or supplemented from time to time.

"Insolvency Proceeding" means, with respect to any Issuer, (i) any event or proceeding under any present or future federal or state bankruptcy, insolvency or similar law, (ii) the appointment of a conservator or receiver or liquidator or any other similar official of such Issuer or of any substantial part of its property or (iii) such Issuer shall admit in writing its inability to pay its debts generally as they become due.

"Insured Obligations" means Obligations deposited with the Custodian pursuant to this Custody Agreement for which a related Certificate of Bond Insurance has been issued or a related Position created.

"Insurer" means American Capital Access Corporation.

"Issuer" means, with respect to any Obligation, the issuer of the series of Obligations under which such Obligation was issued, any successor thereto under the related Indenture, or, if such Obligations are payable primarily from payments pursuant to a Payment Agreement, the obligor under such Payment Agreement.

"Obligations" means evidences of indebtedness eligible for deposit with the Custodian pursuant to this Custody Agreement.

"Owner" means the owner of a Position.

"Payment Agreement" means, with respect to an issue of Obligations, an agreement pursuant to which payments are required to be made in sufficient amounts to provide for timely payments of principal of, premium, if any, and interest on such Obligations and which has been assigned and pledged as security for the payment of such Obligations.

"Periodic Distribution" means, with respect to an Insured Obligation, a principal or interest payment when due.

"Policy" means a Secondary Market Insurance Policy, substantially in the form of Exhibit A attached hereto.

"Position" means a book-entry position with respect to an Insured Obligation created on behalf of the Owner.

"Preference Claim" means any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on or purchase price for, any related Insured Obligation.

"Premium" means the payment or periodic payments due to the Insurer in consideration of issuing a Secondary Market Insurance Policy.

"Related Holder" means, with respect to any Holder, any other Holder of a Certificate of Bond Insurance of the same Series.

"Related Owner" means, with respect to any Owner, any other Owner of a Position in the related Insured Obligation.

"Series" means a group of Certificates of Bond Insurance or Positions identified as a series in the related Terms Agreement and issued pursuant to this Custody Agreement.

"Tender Option" means, with respect to an issue of Obligations, any right with respect to such Obligations to tender such Obligations for purchase at a specified purchase price pursuant to the terms of the related Indenture.

"Terms Agreement" means an executed agreement substantially in the form of Exhibit C hereto.

Section 1.02. Generic Terms.

All words used herein shall be construed to be of such gender or number, as the circumstances require. The words "herein," "hereby," "hereof," "hereto," "hereinabove," "hereinbelow," and words of similar import, refer to this Custody Agreement as a whole and not to any particular paragraph, clause or other subdivision hereof, unless otherwise specifically noted.

ARTICLE II

CERTIFICATE OF BOND INSURANCE OPTION

Section 2.01. Creation of Custody Accounts.

The Custodian shall establish and maintain a separate account with respect to Certificates of Bond Insurance representing Insured Obligations of the Insurer (a "Custody Account"), into which the Custodian shall deposit the following:

- a) in the case of Insured Obligations that are not eligible for deposit with an Authorized Depository or are eligible for deposit with an Authorized Depository but have not been deposited with an Authorized Depository, the physical securities listed on the Terms Agreement in bearer form or duly endorsed in blank or accompanied by all necessary instruments of assignment and transfer in blank;
- b) in the case of Insured Obligations that are eligible for deposit and have been deposited with an Authorized Depository ("Book-Entry Obligations"), the Insured Obligations credited to the account of the Custodian at DTC or another Authorized Depository;
- c) the related Policy; and
- d) any moneys received in connection with (i) the Insured Obligations or (ii) any demands made under the related Policy.

Upon each delivery to the Custodian for deposit in the Custody Account of Insured Obligations in registered form, or of Insured Obligations in bearer form which by their terms are exchangeable for Insured Obligations in registered form, the Custodian shall, as soon as practicable, present such Insured Obligations to the registrar or transfer agent of the Issuer of such Insured Obligations for registration or registration of transfer, as the case may be, in the name of the Custodian or its nominee or endorsed by the registered owner for transfer to the Custodian or its nominee.

Upon each delivery to the Custodian for deposit in the Custody Account of Insured Obligations in bearer form which are not exchangeable for Insured Obligations in registered form, the Custodian shall hold such Insured Obligations in the Custody Account in the form in which such Insured Obligations were received.

Upon delivery to the Custodian of appropriate notifications and instruments of transfer of Book-Entry Obligations to be held in the Custody Account pursuant to this Custody Agreement, the Custodian shall cause the Authorized Depository holding the Book-Entry Obligations to register the Book-Entry Obligations in the name of the Custodian or its nominee.

The Custodian is authorized and directed to deliver to the registrar or transfer agent for any Insured Obligations any instrument or document necessary to obtain registration or registration of transfer of the Insured Obligations and to obtain payment of principal, premium and interest

thereon. The Custodian is further authorized to sign and file any declaration, affidavits, certificates of ownership or other documents required to service the Custody Account and to present for payment all Insured Obligations or coupons thereon required to be presented as a condition to payment on an interest payment date or at the maturity or earlier date or dates on which the principal of the Insured Obligations shall be due and payable according to their terms. The Custodian shall segregate, by separate recordation upon its trust ledgers or other records, the Insured Obligations and any funds relating thereto, holding such property for the benefit of the related Holders and Owners, as the case may be, and shall not commingle such property with any other assets or property held by the Custodian.

Section 2.02. Requirements for Deposit of Insured Obligations.

Each delivery of Insured Obligations for which a Certificate of Bond Insurance will be issued pursuant to Section 2.03 hereof, to the Custodian for deposit into the Custody Account shall be in an aggregate principal amount of not less than \$100,000 or such lesser amount agreed to by the Custodian in writing pursuant to a request by the Insurer.

Section 2.03. Certificates of Bond Insurance.

The Custodian shall issue Certificates of Bond Insurance in Authorized Denominations from time to time as hereinafter provided, each such Certificate of Bond Insurance to evidence beneficial ownership by the Holder named therein of the Insured Obligations represented thereby and the rights relating to such Certificates of Bond Insurance under this Custody Agreement and the related Policy; provided, however, that no Certificate of Bond Insurance will be issued in a denomination less than the denomination authorized by the related Indenture. Certificates of Bond Insurance of each Series shall be substantially in the form set forth in Exhibit B hereto, and shall be assigned consecutive registration numbers.

Each Certificate of Bond Insurance shall be executed by the Custodian by the manual signature of an authorized officer and no Certificate of Bond Insurance shall be entitled to any benefits under this Custody Agreement, or be valid or obligatory for any purpose, unless so executed by the Custodian. In case any authorized officer whose signature shall appear on any Certificate of Bond Insurance shall cease to be an authorized officer, such signature shall nevertheless be valid and sufficient for all purposes as if such person had remained in office. The Certificate of Bond Insurance shall not evidence any financial obligation of the Custodian except that the Custodian shall be required to apply all payments received in respect of the Insured Obligations deposited hereunder for payment of any Premium due and then to the Certificate of Bond Insurance evidencing ownership of such Insured Obligations as provided in Articles III and IV of this Custody Agreement.

Section 2.04. Delivery of Certificates of Bond Insurance.

The Custodian shall deliver the initial Certificate of Bond Insurance of a Series, as instructed by the Insurer, upon receipt by the Custodian of:

- a) an original, executed and related Policy and related Terms Agreement;

- b) registration of the aggregate principal amount of Obligations specified in the related Terms Agreement in the name of the Custodian (or its nominee) or endorsed by the registered owner thereof for transfer to the Custodian (or its nominee) or in blank; and
- c) a list of the names, addresses and, unless not required to be obtained under applicable laws and regulations, taxpayer identification numbers of the persons in whose names, and the denominations in which, such Certificate of Bond Insurance are to be registered.

The Custodian may accept the form of any of the foregoing delivered to it by the Insurer as being a true and correct copy of such document.

The Certificates of Bond Insurance related to each deposit of Insured Obligations with the Custodian will be delivered by the Custodian in registered form to the Holder or his designee of each such Certificate of Bond Insurance, by mail to such Holder's address as provided to the Custodian. Such delivery shall be made within three Business Days of the receipt of a request for such Certificate of Bond Insurance in accordance with the instructions received by the Custodian. The date of each Certificate of Bond Insurance shall be the original delivery date thereof.

Section 2.05. Mutilated, Lost, Stolen or Destroyed Certificates of Bond Insurance.

In the event a Certificate of Bond Insurance is mutilated, lost, stolen or destroyed, the Custodian shall execute and deliver in lieu thereof a new Certificate of Bond Insurance of the same Series, provided that:

- a) in the case of any mutilated Certificate of Bond Insurance, such mutilated Certificate of Bond Insurance shall be first surrendered to the Custodian; and
- b) in the case of any lost, stolen or destroyed Certificate of Bond Insurance, there shall first be delivered to the Custodian evidence of such loss, theft or destruction satisfactory to the Custodian and the Insurer, together with indemnity satisfactory to each of them, and neither the Insurer nor the Custodian shall have received notice that such Certificate of Bond Insurance has been acquired by a bona fide purchaser.

In the event that any such mutilated, lost, stolen or destroyed Certificate of Bond Insurance evidences one or more Insured Obligations that are about to be redeemed or paid at maturity, the Custodian in its discretion may, if the conditions set forth in clause (a) or (b), as applicable, have been satisfied, instead of issuing a new Certificate of Bond Insurance remit the amount received on behalf of the Holder of such mutilated, lost, stolen or destroyed Certificate of Bond Insurance in connection with such redemption or payment without surrender of the Certificate of Bond Insurance otherwise required by Section 4.01 hereof. Upon the issuance of any new Certificate of Bond Insurance under this Section, the Custodian may require from the Holder thereof the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto.

Section 2.06. Registration and Transfer of Ownership; Exchange; Persons Treated as Holders.

- a) The Custodian shall maintain books on which each Certificate of Bond Insurance executed and delivered under this Custody Agreement and the transfer and exchange of such Certificate of Bond Insurance shall be registered. The Custodian shall maintain on its transfer books for any Series of Certificate of Bond Insurance with respect to each such Certificates of Bond Insurance (i) the name, address and, unless not required to be maintained under applicable laws and regulations, taxpayer identification number of the Holder of such Certificate of Bond Insurance (ii) the registration number of such Certificate of Bond Insurance (iii) the principal amount or amounts of the related Insured Obligation or Obligations and (iv) such other information as the Custodian may deem necessary or appropriate for the performance of its duties hereunder.
- b) Certificates of Bond Insurance may be transferred only on the transfer books of the Custodian. Such transfers and exchanges shall be registered upon any surrender of a Certificate of Bond Insurance by the Holder in person or by duly authorized attorney, properly endorsed in blank and accompanied by proper instruments of transfer in form satisfactory to the Custodian at the corporate trust office of the Custodian in New York, New York. Upon surrender for transfer of any Certificate of Bond Insurance to the Custodian at the above office of the Custodian, the Custodian shall (i) execute and deliver to the transferee or transferees a new Certificate or new Certificates of Bond Insurance, as the case may be, with the same maturity in Authorized Denominations, with an aggregate face amount equal to the portion of the surrendered Certificate of Bond Insurance so transferred, registered in the name or names of such transferee or transferees and (ii) execute and deliver to the Holder of the surrendered Certificate of Bond Insurance a new Certificate or new Certificates of Bond Insurance, as the case may be, of the same Series in Authorized Denominations with a face amount equal to any portion of the surrendered Certificate of Bond Insurance not so transferred. Each Certificate of Bond Insurance issued upon such a transfer shall bear a registration number not assigned previously. The Custodian shall record in its transfer books the respective principal amounts and bond numbers, if available, of the related Insured Obligations evidenced by each Certificate of Bond Insurance issued upon a transfer as provided herein.
- c) Certificates of Bond Insurance may be exchanged for Certificates of Bond Insurance of the same Series having the same aggregate face amount but different denominations upon surrender of such Certificates of Bond Insurance of the same Series at the corporate trust office of the Custodian. Whenever any Certificate of Bond Insurance is so surrendered for exchange, the Custodian shall execute and deliver the Certificate of Bond Insurance, which the Holder making the exchange is entitled to receive, denominated in Authorized Denominations and bearing registration numbers not assigned previously.
- d) The Custodian may require payment by the Holder of Certificate of Bond Insurance of a sum sufficient to cover any tax, governmental fee or other governmental charge that may be imposed in connection with any registration of a transfer or exchange of such Certificate of Bond Insurance, as the case may be, and may require that such taxes, fees or other charges be paid prior to the issuance of a new Certificate of Bond Insurance. The Custodian shall not be

required to issue or register the transfer of any Certificate of Bond Insurance during the period when the trustee under the Indenture would not be required to issue or register the transfer of any related Obligation pursuant to the terms of the related Indenture.

- e) The Insurer and the Custodian may treat the person in whose name a Certificate of Bond Insurance is registered as the absolute owner thereof, for all purposes whatsoever, and shall not be bound or affected by any notice to the contrary, other than an order of a court having jurisdiction over such matters.
- f) Whenever any Certificate of Bond Insurance shall be delivered to the Custodian for transfer, exchange or payment, upon transfer, exchange or payment, the Custodian shall cancel and destroy such Certificate of Bond Insurance in accordance with the Custodian's normal business practices, and shall maintain a record of such cancellation and destruction.

ARTICLE III
POSITION OPTION

Section 3.01. Creation of Insured Position.

- a) Concurrently with the execution and delivery of the appropriate Terms Agreement, the Custodian will, upon receipt of the Insured Obligations and the applicable Policy, confirm that DTC has credited the account of the Custodian in accordance with DTC procedures, which will relate solely to Insured Obligations of a single issue and the related Policy.
- b) At any time, the Owner of a Position may request that the Custodian issue a Certificate of Bond Insurance pursuant to Section 2.03 upon surrender of any document representing an interest in the Position and written instructions to the Custodian.

Section 3.02. Defaults by Issuers; Rights of Related Owners.

- a) The sole obligor with respect to related Insured Obligations will be the Issuer of such Insured Obligations. If an Issuer defaults in the payment of principal of and/or interest on Insured Obligations, each related Owner will have the right, subject to the limitation of Section 4.03 (establishing the Issuer's control of remedies following payment under the related Policy), to proceed directly and individually against the Issuer in whatever manner is deemed to be appropriate by the related Owner, and will not be required to act in concert with the Custodian, a Holder or any other Owner. The Custodian is not authorized hereunder to proceed against any Issuer in the event of a default under the related Indenture and has no fiduciary or other power or obligation hereunder to assert any of the rights and privileges of the related Owners.
- b) The creation of Positions will not in any manner: (i) alter, modify or increase the rights of the Related Owners with respect to the Insured Obligations to which such Position is applicable (provided, that payments of principal and interest on the Insured Obligations and proceeds of the applicable Policies will be paid to the Related Owner as provided herein); (ii) grant to any Owner of a Position of a different Series rights with respect to the Position or Insured Obligation described in clause (i) above; or (iii) grant to such Related Owner rights to any Positions of a different Series or the Insured Obligations to which such other Series of Positions is applicable. The parties hereto understand and agree that each Related Owner will hold title to its respective Insured Obligations to which such other Series of Positions is applicable. The parties hereto understand and agree that each Related Owner will hold title to its respective Insured Obligations (but will have no interest in Insured Obligations or Positions held by any other Related Owner), and that the Custodian will hold Insured Obligations as bailee for the applicable Related Owners.

ARTICLE IV

ADMINISTRATION OF CUSTODY ACCOUNTS

Section 4.01. Payments of Principal of and Premium and Interest on Insured Obligations.

- a) The Custodian shall remit to each Holder of a Certificate of Bond Insurance the following payments:
 - (i) on each interest payment date, an amount equal to the interest then due on the Insured Obligations less any amount retained as Premium in accordance with the related Terms Agreement, whether or not such interest, has then been received by the Custodian from the paying agent for the Insured Obligations; provided, however, the Custodian may make such payment unless it has been advised by the paying agent upon due inquiry or the Custodian has actual knowledge that the paying agent has not been provided with sufficient funds from the issuer of the Insured Obligations for timely payment in full of such amounts; and
 - (ii) on the stated maturity date or earlier date or dates on which principal of the Insured Obligations shall be due and payable according to their terms, an amount equal to the principal (including any premium) then due less any amount retained as Premium in accordance with the related Terms Agreement, to the extent that the Custodian has received such funds from the paying agent of the Insured Obligations.
- b) In lieu of the amounts referred to in subparagraph (a) above, the Custodian shall pay all insurance proceeds received by it under the related Policy in next-day funds or the equivalent no later than the Business Day following the date upon which the Custodian actually receives such insurance proceeds.
- c) Certificates of Bond Insurance must be presented and surrendered to the Custodian before the Custodian will be obligated to provide for payment upon redemption or at maturity.
- d) In connection with a payment of a portion of the principal amount of an Insured Obligation, the Custodian shall issue, in exchange for the Certificate of Bond Insurance surrendered to the Custodian by the Holder, a Certificate of Bond Insurance of the same Series in a face amount equal to the balance of the principal amount of the Insured Obligations evidenced thereby.
- e) Payments of principal of or interest on the Insured Obligations pursuant to this Section shall be made by bank check payable in currency of the United States of America in next-day funds or the equivalent or by such other method requested by a Holder and consented to in writing by the Insurer and the Custodian, provided that payments with respect to Certificate of Bond Insurance on deposit with DTC or other authorized depository will be made in accordance with the procedures of such depository.

- f) Payments of interest (less any related Premium payable) pursuant to this Section shall be mailed by the Custodian to the Holders on each interest payment date. Payments of principal (less any related Premium payable) pursuant to this Section shall be mailed by the Custodian to the Holders no later than the day after receipt of such funds from the paying agent of the Insured Obligations and presentment of the related Certificate of Bond Insurance.
- g) As, when and if the Custodian comes into possession of any moneys then payable as Premium, the Custodian shall promptly transfer, in next-day funds or the equivalent, such moneys to the Insurer.

Section 4.02. Redemptions; Notices.

- a) Upon receipt of any notice of redemption of an Insured Obligation, the Custodian shall promptly transmit a notice by first-class mail to the affected Holder, specifying the numbers of the Certificates of Bond Insurance or Positions to be redeemed (and, in the case of any Certificate of Bond Insurance or Position which is to be redeemed in part, the portion thereof to be redeemed, which shall be a principal amount equal to the minimum Authorized Denomination or a multiple thereof). If less than all the Insured Obligations of a particular Series are to be redeemed, the Custodian shall select by lot, in such manner as it shall deem fair and appropriate, the Certificates of Bond Insurance or Positions to be so redeemed. The Custodian (or its agent) shall present the Insured Obligation so called for redemption on or prior to the date of such redemption to the paying agent on behalf of such Holder or Owner for redemption in accordance with the terms of the related Indenture.

The redemption price received by the Custodian net of any Premium payable shall be paid to any such Holder in accordance with the provisions of Section 4.01 hereof upon surrender of the related Certificate of Bond Insurance at the corporate trust office of the Custodian. The redemption price received by the Custodian net of any Premium payable shall be paid to any such Owner in accordance with the provisions of Section 4.08(e) hereof.

- b) In the event of a redemption in part, the Custodian shall not be required (i) to register the transfer of or exchange Certificate of Bond Insurance for a period of 15 days preceding the selection of Certificate of Bond Insurance for redemption or (ii) to register the transfer of or exchange any Certificate of Bond Insurance, or portion thereof, selected for redemption.

Any Certificate of Bond Insurance which is to be redeemed in part only shall be surrendered at the corporate trust office of the Custodian, and the Custodian shall execute and deliver to the Holder of such Certificate of Bond Insurance, so surrendered, in exchange for the unredeemed portion of the Certificate of Bond Insurance so surrendered, a new Certificate of Bond Insurance in an aggregate principal amount equal to the unredeemed portion of the Certificate of Bond Insurance so surrendered and in any Authorized Denomination or Denominations as shall be requested by such Holder.

- c) Upon receipt of any other notice with respect to Insured Obligations, the Custodian shall promptly transmit such notice by mail to each affected Holder or Owner, as the case may be. In the event such notice requests or requires any action by any such Holder or Owner, the

Custodian shall not take any action on behalf of such Holder or Owner except in accordance with written instructions from such Holder or Owner and upon receipt of reasonable indemnity from such Holder or Owner for resulting costs and liabilities, whether or not any action appears to be in the best interest of such Holder or Owner.

For purposes of paragraphs (a), (b) and (c) of this Section 4.02, the Custodian shall consider the date of the receipt of any such notice as the record date for the purpose of determining the Holders or Owners of record to whom notices shall be transmitted by the Custodian.

Section 4.03. Duties With Respect to Policy.

a) The Custodian is authorized and directed to take such actions as are expressly set forth in each Policy, including demanding payment from the Insurer under such Policy. In the event that an Issuer shall fail to make all or a portion of a Periodic Distribution, the Custodian shall as soon as practicable proceed in accordance with the related Policy to receive payment thereunder as follows:

(i) if the Custodian has received notice from the paying agent or the Issuer of the Insured Obligation by 1:00 p.m., Eastern time, on the interest or principal payment date, that the Issuer shall fail to make such required payment or such payment is not received at such time, the Custodian shall that day make a demand for payment pursuant to the Policy and shall send notice to each affected Holder or Owner on that same day,

(ii) if the Custodian has received notice from the paying agent or the Issuer of the Insured Obligation after 1:00 p.m., Eastern time, on the interest or principal payment date, that the Issuer shall fail to make such required payment or such payment is not received by such time, the Custodian shall by 10:00 a.m., Eastern time, the following Business Day make a demand for payment pursuant to the Policy and shall send notice to each affected Holder or Owner no later than the next Business Day following the scheduled payment date.

b) By acceptance of a Certificate of Bond Insurance Position, each Holder or Owner, as the case may be, designates, appoints, authorizes and directs the Custodian to act as his attorney-in-fact as follows:

(i) if and to the extent a deficiency exists in amounts received by the Custodian from the Issuer or the paying agent which are required to pay interest on the related Insured Obligations, to execute and deliver an appropriate instrument of assignment to the Insurer for each of the claims for interest to which such deficiency relates, contemporaneously with the delivery to the Insurer of the notice demanding payment under the Policy;

(ii) if and to the extent a deficiency exists in amounts received by the Custodian from the Issuer or the paying agent which are required to pay principal of the related Insured Obligations, to execute and deliver an appropriate instrument of assignment to the Insurer of related Insured Obligations the principal amount of which has not previously been paid or for which moneys are not held by the Custodian and available for payment,

contemporaneously with the delivery to the Insurer of the notice demanding payment under the Policy; and

(iii) if and so long as any deficiency exists with respect to the related Insured Obligations, to appoint, without recourse, the Insurer as agent for the Holder or Owner, as the case may be, and the Custodian in any legal proceeding with respect to the related Insured Obligations until any claims resulting from the assignments in (i) or (ii) above shall have been satisfied, such appointment to be made contemporaneously with the delivery of the notice to the Insurer demanding payment under the Policy and to be contingent upon the Insurer's continued performance under the Policy.

If the Custodian delivers to the Insurer any such instrument of assignment with respect to a Periodic Distribution and the Insurer fails to make a payment with respect to such Periodic Distribution pursuant to the related Policy, such instrument of assignment shall be without effect and shall be canceled and returned, on the date such payment is due, by the Insurer to the Custodian. In each case in which the Custodian shall receive, in accordance with the related Policy, payment from the Insurer with respect to the claims so assigned with respect to the related Insured Obligations for interest or principal, whichever is applicable, the Custodian shall only disburse such sums (i) to a Holder in accordance with Section 4.01 hereof, and (ii) to an Owner in accordance with Section 4.08(e) hereof. Payments disbursed by the Custodian from proceeds of the related Policy shall not be considered to satisfy payments required to be made by the related Issuer, and the Insurer shall become the owner of such unpaid related Insured Obligation or Obligations, appurtenant coupon(s), if any, or right to payment of principal or interest on such Insured Obligation or Obligations in accordance with the assignments made to it. Such Insured Obligation or Obligations shall be delivered to the Insurer pursuant to the terms of the related Policy. Irrespective of whether any assignment is executed and delivered, the Custodian and each related Holder or Owner, as the case may be, hereby agree for the benefit of the Insurer that (a) they recognize that, to the extent the Insurer pays the amount of any deficiency with respect to the related Insured Obligations to the Custodian on behalf of the related Holders or Owners, as the case may be, the Insurer will be subrogated to the rights of such Holders or Owners, as the case may be, to receive from the related Issuer the principal and/or interest to which such deficiency relates, and (b) the Custodian will accordingly pay to the Insurer such principal and interest or purchase price as shall be received by it as provided in this Section and the related Insured Obligations, but only from sources and in the manner provided herein for the payment of principal of and interest on the related Insured Obligations, and will otherwise treat the Insurer as the owner of the rights to such principal and interest.

- c) To the extent the Custodian shall hold funds drawn under a Policy, it shall hold such funds for the benefit of the Insurer until the instruments of assignment and appointment executed by the respective Holder or Owner and reasonably satisfactory to the Insurer are presented to the Insurer; provided, however, that the Custodian shall have no obligation to pay interest on such funds to the Insurer or the Holders or Owners. Except with respect to such actions under a Policy and the drawing procedures set forth above, the Custodian shall not take any action with respect to any Policy on behalf of any related Holder or Owner other than in accordance with written instructions from such Holder or Owner and upon receipt of indemnity satisfactory to the Custodian from such Holder or

Owner for resulting costs and liabilities, whether or not such action appears to be in the best interest of such Holder or Owner.

- d) Upon default by the Insurer in the payment of any amounts due under a related Policy each related Holder or Owner as the real party in interest, shall have the right to proceed directly and individually against the Insurer, in whatever manner such Holder or Owner deems to be appropriate. In such event, such Holder or Owner shall not be required to act in concert with other Holders or Owners or with the Custodian. Except as otherwise expressly provided in this Custody Agreement, the Custodian has no obligation to assert the rights and privileges of the Holders or Owners. No provision of this Custody Agreement or any document or instrument delivered in furtherance of the provisions hereof shall provide otherwise.

Section 4.04. Defaults by Issuers; Rights of Related Holders.

- a) The sole obligor with respect to related Insured Obligations will be the Issuer of such Insured Obligations. If an Issuer defaults in the payment of principal of and/or interest on Insured Obligations, each related Holder will have the right, subject to the limitation of the preceding Section 4.03 (establishing the Insurer's control of remedies following payment under the related Policy), to proceed directly and individually against the Issuer in whatever manner is deemed to be appropriate by the related Holder, and will not be required to act in concert with the Custodian, an Owner or any other Holder. The Custodian is not authorized hereunder to proceed against any Issuer in the event of a default under the related Indenture and has no fiduciary or other power or obligation hereunder to assert any of the rights and privileges of the related Holders.
- b) The issuance of an Certificate of Bond Insurance shall not in any manner: (i) alter, modify or increase the rights of the Holder of such Certificate of Bond Insurance with respect to the Insured Obligations evidenced by such Certificate of Bond Insurance as the case may be (provided that payments of principal of and premium, if any, and interest on and purchase price for such Insured Obligations and proceeds of the related Policy held by the Custodian shall be paid to such Holder as the case may be, as provided herein), (ii) grant to any Holders of other Certificates of Bond Insurance rights with respect to such Certificate of Bond Insurance or the Insured Obligation or Obligations evidenced thereby or (iii) grant to such Holder, through ownership of such Certificate of Bond Insurance any rights with respect to any other Certificate of Bond Insurance or the Insured Obligation or Obligations evidenced thereby. The parties hereto understand and agree that each Holder of a Certificate of Bond Insurance is the sole beneficial owner of the Insured Obligation or Obligations evidenced thereby (but shall have no interest in any Insured Obligations evidenced by Certificate of Bond Insurance held by any other Holder) and that the Custodian shall hold Insured Obligations as custodian for the Holders of Certificate of Bond Insurance evidencing such Insured Obligations.
- c) Notwithstanding anything in this Section 4.04 to the contrary, the Custodian will proceed promptly pursuant to Section 4.03 hereof to demand payment pursuant to the related Policy in the event of any default in payment by an Issuer and, upon receipt of reasonable

indemnity from the related Holders for resulting costs and liability, if any, will undertake to perform such other ministerial acts as may be reasonably necessary to assist such Holders in enforcing rights hereunder or under the related Indenture.

Section 4.05. Transfers of Policies or Insured Obligations by Custodian.

The Custodian shall hold the Insured Obligations and the Policies in custody only and shall not assign, transfer, pledge, set off or otherwise dispose of any Policy, Insured Obligation or interest therein except as specifically provided hereunder or as required by an order of a court having jurisdiction in the premises.

Section 4.06. Termination of Custody Accounts and Withdrawal of Insured Obligations.

During the term of this Custody Agreement, the Custodian shall have the following obligations:

- a) The Custodian shall maintain in a Custody Account each related Insured Obligation until the earliest to occur of: (i) payment of such Insured Obligation in full, including all accrued interest, on its stated maturity date by the related Issuer and/or the Insurer pursuant to the related Policy (ii) payment of such Insured Obligation in full, including all accrued interest, by the related Issuer and/or the Insurer pursuant to the related Policy upon redemption in whole (or other payment in full) of such Insured Obligation prior to its stated maturity date.
- b) Following the occurrence of a default in payment by an Issuer or if all installments of Premium provided for by the related Terms Agreement have been paid in full pursuant to the related Terms Agreement, the Custodian will deliver an Insured Obligation or Obligations to a Holder of the related Certificate of Bond Insurance evidencing such Insured Obligation or Obligations upon receipt of the Certificate of Bond Insurance at the corporate trust office of the Custodian and: (i) a written instrument executed by such Holder and addressed to the Custodian and the Insurer in the form and substance satisfactory to the Custodian and the Insurer, which (x) directs the Custodian to deliver the applicable Insured Obligation or Obligations to such Holder, (y) states that such Holder surrenders its interests in the applicable Certificate of Bond Insurance and delivers such Certificate of Bond Insurance to the Custodian for cancellation and (z) waives, unless the Insurer specifically otherwise agrees in writing that such waiver will not be required, all rights against the Insurer, including any rights to payment by the Insurer under the related Policy to the Custodian, of the Holder with respect to such Insured Obligation or Obligations; and (ii) payment by the Holder to the Custodian of a sum sufficient to cover (a) any tax or other governmental charge that may be imposed in connection therewith, and (b) any other expenses of the Custodian connected therewith. Upon withdrawal of an Insured Obligation, the formerly Insured Obligation or Obligations will no longer be entitled to any benefits under the related Policy or Policies.

Section 4.07. Insolvency Proceedings.

The Custodian shall promptly notify the Insurer of any notice it receives of (i) the commencement of any Insolvency Proceeding by an Issuer and (ii) the taking of any action by the Issuer or any other party interested in the Insolvency Proceeding seeking the avoidance as a preferential transfer (a "Preference Claim") of any payment of principal of, or interest on, or purchase price for, any related Insured Obligations. Following and to the extent of payment by the Insurer under the related Policy, the Insurer may at any time during the continuation of an Insolvency Proceeding control all matters relating to such Insolvency Proceeding, including (i) all matters relating to any Preference Claim, (ii) the direction of any appeal of any order relating to any Preference Claim and (iii) the posting of any surety, supersedes or performance bond pending any such appeal. Following and to the extent of payment by the Insurer under the related Policy, the Insurer shall be subrogated to the rights of the Custodian and each related Holder or Owner in the conduct of any Insolvency Proceeding, including all rights of any party to an adversary proceeding or with respect to any court order issued in connection with any such Insolvency Proceeding, so long as any action so taken is not adverse to the right of such Holder or Owner to payment pursuant to the related Policy.

Section 4.08. Other Obligations of the Custodian in Connection With the Certificates of Bond Insurance and Positions.

During the term of this Custody Agreement, the Custodian shall have the following obligations in connection with each Series of Certificates of Bond Insurance or Positions, as the case may be:

- a) Custody of the Insured Bonds and the Policy. The Custodian shall maintain custody of the Insured Obligations and the Policy until the earlier of (i) payment of all the Insured Obligations has been made pursuant to the terms of such Insured Obligations in full, including all accrued interest on its respective maturity date, (ii) payment under the Policy in full, including all accrued interest on the stated maturity date of the Insured Obligations, (iii) payment of the Insured Obligations in full, together with all accrued interest by the Issuer or, if applicable under the Policy, on an earlier date on which the Insured Obligations will have been fully redeemed or (iv) delivery of the Insured Obligations to the Owner in accordance with paragraph (f) of this Section 4.08. The Custodian agrees to hold the Insured Obligations and the Policy in its custody and to provide for the safekeeping thereof, subject to the terms of this Custody Agreement. The Custodian may not hold Insured Obligations which are in its own physical custody as part of a fungible bulk but may in the ordinary course of business deposit Insured Obligations that are DTC eligible with DTC for the account of the Custodian. The Custodian shall not sell, assign, transfer, pledge or otherwise encumber, nor suffer the encumbrance of, the Insured Obligations except as provided in, and in accordance with, the terms of this Custody Agreement. The Custodian shall segregate, by separate recordation upon its trust ledgers or other records, the Insured Obligations and any funds relating thereto, including amounts referred to in paragraphs (d) and (e) of this Section 4.08, holding the same as property held in trust.

- b) Collection of Interest and Principal. The Custodian shall be responsible for the collection, in accordance with Section 4.03 hereof, on each interest payment date, of the interest on the Insured Obligations, and for the collection, in accordance with Section 4.03, on the stated maturity date or earlier date or dates on which principal of the Obligations shall be due and payable according to their terms, of principal (including any premium) of the Insured Obligations, from the paying agent for the Insured Obligations.
- c) Collection Under the Policy. The Custodian shall be initially responsible for the collection, in accordance with Section 4.03 hereof, of any insurance proceeds which become payable under the terms of the Policy.
- d) Payment of Insurance Premium Payable. The Premium payable with respect to any Insured Obligation shall be payable either in a single payment or in periodic installments. If the Premium together with any related fees are, under the terms of the related Terms Agreement, payable to the Insurer in an initial payment with periodic installments thereafter or solely as periodic installments (such periodic installments to coincide with the interest payment date for each related Insured Obligation), any initial payment of Premium together with any related fees shall be made upon delivery of the related Insured Obligation to the Custodian and thereafter each installment of Premium shall be retained by the Custodian from moneys otherwise payable to the Owner as provided in Section 4.08(e) hereof and paid as provided herein. As, when and if the Custodian comes into possession of any moneys then payable as Premium together with any related fees, the Custodian shall promptly transfer, in next-day funds or the equivalent, such moneys to the Insurer as instructed by the Insurer.
- e) Payments to Owner. The Custodian shall pay, by bank check payable in currency of the United States of America, in next-day funds or the equivalent, or by such other method as shall be agreed to in writing by DTC, the Custodian and the Insurer, to CEDE & CO. for payment of such proceeds to the Owners all amounts referred to below.
- (i) The Custodian shall pay, on each interest payment date, an amount equal to the interest then due on the Insured Obligations less any amount to be retained as Premium under the related Terms Agreement, whether or not such interest has then been received by the Custodian from the paying agent for the Insured Obligations; provided, however, the Custodian may make such payment unless it has been advised by the paying agent upon due inquiry or the Custodian has actual knowledge that the paying agent has not been provided with sufficient funds from the Issuer of the Insured Obligations for timely payment in full of such amounts.
- (ii) On the stated maturity date or earlier date or dates on which principal of the Insured Obligations shall be due and payable according to their terms, an amount equal to the principal (including any premium) then due less any amount retained as Premium in accordance with the related Terms Agreement, to the extent that the Custodian has received such funds from the paying agent of the Insured Obligations.
- (iii) In lieu of any amounts referred to in subparagraph (i) above, the Custodian shall pay, subject to the provisions of subsection (c) of Section 4.03 hereof, all insurance

proceeds received by it under the related Policy no later than the Business Day following the date upon which the Custodian actually receives such insurance proceeds.

Subject to the provisions of subsection (d) of Section 4.08 of this Custody Agreement, the Custodian shall not seek to retain, by reason of any claim of any kind in its favor or in favor of any person claiming through it (including without limitation any claim by it for compensation under this Custody Agreement), any amount required to be paid by it under this paragraph (e).

- f) Delivery of Insured Obligations to an Owner. Following the occurrence of a default in payment by an Issuer or if all installments of Premium provided for by the related Terms Agreement have been paid in full, pursuant to the related Terms Agreement, the Custodian will deliver an Insured Obligation or Insured Obligations to an Owner upon receipt by the Custodian and the Insurer of: (i) a written instrument executed by the related Owner and addressed to the Custodian and the Insurer, in form and substance satisfactory to the Custodian and the Insurer, which: (x) directs the Custodian to deliver the applicable Insured Obligation or Insured Obligations to the related Owner, (y) states that the related Owner surrenders its beneficial interests in the applicable Certificate, Certificates, Position or Positions, as the case may be, and (z) waives, unless the Insurer specifically otherwise agrees in writing that such waiver will not be required, any rights to payment by the Insurer under the applicable Policy or Policies to the Custodian, or the Owner with respect to such Insured Obligation or Insured Obligations; and (ii) evidence satisfactory to the Custodian and the Insurer that such Owner is the owner of the applicable Insured Obligation or Insured Obligations to be delivered as set forth in this paragraph (f). Upon delivery by the Custodian, the formerly Insured Obligation or Insured Obligations will no longer be entitled to any benefits under the Policy or Policies.

ARTICLE V
THE CUSTODIAN

Section 5.01. Standard of Liability.

The Custodian undertakes to perform only such duties as are expressly set forth herein and no implied duties, obligations or agreements of the Custodian shall be read into this Custody Agreement, including without limitation any duties as a fiduciary or similar appointment. The Custodian shall have no responsibility for the contents of any writing contemplated herein and may rely without any liability upon the contents thereof. The Custodian shall not be liable for any action taken or omitted by it and believed by it to be authorized hereby or within the rights or powers conferred upon it hereunder, nor for action taken or omitted by it and in accordance with advice of counsel, and shall not be liable for any mistake of fact or error of judgment or for any acts or omissions of any kind unless caused by the Custodian's willful misconduct, bad faith or gross negligence.

Without in any way limiting the generality of the foregoing, it is understood and agreed that:

- a) The Custodian may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, endorsement, approval, or other paper or document believed by it to be genuine and to have been signed or presented by any Holder or Owner or any other proper party, and the Custodian shall have no responsibility to ascertain or confirm the genuineness of any signature of any Holder or Owner or any other party.
- b) The Custodian shall not be responsible for the validity or sufficiency of this Custody Agreement or for the due execution hereof by the Insurer, or for or in respect of the validity or sufficiency of any Certificate of Bond Insurance (except the due execution thereof by the Custodian), or for the form, character, sufficiency, value or validity of any Insured Obligation or related Indenture.
- c) The Custodian shall not be accountable for the use of any of the Certificates of Bond Insurance. The Custodian may become the Holder of Certificates of Bond Insurance or the Owner of a Position with the same rights which it would have if it were not Custodian.
- d) The Custodian shall have no liability for any claim arising out of any payment of funds or delivery of Insured Obligations or Certificates of Bond Insurance to any Holder at the address of record of such Holder in the Custody Account.
- e) The Custodian shall have no liability for any claim arising out of any failure by DTC to properly apply funds required herein to be delivered to DTC or its nominee.
- f) The Custodian may consult with counsel of its own choice and shall have full and complete authorization and protection in respect of any action taken, suffered or omitted

by it hereunder in good faith and in reliance on the opinion of such counsel. The Custodian may perform its duties hereunder either directly or by or through agents or attorneys.

- g) The Custodian may treat the registered owner of any Certificate of Bond Insurance as the Holder as the case may be, thereof for the purposes of receiving payment in respect of the Insured Obligations to which such Certificate of Bond Insurance relates and for all other purposes.
- h) The Custodian shall be under no obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of any Insured Obligations, the Policies, Certificates of Bond Insurance or Positions which in its opinion may involve it in expense or liability, unless indemnity satisfactory to it against all expense and liability be furnished as often as may be required.
- i) No provision of this Custody Agreement, shall require the Custodian to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights hereunder or thereunder. Without limiting the generality of the foregoing, the Custodian shall have no responsibility to advance or expend its own funds for the payment of any taxes or other governmental charges that may be imposed upon, or in respect of, the Insured Obligations, the Certificate of Bond Insurance or the Positions the transfer thereof or the receipt or payment of interest or principal on the Insured Obligations.
- j) The Custodian shall not be responsible for the payment of any amounts due as Premium unless and until such amounts have actually been received by the Custodian from the Issuer or the Insurer.
- k) The Custodian shall have no responsibilities to Holders or Owners in respect of amounts required to be transferred to the Insurer as Premium hereunder and under the Insurance and Indemnity Agreement.
- l) The Custodian shall not be responsible for its failure to transmit notices in respect of any Insolvency Proceedings unless and until the Custodian has actually received any such notice.

Section 5.02 Termination of Agreement.

The Insurer shall have the right for any reason and at its sole discretion to terminate the Custody Agreement by giving written notice of termination to the Custodian. Such termination shall take effect on the day a successor Custodian shall have been appointed pursuant to the requirements of Section 5.04 of this Agreement.

Section 5.03. Resignation of the Custodian.

The Custodian may resign with respect to all of its duties hereunder at any time by written notice thereof delivered to the Insurer, such resignation to take effect upon the appointment of a successor custodian pursuant to the provisions of Section 5.04 hereof; provided, however, that in the event of such resignation, the Custodian shall (a) assist the Insurer in its efforts to identify a successor custodian and (b) assist the Insurer in its negotiations with such proposed successor custodian and the Insurer regarding the fees and expenses to be charged by the successor custodian.

Section 5.04 Appointment of Successor Custodian.

If this Custody Agreement is terminated by written agreement pursuant to Section 5.02 hereof, or if the Custodian resigns pursuant to Section 5.03 hereof, a successor custodian will be appointed as follows:

- a) The Insurer will, within 60 days after delivery of the notice of resignation or notice of termination, appoint a successor custodian. If no successor custodian has been appointed within 60 days, the Custodian may petition any court of competent jurisdiction for the appointment of a successor custodian. In such case, the Custodian's resignation shall not become effective until the appointment of such successor custodian.
- b) Any successor custodian will be a corporation organized and doing business under the laws of the United States or any state and which is a direct or indirect participant of DTC.
- c) The Custodian shall transfer to the successor custodian all positions and documents relative to the Insured Obligations, the related Policies the related Certificates of Bond Insurance or Positions, any moneys held by the Custodian with respect to the foregoing and all unamortized fees (net of (1) income taxes already paid by the Custodian on such unamortized fees and not otherwise subject to recovery by tax refund, benefit or credit from any tax authority, (2) fees earned to the actual date of transfer and (3) the reasonable fees and expenses of the Custodian related to the Insurer's election to terminate the Custody Agreement, which fees and expenses, subject to Section 5.06, will not exceed \$25,000 unless consented to by the Insurer (which consent shall not be unreasonably withheld) and any other related documentation, all within 60 days after the receipt of the written notice of termination from the Insurer or such later date as a successor custodian is appointed pursuant to Section 5.04 of the Custody Agreement. The retiring Custodian shall, upon payment of its fees and charges, duly assign, transfer and deliver to such successor custodian, the Policy and all records, Insured Obligations, Certificates of Bond Insurance and moneys held by such retiring Custodian pursuant to the terms of this Custody Agreement. Any successor custodian appointed hereunder will execute, acknowledge and deliver to its predecessor and to the Insurer an instrument in writing accepting such appointment, and thereupon such successor, without any further act, will become fully vested with all the rights, duties and obligations of its predecessor, subject to Section 5.06.

- d) The successor Custodian shall send notice of its appointment to each Holder or Owner within 10 days of such appointment.

Section 5.05. Compensation of the Custodian.

The Custodian shall be compensated for its services in accordance with a fee schedule negotiated between the Insurer and the Custodian. Such fee schedule may change from time to time upon the mutual agreement and approval of the Custodian and the Insurer.

Section 5.06. Indemnification of the Custodian.

The Insurer agrees to indemnify the Custodian and hold it harmless from and against any loss, damage, expense or liability accruing to it without gross negligence, bad faith or willful misconduct on its part arising out of or in connection, with the performance of its duties under the Custody Agreement, including the costs and expenses (including reasonable counsel fees) of defending itself against any claim, suit or litigation commenced or arising from or related to its carrying out the transactions contemplated in the Custody Agreement.

Section 5.07. Reports to the Insurer.

The Custodian shall deliver to the Insurer within 30 days following the end of each calendar quarter a report detailing the balances held by the Custodian under the Custody Agreement by CUSIP number, par value and related policy number plus the amount of unamortized fees associated with such balances. The unamortized fee amount need not be listed by CUSIP number on such report but may be reported in a lump sum showing the changes from the prior reporting dates. In addition, no later than 60 days after June 30th and December 31st of each year, the Custodian shall deliver to the Insurer a report detailing the balances held by it as Custodian under the Custody Agreement by par value, CUSIP number and the related policy number of the Insurer.

Section 5.08. Unamortized Fees.

All unamortized fees associated with Insured Obligations shall be accounted for separately by the Custodian and shall not be pledged, or used as collateral by the Custodian without the prior approval of the Insurer. The Custodian shall provide the Insurer with a description of its accounting policy for custodial fees (the "Accounting Policy"). The Custodian hereby agrees to give the Insurer 30 days prior written notice of a change to the Accounting Policy. The Custodian shall not change the Accounting Policy upon notice from the Insurer that the Insurer intends to terminate the Custody Agreement.

ARTICLE VI
MISCELLANEOUS

Section 6.01. Amendment of Agreement.

The Insurer and the Custodian may enter into any amendments, modifications or supplements to this Custody Agreement, without the consent of the Holders of the Certificates of Bond Insurance or Owners of the Positions, which will not adversely affect the interest of any such Holder or Owner.

Section 6.02. Counterparts.

This Custody Agreement may be executed in any number of counterparts by the parties hereto on separate counterparts, each of which, when so executed and delivered, shall be deemed an original, but all such counterparts shall together constitute one and the same instrument. Copies of this Custody Agreement shall be filed with the Custodian and shall be open to inspection during business hours at the Custodian's principal office by any Owner or Holder.

Section 6.03. Exclusive Benefit of Parties; Effective Date.

This Custody Agreement is for the exclusive benefit of the Custodian, the Insurer and the Holders of the Certificates of Bond Insurance or the Owners of Positions from time to time, and their respective successors hereunder, and shall not be deemed to give any legal or equitable right, remedy or claim to any other person whatsoever.

The Holders or Owners shall be the beneficiaries of this Custody Agreement and, pursuant to the terms of the Certificate of Bond Insurance or Standard Representation Letter, as the case may be, shall acknowledge and accept all of the terms and conditions and agree to be bound by all of the provisions hereof and of the Certificates of Bond Insurance or the Standard Representation Letter as the case may be, by acceptance of delivery of the Certificates of Bond Insurance or the Standard Representation Letter as the case may be, without the necessity of any written acknowledgment or signature. This Custody Agreement shall become effective as to the Custodian with respect to any Certificate of Bond Insurance upon execution of this Custody Agreement and the receipt by the Custodian of the items specified in Section 2.01 hereof with respect to such Certificates of Bond Insurance. This Custody Agreement shall become effective as to the Custodian with respect to any Position upon execution of this Custody Agreement and the receipt by the Custodian of the items specified in Section 3.01(a) with respect to such Positions.

Section 6.04. Custodian May Be Holder or Pledgee of Certificates of Bond Insurance.

The Custodian, in its individual or any other capacity, may become the owner or pledgee of Certificates of Bond Insurance or Positions with the same rights it would have if it were not the Custodian.

Section 6.05. Invalidation of Provisions.

In case any one or more of the provisions contained in this Custody Agreement, the Certificates of Bond Insurance or the Standard Representation Letter should be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein or therein shall in no way be affected, prejudiced or disturbed thereby.

Section 6.06. Notice.

Any notice hereunder shall be in writing and shall be duly given if delivered unless directed otherwise by the applicable party (a) to the Custodian at 100 Wall Street, 16th Floor, New York, New York, 10005 Attention: Corporate Trust (b) to the Insurer at One Liberty Plaza, 52nd Floor, New York, New York 10006.

Section 6.07. Governing Law.

This Custody Agreement and the Certificate of Bond Insurance shall be governed by and construed in accordance with the laws of the State of New York.

Section 6.08. Assignment.

The rights and obligations of the parties hereunder may not be assigned or delegated without the prior written consent of the other party.

AMENDMENT TO CUSTODY AGREEMENT

This Amendment to Custody Agreement, dated February 10, 1998 (the "Amendment") amends the Custody Agreement by and between First Trust of New York, National Association (the "Custodian") and American Capital Access Corporation (the "Insurer") dated as of November 3, 1997 (the "Custody Agreement").

WHEREAS, the Custodian and the Insurer entered into the Custody Agreement;

WHEREAS, the Insurer has changed its corporate name from American Capital Access Corporation to ACA Financial Guaranty Corporation;

NOW, THEREFORE, pursuant to Section 6.01 of the Custody Agreement, the Custodian and the Insurer hereby enter into this Amendment for the purpose of amending the name of American Capital Access Corporation to ACA Financial Guaranty Corporation and acknowledging that all references in the Custody Agreement to American Capital Access Corporation shall hereafter refer to ACA Financial Guaranty Corporation.

IN WITNESS WHEREOF, First Trust of New York, National Association, as Custodian, and ACA Financial Guaranty Corporation, formerly known as American Capital Access Corporation, as Insurer, have caused this Amendment to the Custody Agreement to be executed on their behalf by their duly authorized officers as of the date first written above.

ACA FINANCIAL GUARANTY CORPORATION
formerly known as AMERICAN CAPITAL
ACCESS CORPORATION

By: Gary P. Kanelos
Title: MANAGING DIRECTOR

Attest: Kathleen Ailly
Title: Managing Director

FIRST TRUST OF NEW YORK, NATIONAL
ASSOCIATION

By: [Signature]
Title: ASSISTANT VICE PRESIDENT

Attest: [Signature]
Title: Vice President

AMENDMENT TO CUSTODY AGREEMENT

This Amendment to the Custody Agreement, dated as of October 1, 1998 (the "Amendment") amends the Custody Agreement as amended by and between First Trust of New York, National Association (the "Custodian") and ACA Financial Guaranty Corporation (the "Insurer") dated as of November 3, 1997 (the "Custody Agreement").

WHEREAS, as the Custodian and the Insurer entered into the Custody Agreement;

WHEREAS, the Custodian has changed its corporate name from First Trust of New York, National Association to U.S. Bank Trust National Association;

NOW, THEREFORE, pursuant to Section 6.01 of the Custody Agreement, the Custodian and the Insurer hereby enter into this Amendment for the purpose of amending the name of the Custodian and acknowledging that all references in the Custody Agreement to the Custodian shall hereafter refer to U.S. Bank Trust National Association.

IN WITNESS WHEREOF, the Custodian and the Insurer have caused this Amendment to the Custody Agreement to be executed on their behalf by their duly authorized officers as of the date first written above.

ACA FINANCIAL GUARANTY CORPORATION


By: Gary P. Kamel
Title: Managing Director

Attest: Kathleen A. Cully
Title: Managing Director

U.S. BANK TRUST NATIONAL ASSOCIATION

By: John Rucioffo
Title: Assistant Vice President

Attest: Robert
Title: Vice President



ACA Financial Guaranty Corporation
140 Broadway, 47th Floor
New York, NY 10005
For information, contact:
(212) 375-2000
(888) 427-2833

SECONDARY MARKET INSURANCE POLICY

Policy Number: S0601-15 **Effective Date: June 8, 2001**
Issuer: Connector 2000 Association, Inc.
Bonds: \$3,300,000 Connector 2000 Association, Inc. Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina), 5.25%, dated
02/01/1998, due 01/01/2023, CUSIP 20786LAA9, Enhanced 20786

ACA FINANCIAL GUARANTY CORPORATION, a Maryland stock insurance corporation (the "Insurer"), in consideration of the payment of the premium and subject to the terms of this Secondary Market Insurance Policy (the "Policy") and the Custody Agreement Between U.S. Bank Trust National Association (the "Custodian") and the Issuer, dated November 3, 1997 (the "Custody Agreement"), hereby agrees to pay to the Custodian, for the benefit of each Holder or Owner, as the case may be, the Amount Due for Payment resulting from the Nonpayment by the Issuer of the Obligations described in Exhibit A, attached hereto.

For purposes of this Policy, the following terms shall have the meanings hereinbelow set forth. "Amounts Due for Payment" shall mean the amounts of Nonpayment, as and where applicable, by the amount of any partial payments made by or on behalf of the Issuer. "Business Day" shall mean any day other than a Saturday, Sunday or a day on which banking institutions in the State of New York are authorized or required by law to be closed. "Due Date of Payment" shall mean (i) when referring to the principal of an Obligation, the stated maturity date or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless the Insurer shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (ii) when referring to interest on an Obligation, the stated date for payment of interest. "Holder" shall mean the owner of a custody receipt issued pursuant to Article II of the Custody Agreement. "Nonpayment" shall mean the failure of the Issuer to have provided sufficient funds to the Custodian for payment of full or all principal and interest of any Due Date of Payment of an Obligation. "Notice of Nonpayment" shall mean telephonic or electronic notice, subsequently confirmed in writing, or written notice by registered or certified mail from the Custodian to the Insurer, which notice shall specify (i) the name of the person or entity making the claim, (ii) the Policy Number, (iii) the Amount Due for Payment and (iv) the Due Date of Payment. "Obligations" shall mean the securities insured under the Policy, as described in Exhibit A, attached hereto. "Owner" shall mean the owner of a beneficial interest in a book-entry position. "Preference Claim" shall mean a Nonpayment resulting from any payment of principal or interest made in a book-entry position for Holder by or on behalf of the Issuer of such Obligation which has been recovered from such Owner pursuant to a final, non-appealable order of a court of competent jurisdiction that such payment constitutes an avoidable preference to such Owner within the meaning of any applicable bankruptcy law. Notwithstanding the foregoing, the terms "Owner" and "Holder" shall mean, as to a particular Obligation, the person who is entitled to payment under the terms of such Obligation, other than the Issuer or any third party whose direct or indirect obligation constitutes the underlying security for such Obligation.

Upon receipt of Notice of Nonpayment from the Custodian, the Insurer, on the later of the Due Date of Payment or within one business day after receipt of Notice of Nonpayment, will deposit the Amount Due for Payment into a segregated account to be held by the Custodian.

Upon presentment and delivery to the Insurer by the Custodian of (i) evidence of the right of the Custodian, Holder or Owner, as the case may be, to receive payment of the Amounts Due for Payment and (ii) evidence, including appropriate instruments of assignment and agency, which instruments shall be reasonably satisfactory to Insurer in its sole discretion, that all rights of the Custodian, Holder or Owner relating to the insured Obligations shall thereupon vest in the Insurer, the Custodian shall disburse from the aforesaid segregated account to the Holder or Owner, as the case may be, payment of the Amounts Due for Payment. Upon any such disbursement, the Insurer shall become fully subordinated to the rights of the Holder or Owner, including all rights to receive payment, in the event of any payments by the Insurer hereunder. This Policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

ACA-SMIP 01 (Rev. 11-99) Page 1 of 2

69
60286-5-5-5
66029320

Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be made on the fourth Business Day following receipt by the Insurer from the Custodian of (i) a certified copy of the order requiring the return of moneys and giving rise to a Preference Claim, (ii) a certificate of the Holder, Owner or Custodian, as the case may be, that such order has been duly entered and is not subject to any stay and (iii) an assignment duly executed by the Holder or Owner, as the case may be, irrevocably assigning to the Insurer all rights and claims of such Holder or Owner relating to the Obligations, provided that if the foregoing documents are received on a day that is not a Business Day or after 1:00 p.m. Eastern prevailing time on any Business Day, the Insurer shall make such payment on the fifth Business Day following such date. Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be disbursed to the receiver, conservator, debtor in possession or trustee in bankruptcy named in the related order and not to the Custodian, Holder or Owner directly, unless such Custodian, Holder or Owner has previously refunded all or a part of such payment, pursuant to a legal requirement, as demonstrated to the satisfaction of the Insurer.

In any event of a Nonpayment, the Custodian shall make a claim for payment under this Policy. In order to receive payment hereunder, the Custodian as the attorney-in-fact of the Holder or Owner, as the case may be, shall execute and deliver appropriate instruments of assignment to the Insurer and shall appoint the Insurer as the agent of such Holder or Owner and of the Custodian in any legal proceedings relating to the Obligations.

IN THE EVENT THAT A HOLDER OR OWNER REVOKES THE AFORESAID ATTORNEY-IN-FACT STATUS OF THE CUSTODIAN, THE CUSTODIAN SHALL HAVE NO OBLIGATION TO DISBURSE FUNDS PAID BY INSURER AND HEREBY THE CUSTODIAN PURSUANT TO THIS POLICY UNTIL AND UNLESS SUCH HOLDER OR OWNER SHALL EXECUTE AND DELIVER DOCUMENTS SATISFACTORY TO THE INSURER TO EFFECT AN ASSIGNMENT TO THE INSURER OF ALL RIGHTS AND REMEDIES THAT SUCH HOLDER OR OWNER HAS OR MAY HAVE AGAINST THE ISSUER OF THE OBLIGATION.

Following any default by the Insurer in the payment of any amounts due under this Policy, each Holder or Owner, as the case may be, shall have the right to proceed directly and individually against the Insurer in whatever manner such Holder or Owner deems appropriate and shall not be required to act in concert with any other Holder or Owner or the Custodian.

If the premium and expense relating to this Policy are payable in a single payment, the payment in full of such premium to the Insurer shall coincide with the delivery of the Obligations to the Custodian. If all or a portion of the premium and expenses relating to this Policy are payable in periodic installments, such amounts will be deducted from moneys payable to each Holder or Owner, as the case may be, under the Custody Agreement (or from moneys payable under this Policy in lieu thereof) for each scheduled periodic payment of Amounts Due for Payment.

This Policy shall not insure against the failure of the Custodian to remit amounts received hereunder to the Holder or the Owner.

The premium for this Policy is not refundable for any reason, including the payment of the Obligations prior to maturity.

This Policy is noncancelable, except in the event that the Holder or Owner surrenders its interest in the Certificate of Bond Insurance on the Position (as the term "Position" is defined in the Custody Agreement) and waives its right to receive payment from the Insurer under this Policy, pursuant to Sections 3.03 (f) and 4.06 (b) of the Custody Agreement.

This policy is issued to the Holders and the Owners and is nontransferable except in accordance with the Custody Agreement.

There shall be no acceleration payment due under this Policy except at the sole option of the Insurer. This Policy shall be governed by the laws of the State of New York.

This Policy is not covered by the Property-Casualty Insurance Security Fund specified in Article 76 of the New York Insurance Fund.

IN WITNESS WHEREOF, ACA has caused this Policy to be affixed with its corporate seal and executed on its behalf by its duly authorized representative.

ACA FINANCIAL GUARANTY CORPORATION




EXHIBIT A**TERMS AGREEMENT**

Pursuant to the Custody Agreement dated as of November 3, 1997 (the "Agreement") between U.S. Bank Trust National Association, custodian (the "Custodian"), and ACA Financial Guaranty Corporation (the "Insurer"), this Terms Agreement dated 06/08/2001, is hereby delivered, as approved, by the Insurer. The provisions of the Agreement are incorporated herein by reference in their entirety and shall be deemed to be a part of this Terms Agreement as fully and to the same extent as if such provisions had been set forth herein in full.

The applicant listed below will deliver to the Custodian, in the manner set forth in the Agreement, the securities described below:

Applicant: **First Miami Securities, Inc.**
Applicant DTC: **995**
Applicant Contact: **Terry O'Grady** Phone/Fax: **305-935-1946/561-367-0773**
Applicant Office Address: **20660 W. Dixie Highway No. Miami Beach, FL 33160**
CUSIP No.: **20786LAA9** Enhanced CUSIP No.: **20786LCS8**
Bond Issuer: **Connector 2000 Association, Inc.**
Bond Description: **Connector 2000 Association, Inc. Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina)**
Par Amount: **\$3,300,000** Dated Date: **02/01/1998**
Due Date: **01/01/2023** Coupon: **5.250%**
Ratings - S&P: **BBB-** Moody's: **NA**
Fitch: **NA**
Type of Delivery to Custodian (DTC/Physical): **DTC**
Interest Payment Dates: **Jan. & July 1**
Denominations: **\$5,000** Bearer/Registered: **Registered**
Secondary Market Insurance Policy No.: **S0601-15**
Settlement Date: **06/08/2001**


AMERICAN CAPITAL ACCESS GROUP

ACA Financial Guaranty Corporation
140 Broadway, 47th Floor
New York, NY 10005
For information, contact:
(212) 375-2000
(888) 427-2833

SECONDARY MARKET INSURANCE POLICY

Policy Number: S0601-17 **Effective Date: June 8, 2001**
Issuer: Connector 2000 Association, Inc.
Bonds: \$1,000,000 Connector 2000 Association, Inc. Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina), 0.00%, dated
02/01/1998, due 01/01/2012, CUSIP 20786LAG6, Enhanced 20786LCU3

ACA FINANCIAL GUARANTY CORPORATION, a Maryland stock insurance corporation (the "Insurer"), in consideration of the payment of the premium and subject to the terms of this Secondary Market Insurance Policy (the "Policy") and the Custody Agreement between U.S. Bank Trust National Association (the "Custodian") and the Insurer, dated November 3, 1997, (the "Custody Agreement") hereby agrees to pay to the Custodian, for the benefit of each Holder or Owner, as the case may be, the Amount Due for Payment resulting from the Nonpayment by the Issuer of the Obligations described in Exhibit A, attached hereto.

For purposes of this Policy, the following terms shall have the meanings hereinafter set forth. "Amounts Due for Payment" shall mean the amounts of Nonpayment, as reduced, if applicable, by the amount of any partial payments made by or behalf of the Issuer. "Business Day" shall mean any day other than a Saturday, Sunday or a day on which banking institutions in the State of New York are authorized or required by law to be closed. "Due Date of Payment" shall mean: (i) when referring to the principal of an Obligation, the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless the Insurer shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (ii) when referring to interest on an Obligation, the stated date for payment of interest. "Holder" shall mean the owner of a custody receipt issued pursuant to Article II of the Custody Agreement. "Nonpayment" shall mean the failure of the Issuer to have provided sufficient funds to the Custodian for payment in full of all principal and interest on any Due Date of Payment of an Obligation. "Notice of Nonpayment" shall mean telephonic or electronic notice, subsequently confirmed in writing, or written notice by registered or certified mail from the Custodian to the Insurer, which notice shall specify (i) the name of the person or entity making the claim, (ii) the Policy Number, (iii) the Amount Due for Payment and (iv) the Due Date of Payment. "Obligations" shall mean the securities insured under the Policy, as described in Exhibit A, attached hereto. "Owner" shall mean the owner of a beneficial interest in a book-entry position. "Preference Claim" shall mean a Nonpayment resulting from any payment of principal or interest made to an Owner or Holder by or on behalf of the Issuer of such Obligation which has been recovered from such Owner pursuant to a final, non-appealable order of a court of competent jurisdiction that such payment constitutes an avoidable preference to such Owner within the meaning of any applicable bankruptcy law. Notwithstanding the foregoing, the terms "Owner" and "Holder" shall mean, as to a particular Obligation, the person who is entitled to payment under the terms of such Obligation, other than the Issuer or any third party whose direct or indirect obligation constitutes the underlying security for such Obligation.

Upon receipt of Notice of Nonpayment from the Custodian, the Insurer, on the later of the Due Date of Payment or within one Business Day after receipt of Notice of Nonpayment, will deposit the Amount Due for Payment into a segregated account to be held by the Custodian.

Upon presentation and delivery to the Insurer, by the Custodian of (i) evidence of the right of the Custodian, Holder or Owner, as the case may be, to receive payment of the Amounts Due for Payment and (ii) evidence, including appropriate instruments of assignment and agency, which instruments shall be reasonably satisfactory to Insurer in its sole discretion, that all rights of the Custodian, Holder or Owner relating to the insured Obligations shall thereupon vest in the Insurer, the Custodian shall disburse from the aforesaid segregated account to the Holder or Owner, as the case may be, payment of the Amounts Due for Payment. Upon any such disbursement, the Insurer shall become fully subrogated to the rights of the Holder or Owner, including all rights to receive payment to the extent of any payments by the Insurer hereunder. This Policy does not insure against loss of any premium which may at any time be payable with respect to any Obligation.

ACA-SMIP 01 [Rev.11-99] Page 1 of 2

99-098-0-51-0
05-01-06
060723

Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be made on the fourth Business Day following receipt by the Insurer from the Custodian of (i) a certified copy of the order requiring the return of moneys and giving rise to a Preference Claim, (ii) a certificate of the Holder, Owner or Custodian, as the case may be, that such order has been duly entered and is not subject to any stay and (iii) an assignment duly executed by the Holder or Owner, as the case may be, irrevocably assigning to the Insurer all rights and claims of such Holder or Owner relating to the Obligations, provided that if the foregoing documents are received on a day that is not a Business Day or after 11:00 p.m. Eastern prevailing time on any Business Day, the Insurer shall make such payment on the fifth Business Day following such date. Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be disbursed to the receiver, conservator, debtor in possession or trustee in bankruptcy named in the related order and not to the Custodian, Holder or Owner directly, unless such Custodian, Holder or Owner has previously refunded all or a part of such payment, pursuant to a legal requirement, as demonstrated to the satisfaction of the Insurer.

In any event of a Nonpayment, the Custodian shall make a claim for payment under this Policy. In order to receive payment hereunder, the Custodian, as the attorney-in-fact of the Holder or Owner, as the case may be, shall execute and deliver appropriate instruments of assignment to the Insurer and shall appoint the Insurer as the agent of such Holder or Owner and of the Custodian in any legal proceedings relating to the Obligations.

IN THE EVENT THAT A HOLDER OR OWNER REVOKES THE AFORESAID ATTORNEY-IN-FACT STATUS OF THE CUSTODIAN, THE CUSTODIAN SHALL HAVE NO OBLIGATION TO DISBURSE FUNDS PAID BY INSURER AND HELD BY THE CUSTODIAN PURSUANT TO THIS POLICY UNTIL AND UNLESS SUCH HOLDER OR OWNER SHALL EXECUTE AND DELIVER DOCUMENTS SATISFACTORY TO THE INSURER TO EFFECT AN ASSIGNMENT TO THE INSURER OF ALL RIGHTS AND REMEDIES THAT SUCH HOLDER OR OWNER HAS OR MAY HAVE AGAINST THE ISSUER OF THE OBLIGATION.

Following any default by the Insurer in the payment of any amounts due under this Policy, each Holder or Owner, as the case may be, shall have the right to proceed directly and individually against the Insurer in whatever manner such Holder or Owner deems appropriate and shall not be required to act in concert with any other Holder or Owner or the Custodian.

If the premium and expenses relating to this Policy are payable in a single payment, the payment in full of such premium to the Insurer shall coincide with the delivery of the Obligations to the Custodian. If all or a portion of the premium and expenses relating to this Policy are payable in periodic installments, such amounts will be deducted from moneys payable to each Holder or Owner, as the case may be, under the Custody Agreement (or from moneys payable under this Policy in lieu thereof) for each scheduled periodic payment of Amounts Due for Payment.

This Policy shall not insure against the failure of the Custodian to remit amounts received hereunder to the Holder or the Owner.

The premium for this Policy is not refundable for any reason, including the payment of the Obligations prior to maturity.

This Policy is noncancelable, except in the event that the Holder or Owner surrenders its interest in the Certificate of Bond Insurance or in the Position (as the term "Position" is defined in the Custody Agreement) and waives its right to receive payment from the Insurer under this Policy, pursuant to Sections 3.03 (f) and 4.06 (b) of the Custody Agreement.

This policy is issued to the Holders and the Owners and is nontransferable except in accordance with the Custody Agreement. There shall be no acceleration payment due under this Policy except at the sole option of the Insurer. This Policy shall be governed by the laws of the State of New York.

This Policy is not covered by the Property/Casualty Insurance Security Fund specified in Article 76 of the New York Insurance Fund.

IN WITNESS WHEREOF, ACA has caused this Policy to be affixed with its corporate seal and executed on its behalf by its duly authorized representative.

ACA FINANCIAL GUARANTY CORPORATION



EXHIBIT A**TERMS AGREEMENT**

Pursuant to the Custody Agreement dated as of November 3, 1997 (the "Agreement") between U.S. Bank Trust National Association, custodian (the "Custodian"), and ACA Financial Guaranty Corporation (the "Insurer"), this Terms Agreement dated 06/08/2001, is hereby delivered, as approved, by the Insurer. The provisions of the Agreement are incorporated herein by reference in their entirety and shall be deemed to be a part of this Terms Agreement as full and to the same extent as if such provisions had been set forth herein in full.

The applicant listed below will deliver to the Custodian, in the manner set forth in the Agreement, the securities described below:

Applicant: **T. Rowe Price Associates, Inc.**
Applicant DTC: **[null]**
Applicant Contact: **James Murphy** Phone/Fax: **410-345-2121/410-581-5116**
Applicant Office Address: **100 East Pratt Street Baltimore, MD 21202**
CUSIP No.: **20786LAG6** Enhanced CUSIP No.: **20786LCU3**
Bond Issuer: **Connector 2000 Association, Inc.**
Bond Description: **Connector 2000 Association, Inc. Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina)**
Par Amount: **\$1,000,000** Dated Date: **02/01/1998**
Due Date: **01/01/2012** Coupon: **0.000%**
Ratings - S&P: **BBB-** Moody's: **NA**
Fitch: **NA**
Type of Delivery to Custodian (DTC/Physical): **DTC**
Interest Payment Dates: **Jan. & July 1**
Denominations: **\$5,000** Bearer/Registered: **Registered**
Secondary Market Insurance Policy No.: **S0601-17**
Settlement Date: **06/08/2001**



ACA Financial Guaranty Corporation
140 Broadway, 47th Floor
New York, NY 10005

For information, contact:
(212) 375-2000
(888) 427-2833

SECONDARY MARKET INSURANCE POLICY

Policy Number: S0601-18 **Effective Date:** June 8, 2001
Issuer: Connector 2000 Association, Inc.
Bonds: \$9,900,000 Connector 2000 Association, Inc. Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina), 0.00%, dated
02/01/1998, due 01/01/2020, CUSIP 20786LAQ4, Enhanced 20786LCV1

ACA FINANCIAL GUARANTY CORPORATION, a Maryland stock insurance corporation (the "Insurer"), in consideration of the payment of the premium and subject to the terms of this Secondary Market Insurance Policy (the "Policy") and the Custody Agreement between U.S. Bank Trust National Association (the "Custodian") and the Issuer, dated November 3, 1997, (the "Custody Agreement"), hereby agrees to pay to the Custodian, for the benefit of each Holder or Owner, the amount, if any, due for payment resulting from the nonpayment by the Issuer of the Obligations described in Exhibit A, attached hereto.

For purposes of this Policy, the following terms shall have the meanings hereinbelow set forth. "Amounts Due for Payment" shall mean the amounts of nonpayment, as reduced, if applicable, by the amount of any partial payments made by or behalf of the Issuer. "Business Day" shall mean any day other than a Saturday, Sunday or a day on which banking institutions in the State of New York are authorized or required by law to be closed. "Due Date of Payment" shall mean (i) when referring to the principal of an Obligation, the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless the Insurer shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (ii) when referring to interest on an Obligation, the stated date for payment of interest. "Holder" shall mean the owner of a custody receipt issued pursuant to Article II of the Custody Agreement. "Nonpayment" shall mean the failure of the Issuer to have provided sufficient funds to the Custodian for payment in full of all principal and interest on any Due Date of Payment of an Obligation. "Notice of Nonpayment" shall mean telephonic or electronic notice, subsequently confirmed in writing, or written notice by registered or certified mail from the Custodian to the Insurer, which notice shall specify (i) the name of the person or entity making the claim, (ii) the Policy Number, (iii) the Amount Due for Payment and (iv) the Due Date of Payment. "Obligations" shall mean the securities issued under the Policy, as described in Exhibit A, attached hereto. "Owner" shall mean the owner of a beneficial interest in a book-entry position. "Preference Claim" shall mean a nonpayment resulting from any payment of principal or interest made to an Owner or Holder by or on behalf of the Issuer of such Obligation which has been recovered from such Owner pursuant to a final, non-appealable order of a court of competent jurisdiction that such payment constitutes an avoidable preference to such Owner within the meaning of any applicable bankruptcy law. Notwithstanding the foregoing, the terms "Owner" and "Holder" shall mean, as to a particular Obligation, the person who is entitled to payment under the terms of such Obligation, other than the Issuer or any third party whose direct or indirect obligation constitutes the underlying security for such Obligation.

Upon receipt of Notice of Nonpayment from the Custodian, the Insurer, on the later of the Due Date of Payment or within one Business Day after receipt of Notice of Nonpayment, will deposit the Amount Due for Payment into a segregated account to be held by the Custodian.

Upon presentation and delivery to the Insurer by the Custodian of (i) evidence of the right of the Custodian, Holder or Owner, as the case may be, to receive payment of the Amounts Due for Payment and (ii) evidence, including appropriate instruments of assignment and agency, which instruments shall be reasonably satisfactory to Insurer in its sole discretion, that all rights of the Custodian, Holder or Owner relating to the insured Obligations shall thereupon vest in the Insurer, the Custodian shall disburse from the aforesaid segregated account to the Holder or Owner, as the case may be, payment of the Amounts Due for Payment. Upon any such disbursement, the Insurer shall become fully subrogated to the rights of the Holder or Owner, including all rights to receive payment to the extent of any payments by the Insurer hereunder. This Policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be made on the fourth Business Day following receipt by the Insurer from the Custodian of (i) a certified copy of the order requiring the return of moneys and giving rise to a Preference Claim, (ii) a certificate of the Holder, Owner or Custodian, as the case may be, that such order has been duly entered and is not subject to any stay and (iii) an assignment duly executed by the Holder or Owner, as the case may be, irrevocably assigning to the Insurer all rights and claims of such Holder or Owner relating to the Obligations, provided that if the foregoing documents are received on a day that is not a Business Day or after 1:00 p.m. Eastern prevailing time on any Business Day, the Insurer shall make such payment on the fifth Business Day following such date. Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be disbursed to the receiver, conservator, debtor in possession or trustee in bankruptcy named in the related order and not to the Custodian, Holder or Owner directly, unless such Custodian, Holder or Owner has previously refunded all or a part of such payment, pursuant to a legal requirement, as demonstrated to the satisfaction of the Insurer.

In any event of a Nonpayment, the Custodian shall make a claim for payment under this Policy. In order to receive payment hereunder, the Custodian, as the attorney-in-fact of the Holder or Owner, as the case may be, shall execute and deliver appropriate instruments of assignment to the Insurer and shall appoint the Insurer as the agent of such Holder or Owner and of the Custodian in any legal proceedings relating to the Obligations.

IN THE EVENT THAT A HOLDER OR OWNER REVOKES THE AFORESAID ATTORNEY-IN-FACT STATUS OF THE CUSTODIAN, THE CUSTODIAN SHALL HAVE NO OBLIGATION TO DISBURSE FUNDS PAID BY INSURER AND HELD BY THE CUSTODIAN PURSUANT TO THIS POLICY UNTIL AND UNLESS SUCH HOLDER OR OWNER SHALL EXECUTE AND DELIVER DOCUMENTS SATISFACTORY TO THE INSURER TO EFFECT AN ASSIGNMENT TO THE INSURER OF ALL RIGHTS AND REMEDIES THAT SUCH HOLDER OR OWNER HAS OR MAY HAVE AGAINST THE ISSUER OF THE OBLIGATION.

Following any default by the Insurer in the payment of any amounts due under this Policy, each Holder or Owner, as the case may be, shall have the right to proceed directly and individually against the Insurer in whatever manner such Holder or Owner deems appropriate and shall not be required to act in concert with any other Holder or Owner or the Custodian.

If the premium and expenses relating to this Policy are payable in a single payment, the payment in full of such premium and expenses shall coincide with the delivery of the Obligations to the Custodian. If all or a portion of the premium and expenses relating to this Policy are payable in periodic installments, such amounts will be deducted from moneys payable to each Holder or Owner, as the case may be, under the Custody Agreement (or from moneys payable under this Policy in lieu thereof) for each scheduled periodic payment of Amounts Due for Payment.

This Policy shall not insure against the failure of the Custodian to remit amounts received hereunder to the Holder or the Owner.

The premium for this Policy is not refundable for any reason, including the payment of the Obligations prior to maturity.

This Policy is noncancellable, except in the event that the Holder or Owner surrenders its interest in the Certificate of Bond Insurance or in the Position (as the term "Position" is defined in the Custody Agreement) and waives its right to receive payment from the Insurer under this Policy, pursuant to Sections 3.03 (f) and 4.06 (b) of the Custody Agreement.

This policy is issued to the Holders and the Owners and is nontransferable except in accordance with the Custody Agreement. There shall be no acceleration payment due under this Policy except at the sole option of the Insurer. This Policy shall be governed by the laws of the State of New York.

This Policy is not covered by the Property/Casualty Insurance Security Fund specified in Article 76 of the New York Insurance Fund.

IN WITNESS WHEREOF, ACA has caused this Policy to be affixed with its corporate seal and executed on its behalf by its duly authorized representative.

ACA FINANCIAL GUARANTY CORPORATION



EXHIBIT A

TERMS AGREEMENT

Pursuant to the Custody Agreement dated as of November 3, 1997 (the "Agreement") between U.S. Bank Trust National Association, custodian (the "Custodian"), and ACA Financial Guaranty Corporation (the "Insurer"), this Terms Agreement dated 06/08/2001, is hereby delivered, as approved, by the Insurer. The provisions of the Agreement are incorporated herein by reference in their entirety and shall be deemed to be a part of this Terms Agreement as fully and to the same extent as if such provisions had been set forth herein in full.

The applicant listed below will deliver to the Custodian, in the manner set forth in the Agreement, the securities described below:

Applicant: T. Rowe Price Associates, Inc.

Applicant DTC: [null]

Applicant Contact: James Murphy

Phone/Fax: 410-345-2121/410-581-5116

Applicant Office Address: 100 East Pratt Street Baltimore, MD 21202

CUSIP No.: 20786LAQ4

Enhanced CUSIP No.: 20786LCV1

Bond Issuer: Connector 2000 Association, Inc.

Bond Description: Connector 2000 Association, Inc. Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina)

Par Amount: \$9,900,000

Dated Date: 02/01/1998

Due Date: 01/01/2020

Coupon: 0.000%

Ratings - S&P: BBB-

Moody's: NA

Fitch: NA

Type of Delivery to Custodian (DTC/Physical): DTC

Interest Payment Dates: Jan. & July 1

Denominations: \$5,000

Bearer/Registered: Registered

Secondary Market Insurance Policy No.: S0601-18

Settlement Date: 06/08/2001



ACA Financial Guaranty Corporation
140 Broadway, 47th Floor
New York, NY 10005
For information, contact
(212) 373-2000
(888) 427-8833

SECONDARY MARKET INSURANCE POLICY

Policy Number: S0601-19 **Effective Date:** June 8, 2001
Issuer: Connector 2000 Association, Inc.
Bonds: \$12,300,000 Connector 2000 Association, Inc. Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina), 0.00%, dated
02/01/1998, due 01/01/2021, CUSIP 20786LAR2, Enhanced 20786LCW9

ACA FINANCIAL GUARANTY CORPORATION, a Maryland stock insurance corporation (the "Insurer"), in consideration of the payment of the premium and subject to the terms of this Secondary Market Insurance Policy (the "Policy") and the Custody Agreement between U.S. Bank Trust, National Association (the "Custodian") and the Insurer, dated November 3, 1997, (the "Custody Agreement"), hereby agrees to pay to the Custodian, for the benefit of each Holder or Owner, as the case may be, the Amount Due for Payment resulting from the Nonpayment by the Issuer of the Obligations described in Exhibit A, attached hereto.

For purposes of this Policy, the following terms shall have the meanings hereinbelow set forth. "Amounts Due for Payment" shall mean the amounts of Nonpayment, as reduced, if applicable, by the amount of any partial payments made by or on behalf of the Issuer. "Business Day" shall mean any day other than a Saturday, Sunday or a day on which banking institutions in the State of New York are authorized or required by law to be closed. "Due Date of Payment" shall mean (i) when referring to the principal of an Obligation, the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless the Insurer shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (ii) when referring to interest on an Obligation, the stated date for payment of interest. "Holder" shall mean the owner of a custody receipt issued pursuant to Article II of the Custody Agreement. "Nonpayment" shall mean the failure of the Issuer to have provided sufficient funds to the Custodian for payment in full of all principal and interest on any Due Date of Payment of an Obligation. "Notice of Nonpayment" shall mean telephonic or electronic notice, subsequently confirmed in writing, or written notice by registered or certified mail from the Custodian to the Insurer, which notice shall specify (i) the name of the person or entity making the claim, (ii) the Policy Number, (iii) the Amount Due for Payment and (iv) the Due Date of Payment. "Obligations" shall mean the securities insured under the Policy, as described in Exhibit A, attached hereto. "Owner" shall mean the owner of a beneficial interest in a book-entry position. "Preference Claim" shall mean a Nonpayment resulting from any payment of principal or interest made to an Owner or Holder by or on behalf of the Issuer of such Obligation which has been recovered from such Owner pursuant to a final, non-appealable order of a court of competent jurisdiction that such payment constitutes an avoidable preference to such Owner within the meaning of any applicable bankruptcy law. Notwithstanding the foregoing, the terms "Owner" and "Holder" shall mean, as to a particular Obligation, the person who is entitled to payment under the terms of such Obligation, other than the Issuer or any third party whose direct or indirect obligation constitutes the underlying security for such Obligation.

Upon receipt of Notice of Nonpayment from the Custodian, the Insurer, on the later of the Due Date of Payment or within one Business Day after receipt of Notice of Nonpayment, will deposit the Amount Due for Payment in a segregated account to be held by the Custodian.

Upon presentation and delivery to the Insurer by the Custodian of (i) evidence of the right of the Custodian, Holder or Owner, as the case may be, to receive payment of the Amounts Due for Payment and (ii) evidence, including appropriate instruments of assignment and agency, which instruments shall be reasonably satisfactory to Insurer in its sole discretion, that all rights of the Custodian, Holder or Owner relating to the insured Obligations shall thereupon vest in the Insurer, the Custodian shall disburse from the aforesaid segregated account to the Holder or Owner, as the case may be, payment of the Amounts Due for Payment. Upon any such disbursement, the Insurer shall become fully subrogated to the rights of the Holder or Owner, including all rights to receive payment to the extent of any payments by the Insurer hereunder. This Policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

99081125-4

Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be made on the fourth Business Day following receipt by the Insurer from the Custodian of (i) a certified copy of the order requiring the return of moneys and giving rise to a Preference Claim, (ii) a certificate of the Holder, Owner or Custodian, as the case may be, that such order has been duly entered and is not subject to any stay and (iii) an assignment duly executed by the Holder or Owner, as the case may be, irrevocably assigning to the Insurer all rights and claims of such Holder or Owner relating to the Obligations, provided that if the foregoing documents are received on a day that is not a Business Day or after 1:00 p.m. Eastern prevailing time on any Business Day, the Insurer shall make such payment on the fifth Business Day following such date. Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be disbursed to the receiver, conservator, debtor in possession or trustee in bankruptcy named in the related order and not to the Custodian, Holder or Owner directly, unless such Custodian, Holder or Owner has previously refunded all or a part of such payment, pursuant to a legal requirement, as demonstrated to the satisfaction of the Insurer.

In any event of a Nonpayment, the Custodian shall make a claim for payment under this Policy. In order to receive payment hereunder, the Custodian, as the attorney-in-fact of the Holder or Owner, as the case may be, shall execute and deliver appropriate instruments of assignment to the Insurer and shall appoint the Insurer as the agent of such Holder or Owner and of the Custodian in any legal proceedings relating to the Obligations.

IN THE EVENT THAT A HOLDER OR OWNER REVOKES THE AFORESAID ATTORNEY-IN-FACT STATUS OF THE CUSTODIAN, THE CUSTODIAN SHALL HAVE NO OBLIGATION TO DISBURSE FUNDS PAID BY INSURER AND HELD BY THE CUSTODIAN PURSUANT TO THIS POLICY UNTIL AND UNLESS SUCH HOLDER OR OWNER SHALL EXECUTE AND DELIVER DOCUMENTS SATISFACTORY TO THE INSURER TO EFFECT AN ASSIGNMENT TO THE INSURER OF ALL RIGHTS AND REMEDIES THAT SUCH HOLDER OR OWNER HAS OR MAY HAVE AGAINST THE ISSUER OF THE OBLIGATION.

Following any default by the Insurer in the payment of any amounts due under this Policy, each Holder or Owner, as the case may be, shall have the right to proceed directly and individually against the Insurer in whatever manner such Holder or Owner deems appropriate and shall not be required to act in concert with any other Holder or Owner or the Custodian.

If the premium and expenses relating to this Policy are payable in a single payment, the payment in full of such premium to the Insurer shall coincide with the delivery of the Obligations to the Custodian. If all or a portion of the premium and expenses relating to this Policy are payable in periodic installments, such amounts will be deducted from moneys payable to each Holder or Owner, as the case may be, under the Custody Agreement (or from moneys payable under this Policy in lieu thereof) for each scheduled periodic payment of Amounts Due for Payment.

This Policy shall not insure against the failure of the Custodian to remit amounts received hereunder to the Holder or the Owner.

The premium for this Policy is non-refundable for any reason, including the payment of the Obligations prior to maturity.

This Policy is noncancelable, except in the event that the Holder or Owner surrenders its interest in the Certificate of Bond Insurance or in the Position, (as the term "Position" is defined in the Custody Agreement) and waives its right to receive payment from the Insurer under this Policy, pursuant to Sections 3.03 (f) and 4.06 (b) of the Custody Agreement.

This policy is issued to the Holders and the Owners and is nontransferable except in accordance with the Custody Agreement. There shall be no acceleration payment due under this Policy except at the sole option of the Insurer. This Policy shall be governed by the laws of the State of New York.

This Policy is not covered by the Property/Casualty Insurance Security Fund specified in Article 76 of the New York Insurance Fund.

IN WITNESS WHEREOF, ACA has caused this Policy to be affixed with its corporate seal and executed on its behalf by its duly authorized representative.

ACA FINANCIAL GUARANTY CORPORATION




EXHIBIT A

TERMS AGREEMENT

Pursuant to the Custody Agreement dated as of November 3, 1997 (the "Agreement") between U.S. Bank Trust National Association, custodian (the "Custodian"), and ACA Financial Guaranty Corporation (the "Insurer"), this Terms Agreement dated 06/08/2001, is hereby delivered, as approved, by the Insurer. The provisions of the Agreement are incorporated herein by reference in their entirety and shall be deemed to be a part of this Terms Agreement as fully and to the same extent as if such provisions had been set forth herein in full.

The applicant listed below will deliver to the Custodian, in the manner set forth in the Agreement, the securities described below:

Applicant: **T. Rowe Price Associates, Inc.**
 Applicant DTC: **[null]**
 Applicant Contact: **James Murphy** Phone/Fax: **410-345-2121/410-581-5116**
 Applicant Office Address: **100 East Pratt Street Baltimore, MD 21202**
 CUSIP No.: **20786LAR2** Enhanced CUSIP No.: **20786LCW9**
 Bond Issuer: **Connector 2000 Association, Inc.**
 Bond Description: **Connector 2000 Association, Inc. Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina)**
 Par Amount: **\$12,300,000** Dated Date: **02/01/1998**
 Due Date: **01/01/2021** Coupon: **0.000%**
 Ratings - S&P: **BBB-** Moody's: **NA**
 Fitch: **NA**
 Type of Delivery to Custodian (DTC/Physical): **DTC**
 Interest Payment Dates: **Jan. & July 1**
 Denominations: **\$5,000** Bearer/Registered: **Registered**
 Secondary Market Insurance Policy No.: **S0601-19**
 Settlement Date: **06/08/2001**



ACA
AMERICAN CAPITAL ACCESS

ACA Financial Guaranty Corporation
 140 Broadway, 47th Floor
 New York, NY 10005
 For information, contact:
 (212) 375-2000
 (888) 427-2833

SECONDARY MARKET INSURANCE POLICY

Policy Number: S0601-20
Issuer: Connector 2000 Association, Inc.
Bonds: \$8,500,000 Connector 2000 Association, Inc. Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina) 0.00%, dated
02/01/1998, due 01/01/2024, CUSIP 20786LAU5, Enhanced 20786LCX7

Effective Date: June 8, 2001

ACA FINANCIAL GUARANTY CORPORATION, a Maryland stock insurance corporation (the "Insurer"), in consideration of the payment of the premium and subject to the terms of this Secondary Market Insurance Policy (the "Policy") and the Custody Agreement between U.S. Bank Trust National Association (the "Custodian") and the Insurer, dated November 3, 1997, (the "Custody Agreement"), hereby agrees to pay to the Custodian, for the benefit of each Holder or Owner, as the case may be, the Amount Due for Payment resulting from the Nonpayment by the Issuer of the Obligations described in Exhibit A, attached hereto.

For purposes of this Policy, the following terms shall have the meanings hereinbelow set forth. "Amounts Due for Payment" shall mean the amounts of Nonpayment, as reduced, if applicable, by the amount of any partial payment made by or behalf of the Issuer. "Business Day" shall mean any day other than a Saturday, Sunday or a day on which banking institutions in the State of New York are authorized or required by law to be closed. "Due Date of Payment" shall mean (i) when referring to the principal of an Obligation, the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless the Insurer shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (ii) when referring to interest on an Obligation, the stated date for payment of interest. "Holder" shall mean the owner of a custody receipt issued pursuant to Article II of the Custody Agreement. "Nonpayment" shall mean the failure of the Issuer to have provided sufficient funds to the Custodian for payment in full of all principal and interest on any Due Date of Payment of an Obligation. "Notice of Nonpayment" shall mean telephonic or electronic notice subsequently confirmed in writing, or written notice by registered or certified mail from the Custodian to the Insurer, which notice shall specify (i) the name of the person or entity making the claim, (ii) the Policy Number, (iii) the Amount Due for Payment and (iv) the Due Date of Payment. "Obligations" shall mean the securities insured under the Policy, as described in Exhibit A, attached hereto. "Owner" shall mean the owner of a beneficial interest in a book-entry position. "Preference Claim" shall mean a Nonpayment resulting from any payment of principal or interest made to an Owner or Holder by or on behalf of the Issuer of such Obligation which has been recovered from such Owner pursuant to a final, non-appealable order of a court of competent jurisdiction that such payment constitutes an avoidable preference to such Owner within the meaning of any applicable bankruptcy law. Notwithstanding the foregoing, the terms "Owner" and "Holder" shall mean, as to a particular Obligation, the person who is entitled to payment under the terms of such Obligation, other than the Issuer or any third party whose direct or indirect obligation constitutes the underlying security for such Obligation.

Upon receipt of Notice of Nonpayment from the Custodian, the Insurer, on the later of the Due Date of Payment or within one Business Day after receipt of Notice of Nonpayment, will deposit the Amount Due for Payment into a segregated account to be held by the Custodian.

Upon presentation and delivery to the Insurer by the Custodian of (i) evidence of the right of the Custodian, Holder or Owner, as the case may be, to receive payment of the Amounts Due for Payment and (ii) evidence, including appropriate instruments of assignment and agency, which instruments shall be reasonably satisfactory to Insurer in its sole discretion, that all rights of the Custodian, Holder or Owner relating to the insured Obligations shall thereupon vest in the Insurer, the Custodian shall disburse from the aforesaid segregated account to the Holder or Owner, as the case may be, payment of the Amounts Due for Payment. Upon any such disbursement, the Insurer shall become fully subrogated to the rights of the Holder or Owner, including all rights to receive payment to the extent of any payments by the Insurer hereunder. This Policy does not insure against loss of any premium or premium which may at any time be payable with respect to any Obligation.

990871-56-5
99087320

ACA-SMIP 01 [Rev.11-99]

Page 1 of 2

Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be made on the fourth Business Day following receipt by the Insurer from the Custodian of (i) a certified copy of the order requiring the return of moneys and giving rise to a Preference Claim, (ii) a certificate of the Holder, Owner or Custodian, as the case may be, that such order has been duly entered and is not subject to any stay and (iii) an assignment duly executed by the Holder or Owner, as the case may be, irrevocably assigning to the Insurer all rights and claims of such Holder or Owner relating to the Obligations, provided that if the foregoing documents are received on a day that is not a Business Day or after 1:00 p.m. Eastern prevailing time on any Business Day, the Insurer shall make such payment on the fifth Business Day following such date. Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be disbursed to the receiver, conservator, debtor in possession or trustee in bankruptcy named in the related order and not to the Custodian, Holder or Owner directly, unless such Custodian, Holder or Owner has previously refunded all or a part of such payment, pursuant to a legal requirement, as demonstrated to the satisfaction of the Insurer.

In any event of a Nonpayment, the Custodian shall make a claim for payment under this Policy. In order to receive payment hereunder, the Custodian, as the attorney-in-fact of the Holder or Owner, as the case may be, shall execute and deliver appropriate instruments of assignment to the Insurer and shall appoint the Insurer as the agent of such Holder or Owner and of the Custodian in any legal proceedings relating to the Obligations.

IN THE EVENT THAT A HOLDER OR OWNER REVOKES THE AFORESAID ATTORNEY-IN-FACT STATUS OF THE CUSTODIAN, THE CUSTODIAN SHALL HAVE NO OBLIGATION TO DISBURSE FUNDS PAID BY INSURER AND HELD BY THE CUSTODIAN PURSUANT TO THIS POLICY UNTIL AND UNLESS SUCH HOLDER OR OWNER SHALL EXECUTE AND DELIVER DOCUMENTS SATISFACTORY TO THE INSURER TO EFFECT AN ASSIGNMENT TO THE INSURER OF ALL RIGHTS AND REMEDIES THAT SUCH HOLDER OR OWNER HAS OR MAY HAVE AGAINST THE ISSUER OF THE OBLIGATION.

Following any default by the Insurer in the payment of any amounts due under this Policy, each Holder or Owner, as the case may be, shall have the right to proceed directly and individually against the Insurer in whatever manner such Holder or Owner deems appropriate and shall not be required to act in concert with any other Holder or Owner or the Custodian.

If the premium and expenses relating to this Policy are payable in a single payment, the payment in full of such premium to the Insurer shall coincide with the delivery of the Obligations to the Custodian. If all or a portion of the premium and expenses relating to this Policy are payable in periodic installments, such amounts will be deducted from moneys payable to each Holder or Owner, as the case may be, under the Custody Agreement (or from moneys payable under this Policy in lieu thereof) for each scheduled periodic payment of Amounts Due for Payment.

This Policy shall not insure against the failure of the Custodian to remit amounts received hereunder to the Holder or the Owner.

The premium for this Policy is not refundable for any reason, including the payment of the Obligations prior to maturity.

This Policy is noncancellable, except in the event that the Holder or Owner surrenders its interest in the Certificate of Bond Insurance or in the Position (as the term "Position" is defined in the Custody Agreement) and waives its right to receive payment from the Insurer under this Policy, pursuant to Sections 3.03 (f) and 4.06 (b) of the Custody Agreement.

This policy is issued to the Holders and the Owners and is nontransferable except in accordance with the Custody Agreement. There shall be no acceleration payment due under this Policy except at the sole option of the Insurer. This Policy shall be governed by the laws of the State of New York.

This Policy is not covered by the Property/Casualty Insurance Security Fund specified in Article 76 of the New York Insurance Fund.

IN WITNESS WHEREOF, ACA has caused this Policy to be affixed with its corporate seal and executed on its behalf by its duly authorized representative.

ACA FINANCIAL GUARANTY CORPORATION



EXHIBIT A

TERMS AGREEMENT

Pursuant to the Custody Agreement dated as of November 3, 1997 (the "Agreement") between U.S. Bank Trust National Association, custodian (the "Custodian"), and ACA Financial Guaranty Corporation (the "Insurer"), this Terms Agreement dated 06/08/2001, is hereby delivered, as approved, by the Insurer. The provisions of the Agreement are incorporated herein by reference in their entirety and shall be deemed to be a part of this Terms Agreement as fully and to the same extent as if such provisions had been set forth herein in full.

The applicant listed below will deliver to the Custodian, in the manner set forth in the Agreement, the securities described below:

Applicant: T. Rowe Price Associates, Inc.
 Applicant DTC: [null]
 Applicant Contact: James Murphy Phone/Fax: 410-345-2121/410-581-5116
 Applicant Office Address: 100 East Pratt Street Baltimore, MD 21202
 CUSIP No.: 20786LAU5 Enhanced CUSIP No.: 20786LCX7
 Bond Issuer: Connector 2000 Association, Inc.
 Bond Description: Connector 2000 Association, Inc. Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina)
 Par Amount: \$8,500,000 Dated Date: 02/01/1998
 Due Date: 01/01/2024 Coupon: 0.000%
 Ratings - S&P: BBB- Moody's: NA
 Fitch: NA
 Type of Delivery to Custodian (DTC/Physical): DTC
 Interest Payment Dates: Jan. & July 1
 Denominations: \$5,000 Bearer/Registered: Registered
 Secondary Market Insurance Policy No.: S0601-20
 Settlement Date: 06/08/2001

Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be made on the fourth Business Day following receipt by the Insurer from the Custodian of (i) a certified copy of the order requiring the return of moneys and giving rise to a Preference Claim, (ii) a certificate of the Holder, Owner or Custodian, as the case may be, that such order has been duly entered and is not subject to any stay and (iii) an assignment duly executed by the Holder or Owner, as the case may be, irrevocably assigning to the Insurer all rights and claims of such Holder or Owner relating to the Obligations, provided that if the foregoing documents are received on a day that is not a Business Day or after 4:00 p.m. Eastern prevailing time on any Business Day, the Insurer shall make such payment on the fifth Business Day following such date. Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be disbursed to the receiver, conservator, debtor in possession or trustee in bankruptcy named in the related order and not to the Custodian, Holder or Owner directly, unless such Custodian, Holder or Owner has previously refunded all or a part of such payment, pursuant to a legal requirement, as demonstrated to the satisfaction of the Insurer.

In any event of a Nonpayment, the Custodian shall make a claim for payment under this Policy. In order to receive payment hereunder, the Custodian, as the attorney-in-fact of the Holder or Owner, as the case may be, shall execute and deliver appropriate instruments of assignment to the Insurer and shall appoint the Insurer as the agent of such Holder or Owner and of the Custodian in any legal proceedings relating to the Obligations.

IN THE EVENT THAT A HOLDER OR OWNER REVOKES THE AFORESAID ATTORNEY-IN-FACT STATUS OF THE CUSTODIAN, THE CUSTODIAN SHALL HAVE NO OBLIGATION TO DISBURSE FUNDS PAID BY INSURER AND HELD BY THE CUSTODIAN PURSUANT TO THIS POLICY UNTIL AND UNLESS SUCH HOLDER OR OWNER SHALL EXECUTE AND DELIVER DOCUMENTS SATISFACTORY TO THE INSURER TO EFFECT AN ASSIGNMENT TO THE INSURER OF ALL RIGHTS AND REMEDIES THAT SUCH HOLDER OR OWNER HAS OR MAY HAVE AGAINST THE ISSUER OF THE OBLIGATION.

Following any default by the Insurer in the payment of any amounts due under this Policy, each Holder or Owner, as the case may be, shall have the right to proceed directly and individually against the Insurer in whatever manner such Holder or Owner deems appropriate and shall not be required to act in concert with any other Holder or Owner or the Custodian.

If the premium and expenses relating to this Policy are payable in a single payment, the payment in full of such premium to the Insurer shall coincide with the delivery of the Obligations to the Custodian. If all or a portion of the premium and expenses relating to this Policy are payable in periodic installments, such amounts will be deducted from moneys payable to each Holder or Owner, as the case may be, under the Custody Agreement (or from moneys payable under this Policy in lieu thereof) for each scheduled periodic payment of Amounts Due for Payment.

This Policy shall not insure against the failure of the Custodian to remit amounts received hereunder to the Holder or the Owner.

The premium for this Policy is not refundable for any reason, including the payment of the Obligations prior to maturity.

This Policy is noncancelable, except in the event that the Holder or Owner surrenders its interest in the Certificate of Bond Insurance on its Position (as the term "Position" is defined in the Custody Agreement) and waives its right to receive payment from the Insurer under this Policy, pursuant to Sections 3.03 (f) and 4.06 (b) of the Custody Agreement.

This policy is issued to the Holders and the Owners and is nontransferable except in accordance with the Custody Agreement. There shall be no acceleration payment due under this Policy except at the sole option of the Insurer. This Policy shall be governed by the laws of the State of New York.

This Policy is not covered by the Property/Casualty Insurance Security Fund specified in Article 76 of the New York Insurance Fund.

IN WITNESS WHEREOF, ACA has caused this Policy to be affixed with its corporate seal and executed on its behalf by its duly authorized representative.

ACA FINANCIAL GUARANTEE CORPORATION



EXHIBIT A

TERMS AGREEMENT

Pursuant to the Custody Agreement dated as of November 3, 1997 (the "Agreement") between U.S. Bank Trust National Association, custodian (the "Custodian"), and ACA Financial Guaranty Corporation (the "Insurer"), this Terms Agreement dated 06/08/2001, is hereby delivered, as approved, by the Insurer. The provisions of the Agreement are incorporated herein by reference in their entirety and shall be deemed to be a part of this Terms Agreement as fully and to the same extent as if such provisions had been set forth herein in full.

The applicant listed below will deliver to the Custodian, in the manner set forth in the Agreement, the securities described below:

Applicant: **T. Rowe Price Associates, Inc.**
 Applicant DTC: **[null]**
 Applicant Contact: **James Murphy** Phone/Fax: **410-345-2121/410-581-5116**
 Applicant Office Address: **100 East Pratt Street Baltimore, MD 21202**
 CUSIP No.: **20786LAW1** Enhanced CUSIP No.: **20786LCY5**
 Bond Issuer: **Connector 2000 Association, Inc.**
 Bond Description: **Connector 2000 Association, Inc. Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina)**
 Par Amount: **\$6,700,000** Dated Date: **02/01/1998**
 Due Date: **01/01/2026** Coupon: **0.000%**
 Ratings - S&P: **BBB-** Moody's: **NA**
 Fitch: **NA**
 Type of Delivery to Custodian (DTC/Physical): **DTC**
 Interest Payment Dates: **Jan. & July 1**
 Denominations: **\$5,000** Bearer/Registered: **Registered**
 Secondary Market Insurance Policy No.: **S0601-21**
 Settlement Date: **06/08/2001**



ACA Financial Guaranty Corporation
140 Broadway, 47th Floor
New York, NY 10005

For information, contact
(212) 375-2000
(888) 427-2833

SECONDARY MARKET INSURANCE POLICY

Policy Number: S0601-22

Effective Date: June 8, 2001

Issuer: Connector 2000 Association, Inc.

**Bonds: \$10,000,000 Connector 2000 Association, Inc. Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina), 0.00%, dated
02/01/1998, due 01/01/2026, CUSIP 20786LAW1, Enhanced 20786LCY5**

ACA FINANCIAL GUARANTY CORPORATION, a Maryland stock insurance corporation (the "Insurer"), in consideration of the payment of the premium and subject to the terms of this Secondary Market Insurance Policy (the "Policy") and the Custody Agreement between U.S. Bank Trust National Association (the "Custodian") and the Insurer, dated November 3, 1997, (the "Custody Agreement"), hereby agrees to pay to the Custodian, for the benefit of each Holder or Owner, as the case may be, the Amount Due for Payment resulting from the Nonpayment by the Issuer of the Obligations described in Exhibit A, attached hereto.

For purposes of this Policy, the following terms shall have the meanings hereinbelow set forth. "Amounts Due for Payment" shall mean the amounts of Nonpayment, as reduced, if applicable, by the amount of any partial payments made by or behalf of the Issuer. "Business Day" shall mean any day other than a Saturday, Sunday or a day on which banking institutions in the State of New York are authorized or required by law to be closed. "Due Date of Payment" shall mean (i) when referring to the principal of an Obligation, the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless the Insurer shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (ii) when referring to interest on an Obligation, the stated date for payment of interest. "Holder" shall mean the owner of a custody receipt issued pursuant to Article II of the Custody Agreement. "Nonpayment" shall mean the failure of the Issuer to have provided sufficient funds to the Custodian for payment in full of all principal and interest on any Due Date of Payment of an Obligation. "Notice of Nonpayment" shall mean telephonic or electronic notice, subsequently confirmed in writing, or written notice by registered or certified mail from the Custodian to the Insurer, which notice shall specify (i) the name of the person or entity making the claim, (ii) the Policy Number, (iii) the Amount Due for Payment and (iv) the Due Date of Payment. "Obligations" shall mean the securities insured under the Policy, as described in Exhibit A, attached hereto. "Owner" shall mean the owner of a beneficial interest in a book-entry position. "Preference Claim" shall mean a Nonpayment resulting from any payment of principal or interest made to an Owner or Holder by or on behalf of the Issuer of such Obligation which has been recovered from such Owner pursuant to a final, non-appealable order of a court of competent jurisdiction that such payment constitutes an avoidable preference to such Owner within the meaning of any applicable bankruptcy law. Notwithstanding the foregoing, the terms "Owner" and "Holder" shall mean, as to a particular Obligation, the person who is entitled to payment under the terms of such Obligation, other than the Issuer or any third party whose direct or indirect obligation constitutes the underlying security for such Obligation.

Upon receipt of Notice of Nonpayment from the Custodian, the Insurer, on the Inter of the Due Date of Payment or within one Business Day after receipt of Notice of Nonpayment, will deposit the Amount Due for Payment into a segregated account to be held by the Custodian.

Upon presentation and delivery to the Insurer by the Custodian of (i) evidence of the right of the Custodian, Holder or Owner, as the case may be, to receive payment of the Amounts Due for Payment and (ii) evidence, including appropriate instruments of assignment and agency, which instruments shall be reasonably satisfactory to Insurer in its sole discretion, that all rights of the Custodian, Holder or Owner relating to the insured Obligations shall thereupon vest in the Insurer, the Custodian shall disburse from the aforesaid segregated account to the Holder or Owner, as the case may be, payment of the Amounts Due for Payment. Upon any such disbursement, the Insurer shall become fully subrogated to the rights of the Holder or Owner, including all rights to receive payment to the extent of any payments by the Insurer hereunder. This Policy does not insure against loss of any premium which may at any time be payable with respect to any Obligation.

990901-0-59-D
9/20/01

Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be made on the fourth Business Day following receipt by the Insurer from the Custodian of (i) a certified copy of the order requiring the return of moneys and giving rise to a Preference Claim, (ii) a certificate of the Holder, Owner or Custodian, as the case may be, that such order has been duly entered and is not subject to any stay and (iii) an assignment duly executed by the Holder or Owner, as the case may be, irrevocably assigning to the Insurer all rights and claims of such Holder or Owner relating to the Obligations, provided that if the foregoing documents are received on a day that is not a Business Day or after 1:00 p.m. Eastern prevailing time on any Business Day, the Insurer shall make such payment on the fifth Business Day following such date. Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be disbursed to the receiver, conservator, debtor in possession or trustee in bankruptcy named in the related order and not to the Custodian, Holder or Owner directly, unless such Custodian, Holder or Owner has previously refunded all or a part of such payment, pursuant to a legal requirement, as demonstrated to the satisfaction of the Insurer.

In any event of a Nonpayment, the Custodian shall make a claim for payment under this Policy. In order to receive payment hereunder, the Custodian, as the attorney-in-fact of the Holder or Owner, as the case may be, shall execute and deliver appropriate instruments of assignment to the Insurer and shall appoint the Insurer as the agent of such Holder or Owner and of the Custodian in any legal proceedings relating to the Obligations.

IN THE EVENT THAT A HOLDER OR OWNER REVOKES THE AFORESAID ATTORNEY-IN-FACT STATUS OF THE CUSTODIAN, THE CUSTODIAN SHALL HAVE NO OBLIGATION TO DISBURSE FUNDS PAID BY INSURER AND HELD BY THE CUSTODIAN PURSUANT TO THIS POLICY UNTIL AND UNLESS SUCH HOLDER OR OWNER SHALL EXECUTE AND DELIVER DOCUMENTS SATISFACTORY TO THE INSURER TO EFFECT AN ASSIGNMENT TO THE INSURER OF ALL RIGHTS AND REMEDIES THAT SUCH HOLDER OR OWNER HAS OR MAY HAVE AGAINST THE ISSUER OF THE OBLIGATION.

Following any default by the Insurer in the payment of any amounts due under this Policy, each Holder or Owner, as the case may be, shall have the right to proceed directly and individually against the Insurer in whatever manner such Holder or Owner deems appropriate and shall not be required to act in concert with any other Holder or Owner or the Custodian.

If the premium and expenses relating to this Policy are payable in a single payment, the payment in full of such premium to the Insurer shall coincide with the delivery of the Obligations to the Custodian. If all or a portion of the premium and expenses relating to this Policy are payable in periodic installments, such amounts will be deducted from moneys payable to each Holder or Owner, as the case may be, under the Custody Agreement (or from moneys payable under this Policy in lieu thereof) for each scheduled periodic payment of Amounts Due for Payment.

This Policy shall not insure against the failure of the Custodian to remit amounts received hereunder to the Holder or the Owner.

The premium for this Policy is not refundable for any reason, including the payment of the Obligations prior to maturity.

This Policy is noncancellable, except in the event that the Holder or Owner surrenders its interest in the Certificate of Bond Insurance or in the Position (as the term "Position" is defined in the Custody Agreement) and waives its right to receive payment from the Insurer under this Policy, pursuant to Sections 3.03 (f) and 4.06 (b) of the Custody Agreement.

This policy is issued to the Holders and the Owners and is nontransferable except in accordance with the Custody Agreement. There shall be no acceleration payment due under this Policy except at the sole option of the Insurer. This Policy shall be governed by the laws of the State of New York.

This Policy is not covered by the Property/Casualty Insurance Security Fund specified in Article 76 of the New York Insurance Fund.

IN WITNESS WHEREOF, ACA has caused this Policy to be affixed with its corporate seal and executed on its behalf by its duly authorized representative.

ACA FINANCIAL GUARANTY CORPORATION



EXHIBIT A

TERMS AGREEMENT

Pursuant to the Custody Agreement dated as of November 3, 1997 (the "Agreement") between U.S. Bank Trust National Association, custodian (the "Custodian"), and ACA Financial Guaranty Corporation (the "Insurer"), this Terms Agreement dated 06/08/2001, is hereby delivered, as approved, by the Insurer. The provisions of the Agreement are incorporated herein by reference in their entirety and shall be deemed to be a part of this Terms Agreement as fully and to the same extent as if such provisions had been set forth herein in full.

The applicant listed below will deliver to the Custodian, in the manner set forth in the Agreement, the securities described below:

Applicant: **Strong Capital Management**
 Applicant DTC: **[null]**
 Applicant Contact: **Thomas Stoeckmann** Phone/Fax: **414-359-3360/414-359-3334**
 Applicant Office Address: **100 Heritage Reserve Menomonee Falls, WI 53051**
 CUSIP No.: **20786LAW1** Enhanced CUSIP No.: **20786LCY5**
 Bond Issuer: **Connector 2000 Association, Inc.**
 Bond Description: **Connector 2000 Association, Inc. Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina)**
 Par Amount: **\$2,436,364** Dated Date: **02/01/1998**
 Due Date: **01/01/2026** Coupon: **0.000%**
 Ratings - S&P: **BBB-** Moody's: **NA**
 Fitch: **NA**
 Type of Delivery to Custodian (DTC/Physical): **DTC**
 Interest Payment Dates: **Jan. & July 1**
 Denominations: **\$5,000** Bearer/Registered: **Registered**
 Secondary Market Insurance Policy No.: **S0601-22**
 Settlement Date: **06/08/2001**

HOLDER LETTERHEAD

Date: _____

U.S. Bank Trust National Association
100 Wall Street, Suite 1600
New York, NY 10005
Attn: Corporate Trust Services

Re: _____ Cusip _____

Dear Sirs :

_____ is the Related Beneficial Owner of (\$_____) par amount of the Referenced bond issue (the "Bonds"). Said bonds are presently insured by ACA Financial Guaranty Corporation (the "Insurer"), and held in custody for us at Depository Trust Company by U S Bank Trust National Association (the "Custodian").

Pursuant to Section 4.06 of the Custody Agreement covering these bonds, we hereby direct the Custodian to deliver the uninsured bonds (CUSIP #_____) to us upon their receipt of the above described Insured Bonds (CUSIP #_____).

_____ hereby surrenders its beneficial interest in the applicable Insured certificate and waives all rights against the Insurer, including any right to payment by the Insurer under its policy to the Custodian or to us as the Related Beneficial Owner.

We represent and certify to you that _____ is the Related Beneficial Owner of the bonds described in the first paragraph hereof and request that this letter serves as evidence of such beneficial ownership.

We deliver to DTC #2803 for account #96029321. You will deliver to us at DTC #_____, a/c _____, attention _____, telephone number _____.

Sincerely,

CC : ACA Financial Guaranty Corporation
Attn: Director of Recovery Management, Fax (212) 375-2302

100 Wall Street
16th Floor
New York, NY 10005

July 8, 2011

TO:
Holders of Certificates of Bond Insurance Issued by

ACA Financial Guaranty Corporation
Relating to
Connector 2000 Association, Inc Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina)
Bearing Cusips **20786LCS8**

As Custodian for the Policy issued by ACA Financial Guaranty Corporation and the securities issued by order of the Bankruptcy Court in consideration of the claim filed for the former Connector 2000 Association, Inc, Toll Road Revenue Bonds (Southern Connector Project, Greenville South Carolina), (Cusip 20786L AA9), this is to notify you that there was a non-payment of debt service due July 1, 2011. As Custodian we sent a Notice of Nonpayment to ACA Financial Guaranty Corporation under their Policy Number S0601-15, which is held by us, as Custodian, for your benefit. We are now forwarding a letter to Holders from ACA Financial Guaranty Corporation and materials identified in that letter. We refer you to the documents attached for a description of the Custodian's obligations and Holder's rights thereunder.

Please forward this material to beneficial holders.

Inquiries to ACA Financial Guaranty Corporation may be directed to Brendan Malone, Assistant General Counsel, ACA Financial Guaranty Corporation, 600 Fifth Ave., 2nd Floor, New York, NY 10020. Tel: 212-375-2109.

By U.S. Bank Trust National Association,
As Custodian



ACA Financial Guaranty Corporation
600 Fifth Avenue, 2nd Floor
New York, NY 10020
212 375 2000 Tel
212 375 2100 Fax



www.aca.com

Date: July 7, 2011

TO:

Holders of Certificates of Bond Insurance Issued by

ACA Financial Guaranty Corporation
Relating to
Connector 2000 Association, Inc. Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina)
Bearing CUSIP 20786LCS8

U.S. Bank Trust National Association is Custodian (the "Custodian") under the Custody Agreement with ACA Financial Guaranty Corporation dated November 3, 1997 (the "Custody Agreement"). We are in receipt of a Notice of Nonpayment from the Custodian dated July 6, 2011 referring to our secondary market policy S0601-15 (the "Policy"). The Custodian has requested payment pursuant to the Policy of certain interest payments originally due under that certain Master Indenture of Trust and First Supplemental Indenture of Trust, both dated as of February 1, 1998, pursuant to which the Connector 2000 bonds referred to in the Policy (the "Bonds") were issued. As you are aware, the issuer of the Bonds successfully confirmed a Chapter 9 plan (the "Plan"), and emerged from its bankruptcy proceeding on April 1, 2011. Pursuant to the terms of the Plan and by operation of law, the Bonds were exchanged for new obligations of the issuer (the "New Obligations") and were effectively cancelled. As a result, the Bonds are no longer enforceable obligations, and as such, neither is the guaranty obligation originally provided by ACA under the Policy. Please refer to ACA's letter to Holders of Certificates of Bond Insurance dated May 12, 2011, which included a copy of the Policy and other relevant documents including the Custody Agreement. A copy of such letter, with all attachments, is included with this notice for your convenience.

Because the Bonds are no longer effective or enforceable obligations by virtue of the exchange effected under the Plan, and because the original guaranty issued by ACA in connection with the Bonds under the Policy was not extended under the Plan or otherwise to the New Obligations, ACA has no further liability or obligation under the Policy.

ACA Financial Guaranty Corp.

EXHIBIT A – LETTER OF MAY 12, 2011 INCLUDING ALL ATTACHMENTS

ACA Financial Guaranty Corporation
600 Fifth Avenue, 2nd Floor
New York, NY 10020
212 375 2000 Tel
212 375 2100 Fax



www.aca.com

Date: May 12, 2011

TO:

Holders of Certificates of Bond Insurance Issued by

ACA Financial Guaranty Corporation
Relating to
Connector 2000 Association, Inc. Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina)
Bearing CUSIPs
20786LCS8, 20786LCU3, 20786LCV1,
20786LCW9, 20786LCX7 and 20786LCY5

U.S. Bank Trust National Association is Custodian (the "Custodian") under the Custody Agreement with ACA Financial Guaranty Corporation dated November 3, 1997 (the "Custody Agreement") which provided for the issuance of Certificates of Bond Insurance (the "Custody Receipts") bearing the above CUSIP numbers. The Custody Receipts represent Insured Obligations on deposit with the Custodian bearing CUSIPs (the "Underlying CUSIPs") numbers **20786L AA9, AG6, AQ4, AR2, AU5 and AW1**, respectively. Capitalized terms not defined in this notice shall have the meanings ascribed to them in the Custody Agreement.

On March 25, 2011, the U.S. Bankruptcy Court in the District of South Carolina (the "Bankruptcy Court") confirmed the First Amended Plan for Adjustment of Debts (the "Plan") of Connector 2000 Association, Inc. (the "Debtor"), which Plan is binding upon and enforceable against all holders of the Senior Bonds (as defined in the Plan). For copies of certain materials filed with the Bankruptcy Court, please go to www.southernconnector.com (see News and Filings – Bankruptcy Filings).

On April 22, 2011, the Trustee distributed information (the "Exchange Information") to Connector bondholders regarding the exchange of the Senior Bonds for Exchange bonds as described in the Plan ("Exchange Bonds"). Please see Exhibit A for the Exchange Information. In order to locate the CUSIP number and terms of the Exchange Bonds that replaced your particular Insured Obligation held in custody on your behalf pursuant to the Custody Agreement, you need to determine the Underlying CUSIP for your old Senior Bonds using the CUSIP information in the first paragraph of this letter. For example, if you hold a security with the CUSIP 20786LCS8, the corresponding Underlying CUSIP was 20786LAA9. You then look at the exchange table in the attached Exchange Information to find the terms of the new underlying Exchange Bonds that replaced your Insured Obligations.

In light of the custody arrangement in place in connection with the Policy relating to your Insured Obligation, the Exchange Bonds were delivered to U.S. National Bank as Custodian. A copy of the Custody Agreement is attached as Exhibit B. Copies of the Policies corresponding to old Underlying CUSIPs **20786L AA9, AG6, AQ4, AR2, AU5 and**

AW1 are attached hereto as Exhibits C-1 through C-7, including Exhibit A to each which is an integral part of each Policy.

ACA intends to honor Policies, if at all, only in accordance with their specific terms. A determination of the validity and/or enforceability of any particular Policy will be made by ACA at the time a particular claim is made, based on, among other things, the language of the Policy and the facts and circumstances in existence at such time and applicable law. No determination of validity or enforceability of any particular Policy should be inferred herefrom and, in connection therewith or otherwise, ACA reserves all defenses in connection therewith and any and all other claims, rights, remedies, causes of action and defenses of every type and nature whatsoever.

Inquiries to the Custodian may be directed to Patrick Crowley, Vice President, U.S. Bank, 100 Wall Street, New York, NY 10005. Tel: 212-361-2505.

Inquiries to ACA Financial Guaranty Corporation may be directed to Brendan Malone, Assistant General Counsel, ACA Financial Guaranty Corporation, 600 Fifth Ave., 2nd Floor, New York, NY 10020. Tel: 212-375-2109.

ACA Financial Guaranty Corp.



Corporate Trust Services
60 Livingston Avenue, EP-MN-WS1D
St. Paul, MN 55107

Notice #37

NOTICE OF PLAN CONFIRMATION AND MANDATORY EXCHANGE

**Re: Connector 2000 Association, Inc. Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina),
Series 1998A and Series 1998B**

CUSIP Prefix 20786L

U.S. Bank National Association is as of the date of the Bondholder Notice the trustee (the "Trustee") for the holders of the Connector 2000 Association, Inc. Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 1998A and Series 1998B (the "Bonds"), which were issued under the Master Indenture of Trust dated as of February 1, 1998, as heretofore amended and supplemented (the "Indenture") between Connector 2000 Association, Inc. (the "Association") and the Trustee. Holders and beneficial owners of the Bonds are referred to herein as the "Bondholders". Also outstanding under the Indenture are the Series 1998C bonds (the "Subordinate Bonds").

Capitalized terms used in this notice and not defined herein have the meaning ascribed to such terms in the Indenture.

I. Background

As advised in the Trustee's previous notices, the Indenture provided for the Bonds to be repaid from the revenues generated from the operation of the Greenville Southern Connector toll road (the "Connector"), which the Association operates under a license agreement (the "License Agreement") with the South Carolina Department of Transportation ("SCDOT"). The revenues from the Connector have been (i) less than originally forecast and (ii) insufficient to pay the scheduled debt service on the Bonds. Further detailed background and historical information is: (i) set forth in our earlier notices (with the more recent notices available to be viewed on the Municipal Securities Rulemaking Board website at www.emma.msrb.org), and (ii) located at the Association website at www.southernconnector.com under News and Filings, Official Filings.

We previously notified you that on June 24, 2010, the Association filed its petition for bankruptcy protection as a debtor under Chapter 9 of Title 11 of the United States Code, 11 U.S.C. § 101 et seq. (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of South Carolina (the "Bankruptcy Court"). The bankruptcy is pending as Case Number 10-04467 (the "Bankruptcy Proceeding") and has been assigned to Judge David

Duncan. In our last notice, we informed you that the Association had submitted its plan to restructure its debt (the "Plan") to a vote of its creditors and that if the requisite creditors approvals were received, the Association planned to seek approval of the Bankruptcy Court to implement the Plan.

II. Update

The requisite creditors have voted in favor of adopting the Plan, and the Bankruptcy Court approved the Plan by entering the Order Confirming Debtor's First Amended Plan for Adjustment of Debts Pursuant to Chapter 9 of the Bankruptcy Code (the "Confirmation Order"). The Effective Date of the Plan occurred on April 21, 2011.

As one part of the Plan, the 1998 Bonds that you currently hold will be mandatorily exchanged for restructured bonds (the "2011 Bonds"), as provided in the Plan, with the exchange to occur on April 25, 2011 or as soon thereafter as is practicable.

Attached as Schedule 1 (which is first 6 pages of the attached) is a table (the "Exchange Table") that provides information from which you can determine what amount of 2011 Bonds you will receive. The formula requires that you know the CUSIPS and the maturity value of Bonds you currently hold. After determining that information, please reference the Exchange Table. At the far left of the Exchange Table, locate the CUSIP(s) of the Bonds you currently own. Once you locate that information, go immediately to the right where there are 17 columns. If you currently hold a 1998 Series A or 1998 Series B bond, you will receive 16 new bonds with varying maturities and interest rates in the amounts set forth in columns 1 through 16 immediately to the right of the CUSIP(s) of the Series A or Series B Bonds you currently own. If you currently hold a 1998 Series C bond, you will receive one new bond as set forth in column 17 of the Exchange Table immediately to the right of the Series C Bonds you currently own. Note that the Exchange Table also includes the new CUSIP number for the 2011 Bonds. Those are set forth at the top of each of the 17 columns.

As an example, let's assume you currently hold \$5,000 in maturity value of CUSIP 20786LAJO. If you go immediately to the right, in column 1, there are two numbers. (For purposes of this exercise, please disregard the first number in each of the 17 columns). The second number in that column is 5.661965, which is the principal amount of 2011 Bond CUSIP 20786LCZ2 you will receive for each \$1,000 in maturity value of CUSIP 20786LAJO that you currently hold. In our hypothetical, as you hold \$5,000 in maturity value, that would mean you would multiply 5 (which is \$5000 divided by 1000) times 5.661965 to determine the principal amount of the 2011 Bond CUSIP 20786LCZ2 that you would receive. You would repeat this same process for each other column to the right of the CUSIP of Bonds you hold, and that would produce the total principal value of 2011 Bonds you would receive for the maturity value of that CUSIP of Bonds you currently hold. If you hold Bonds of additional CUSIPs, you would repeat this process for each CUSIP.

Each of the CUSIPs listed at the top of columns 1 through 17 has a separate maturity and interest rate, which is set forth on Schedule 2 hereof. Those 2011 Bonds that are marked as Capital Appreciation Bonds are subject to an annual payment as reflected on Schedule 3 hereto. Those payments are made on a pro rata basis amongst holders of the particular CUSIP.

This exchange represents the final distribution you will receive on the Bonds, and future distributions and payments will be pursuant to the 2011 Bonds and the First Amended and Restated Master Trust Indenture dated April 1, 2011 between the Association and the Trustee (the "Restated Master Trust Indenture").

Note that as part of the exchange of the Bonds for 2011 Bonds, this exchange will take place on the records of the Depository Trust Company and will not require you to take further action to conclude the exchange.

III. Further Communications.

The Trustee anticipates that this will be our last notice regarding the Bankruptcy, and that any future communications will once again be as and when required under the Restated Master Trust Indenture. Hereafter, notices from us regarding the 2011 Bonds will be using the new CUSIPS rather than the CUSIPS used with the Bonds as in our prior notices.

IV. Additional Information.

The Trustee may invest funds held under the Indenture in a mutual fund for which either (a) the Trustee receives a service fee from the fund or fund service provider, or (b) investment or advisory services are provided by the Trustee or an affiliate of the Trustee. As such, the Trustee and its affiliates may receive compensation for the investment advisory, custodial, distribution and other services provided. A prospectus that explains the services and costs, including the rate, formula and method of calculating such compensation, is available by contacting U.S. Bank at (800) 934-6802, option #4, or at the following web address: www.usbank.com/corp_trust/bondholder_contact.html.

Holders should not rely on the Trustee as their sole source of information. We encourage Bondholders to keep themselves informed from other sources of available information. The Trustee may conclude that a specific response to particular inquiries from individual holders is not consistent with equal and full dissemination of information to all holders. The Trustee makes no recommendations and gives no investment advice.

Please direct any questions or comments in writing to Susan Jacobsen, U.S. Bank National Association, Corporate Trust Services, 60 Livingston Avenue, EP-MN-WS1D, St. Paul, Minnesota 55107, phone number (651) 495-3954, fax number (651) 495-8100, or by e-mail to susan.jacobsen2@usbank.com.

**U. S. Bank National Association,
as Indenture Trustee**

April 22, 2011

Connector 2000 Association, Inc.
Distributions of New 2011 Bonds
to Old 1998 Bonds - Via Mandatory Exchange

CURRENT BOND INFORMATION					1 New Bond Cusip 20789L CZ2		2 New Bond Cusip 20786L DA6		3 New Bond Cusip 20786L DB4	
					TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal	TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal	TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal
ISSUE DESCRIPTION	Due	Cusip	Trustee	DTC Principal						
SR - Southern Connector PJ - SER A	1/1/23	20786LAA9	US Bank	19,600,000	142,054	7.247654	234,064	11.942041	234,420	11.960205
SR - Southern Connector PJ - SER A	1/1/38	20786LAB7	US Bank	44,800,000	325,083	7.256317	635,642	11.956295	536,458	11.974509
Capital Appreciation - SR - SER B	1/1/10	20786LAE1	US Bank	3,400,000	24,034	7.068824	39,601	11.647353	39,662	11.665295
Capital Appreciation - SR - SER B	1/1/11	20786LAF8	US Bank	3,900,000	26,119	6.697180	43,038	11.034872	43,102	11.051795
Capital Appreciation - SR - SER B	1/1/12	20786LAG6	US Bank	4,900,000	31,060	6.338776	51,178	10.444490	51,256	10.460409
Capital Appreciation - SR - SER B	1/1/13	20786LAH4	US Bank	5,200,000	31,167	5.993654	51,355	9.875962	51,433	9.890962
Capital Appreciation - SR - SER B	1/1/14	20786LAJ0	US Bank	5,600,000	31,707	5.661965	52,244	9.329266	52,324	9.343572
Capital Appreciation - SR - SER B	1/1/15	20786LAK7	US Bank	6,000,000	32,060	5.343334	52,826	8.804334	52,907	8.817834
Capital Appreciation - SR - SER B	1/1/16	20786LAL5	US Bank	6,400,000	32,277	5.042822	53,183	8.309844	53,264	8.322500
Capital Appreciation - SR - SER B	1/1/17	20786LAM3	US Bank	8,800,000	41,943	4.766250	69,109	7.853296	69,215	7.865341
Capital Appreciation - SR - SER B	1/1/18	20786LAN1	US Bank	9,100,000	40,930	4.497803	67,441	7.411099	67,544	7.422418
Capital Appreciation - SR - SER B	1/1/19	20786LAP6	US Bank	9,400,000	39,950	4.250000	65,825	7.002660	65,925	7.013298
Capital Appreciation - SR - SER B	1/1/20	20786LAQ4	US Bank	9,900,000	39,645	4.004546	65,324	6.598384	65,424	6.608485
Capital Appreciation - SR - SER B	1/1/21	20786LAR2	US Bank	12,300,000	46,528	3.782765	76,665	6.232927	76,782	6.242440
Capital Appreciation - SR - SER B	1/1/22	20786LAS0	US Bank	12,700,000	45,381	3.573308	74,774	5.887717	74,888	5.896693
Capital Appreciation - SR - SER B	1/1/23	20786LAT8	US Bank	13,000,000	43,773	3.367154	72,125	5.548077	72,235	5.556539
Capital Appreciation - SR - SER B	1/1/24	20786LAU5	US Bank	13,500,000	42,931	3.180075	70,737	5.239778	70,845	5.247778
Capital Appreciation - SR - SER B	1/1/25	20786LAV3	US Bank	16,200,000	48,654	3.003334	80,167	4.948581	80,289	4.956112
Capital Appreciation - SR - SER B	1/1/26	20786LAW1	US Bank	16,700,000	47,154	2.823593	77,697	4.652515	77,815	4.659581
Capital Appreciation - SR - SER B	1/1/27	20786LAX9	US Bank	17,100,000	45,587	2.665907	75,115	4.392691	75,229	4.399357
Capital Appreciation - SR - SER B	1/1/28	20786LAY7	US Bank	17,500,000	44,048	2.517029	72,579	4.147372	72,689	4.153658
Capital Appreciation - SR - SER B	1/1/29	20786LAZ4	US Bank	20,500,000	48,718	2.376468	80,273	3.915767	80,395	3.921708
Capital Appreciation - SR - SER B	1/1/30	20786LBA8	US Bank	21,000,000	46,941	2.235286	77,344	3.683048	77,462	3.686667
Capital Appreciation - SR - SER B	1/1/31	20786LBB6	US Bank	21,500,000	45,577	2.110047	75,097	3.476713	75,211	3.481991
Capital Appreciation - SR - SER B	1/1/32	20786LBC4	US Bank	22,100,000	44,019	1.991810	72,530	3.281901	72,641	3.286924
Capital Appreciation - SR - SER B	1/1/33	20786LBD2	US Bank	22,700,000	42,681	1.880221	70,325	3.098018	70,432	3.102732
Capital Appreciation - SR - SER B	1/1/34	20786LBE0	US Bank	23,300,000	41,354	1.774850	68,139	2.924421	68,243	2.928885
Capital Appreciation - SR - SER B	1/1/35	20786LBF7	US Bank	23,800,000	39,875	1.675421	65,702	2.760589	65,802	2.764790
Capital Appreciation - SR - SER B	1/1/36	20786LBG5	US Bank	24,400,000	38,589	1.581517	63,584	2.605902	63,681	2.609878
Capital Appreciation - SR - SER B	1/1/37	20786LBH3	US Bank	25,000,000	37,323	1.492920	61,497	2.459880	61,591	2.463640
Capital Appreciation - SR - SER B	1/1/38	20786LBJ9	US Bank	36,300,000	51,157	1.409284	84,291	2.322067	84,420	2.325620
Capital Appreciation - SUB - SER C	1/1/10	20786LBM2	US Bank	2,900,000						
Capital Appreciation - SUB - SER C	1/1/11	20786LBN0	US Bank	3,200,000						
Capital Appreciation - SUB - SER C	1/1/12	20786LBP5	US Bank	3,900,000						
Capital Appreciation - SUB - SER C	1/1/13	20786LBQ3	US Bank	4,100,000						
Capital Appreciation - SUB - SER C	1/1/14	20786LBR1	US Bank	4,200,000						
Capital Appreciation - SUB - SER C	1/1/15	20786LBS9	US Bank	4,400,000						
Capital Appreciation - SUB - SER C	1/1/16	20786LBT7	US Bank	4,600,000						
Capital Appreciation - SUB - SER C	1/1/17	20786LBV4	US Bank	5,600,000						
Capital Appreciation - SUB - SER C	1/1/18	20786LBV2	US Bank	5,800,000						
Capital Appreciation - SUB - SER C	1/1/19	20786LBV0	US Bank	5,900,000						
Capital Appreciation - SUB - SER C	1/1/20	20786LBX8	US Bank	6,000,000						
Capital Appreciation - SUB - SER C	1/1/21	20786LBY6	US Bank	7,100,000						
Capital Appreciation - SUB - SER C	1/1/22	20786LBZ3	US Bank	7,300,000						
Capital Appreciation - SUB - SER C	1/1/23	20786LCA7	US Bank	7,400,000						
Capital Appreciation - SUB - SER C	1/1/24	20786LCB5	US Bank	7,600,000						
Capital Appreciation - SUB - SER C	1/1/25	20786LCC3	US Bank	8,700,000						
Capital Appreciation - SUB - SER C	1/1/26	20786LCD1	US Bank	9,000,000						
Capital Appreciation - SUB - SER C	1/1/27	20786LCE9	US Bank	9,100,000						
Capital Appreciation - SUB - SER C	1/1/28	20786LCF6	US Bank	9,300,000						
Capital Appreciation - SUB - SER C	1/1/29	20786LCG4	US Bank	10,500,000						
Capital Appreciation - SUB - SER C	1/1/30	20786LCH2	US Bank	10,800,000						
Capital Appreciation - SUB - SER C	1/1/31	20786LCJ8	US Bank	11,000,000						
Capital Appreciation - SUB - SER C	1/1/32	20786LCK5	US Bank	11,200,000						
Capital Appreciation - SUB - SER C	1/1/33	20786LCL3	US Bank	11,500,000						
Capital Appreciation - SUB - SER C	1/1/34	20786LCM1	US Bank	11,700,000						
Capital Appreciation - SUB - SER C	1/1/35	20786LCN9	US Bank	12,000,000						
Capital Appreciation - SUB - SER C	1/1/36	20786LCP4	US Bank	12,200,000						
Capital Appreciation - SUB - SER C	1/1/37	20786LCQ2	US Bank	12,400,000						
Capital Appreciation - SUB - SER C	1/1/38	20786LCR0	US Bank	17,200,000						
TOTAL DTC NEW BONDS					1,638,319.00		2,699,469.00		2,703,584.00	

Connector 2000 Association, Inc.
Distributions of New 2011 Bonds
to Old 1998 Bonds - Via Mandatory Exchange

CURRENT BOND INFORMATION					4 New Bond Cusip 20786L DC2		5 New Bond Cusip 20786L DD3		6 New Bond Cusip 20786L DE8	
					TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal	TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal	TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal
ISSUE DESCRIPTION	Due	Cusip	Trustee	DTC Principal						
SR - Southern Connector PJ - SER A	1/1/23	20786LAA9	US Bank	19,600,000	241,535	12.323215	252,453	12.830256	321,616	16.409980
SR - Southern Connector PJ - SER A	1/1/38	20786LAB7	US Bank	44,800,000	552,740	12.337947	577,725	12.895648	736,002	16.428617
Capital Appreciation - SR - SER B	1/1/10	20786LAE1	US Bank	3,400,000	40,866	12.019412	42,713	12.562648	54,415	16.004412
Capital Appreciation - SR - SER B	1/1/11	20786LAF8	US Bank	3,900,000	44,410	11.387180	46,417	11.901795	59,134	15.162565
Capital Appreciation - SR - SER B	1/1/12	20786LAG6	US Bank	4,900,000	52,811	10.777756	55,199	11.285103	70,321	14.351225
Capital Appreciation - SR - SER B	1/1/13	20786LAH4	US Bank	5,200,000	52,994	10.191154	55,390	10.651924	70,584	13.570000
Capital Appreciation - SR - SER B	1/1/14	20786LAJ0	US Bank	5,600,000	53,912	9.627143	56,349	10.062322	71,786	12.818929
Capital Appreciation - SR - SER B	1/1/15	20786LAK7	US Bank	6,000,000	54,512	9.085334	56,976	9.496000	72,536	12.097667
Capital Appreciation - SR - SER B	1/1/16	20786LAL5	US Bank	6,400,000	54,880	8.575000	57,361	8.962657	73,076	11.418125
Capital Appreciation - SR - SER B	1/1/17	20786LAM3	US Bank	8,800,000	71,315	8.103978	74,539	8.470341	94,960	10.790910
Capital Appreciation - SR - SER B	1/1/18	20786LAN1	US Bank	9,100,000	69,594	7.647693	72,740	7.993407	92,668	10.183297
Capital Appreciation - SR - SER B	1/1/19	20786LAP6	US Bank	9,400,000	67,926	7.226171	70,997	7.552873	90,447	9.622222
Capital Appreciation - SR - SER B	1/1/20	20786LAQ4	US Bank	9,900,000	67,409	6.808990	70,456	7.116768	89,759	9.066566
Capital Appreciation - SR - SER B	1/1/21	20786LAR2	US Bank	12,300,000	79,112	6.431870	82,688	6.722602	105,342	8.564391
Capital Appreciation - SR - SER B	1/1/22	20786LAA0	US Bank	12,700,000	77,161	6.075670	80,649	6.350315	102,744	8.090079
Capital Appreciation - SR - SER B	1/1/23	20786LAT8	US Bank	13,000,000	74,427	5.725154	77,792	5.984000	99,104	7.623385
Capital Appreciation - SR - SER B	1/1/24	20786LAU5	US Bank	13,500,000	72,995	5.407038	76,294	5.651408	97,196	7.199704
Capital Appreciation - SR - SER B	1/1/25	20786LAV3	US Bank	16,200,000	82,726	5.106544	86,466	5.337408	110,154	6.789630
Capital Appreciation - SR - SER B	1/1/26	20786LAW1	US Bank	16,700,000	80,177	4.801018	83,801	5.018024	108,760	6.392815
Capital Appreciation - SR - SER B	1/1/27	20786LAX9	US Bank	17,100,000	77,513	4.532924	81,016	4.737778	103,212	6.035790
Capital Appreciation - SR - SER B	1/1/28	20786LAY7	US Bank	17,600,000	74,896	4.279772	78,281	4.473200	99,727	5.698686
Capital Appreciation - SR - SER B	1/1/29	20786LAZ4	US Bank	20,500,000	82,835	4.040732	86,579	4.223366	110,299	5.380440
Capital Appreciation - SR - SER B	1/1/30	20786LBA8	US Bank	21,000,000	79,813	3.800620	83,421	3.972429	106,275	5.060715
Capital Appreciation - SR - SER B	1/1/31	20786LBB6	US Bank	21,600,000	77,494	3.587688	80,997	3.749862	103,187	4.777176
Capital Appreciation - SR - SER B	1/1/32	20786LBC4	US Bank	22,100,000	74,845	3.386652	78,228	3.539729	99,660	4.509503
Capital Appreciation - SR - SER B	1/1/33	20786LBD2	US Bank	22,700,000	72,570	3.196917	75,850	3.341410	96,631	4.256873
Capital Appreciation - SR - SER B	1/1/34	20786LBE0	US Bank	23,300,000	70,315	3.017812	73,493	3.154207	93,627	4.018327
Capital Appreciation - SR - SER B	1/1/35	20786LBF7	US Bank	23,800,000	67,799	2.848698	70,864	2.977479	90,278	3.793194
Capital Appreciation - SR - SER B	1/1/36	20786LBG5	US Bank	24,400,000	65,614	2.689099	68,560	2.810656	87,368	3.580656
Capital Appreciation - SR - SER B	1/1/37	20786LBH3	US Bank	25,000,000	63,461	2.538440	66,329	2.653160	84,501	3.380040
Capital Appreciation - SR - SER B	1/1/38	20786LBJ9	US Bank	38,300,000	86,982	2.396199	90,914	2.504518	115,821	3.190662
Capital Appreciation - SUB - SER C	1/1/10	20786LBM2	US Bank	2,900,000						
Capital Appreciation - SUB - SER C	1/1/11	20786LBN0	US Bank	3,200,000						
Capital Appreciation - SUB - SER C	1/1/12	20786LBP5	US Bank	3,900,000						
Capital Appreciation - SUB - SER C	1/1/13	20786LBQ3	US Bank	4,100,000						
Capital Appreciation - SUB - SER C	1/1/14	20786LBR1	US Bank	4,200,000						
Capital Appreciation - SUB - SER C	1/1/15	20786LBS9	US Bank	4,400,000						
Capital Appreciation - SUB - SER C	1/1/16	20786LBT7	US Bank	4,600,000						
Capital Appreciation - SUB - SER C	1/1/17	20786LBU4	US Bank	5,600,000						
Capital Appreciation - SUB - SER C	1/1/18	20786LBV2	US Bank	5,800,000						
Capital Appreciation - SUB - SER C	1/1/19	20786LBW0	US Bank	5,900,000						
Capital Appreciation - SUB - SER C	1/1/20	20786LBX8	US Bank	6,000,000						
Capital Appreciation - SUB - SER C	1/1/21	20786LBY6	US Bank	7,100,000						
Capital Appreciation - SUB - SER C	1/1/22	20786LBZ3	US Bank	7,300,000						
Capital Appreciation - SUB - SER C	1/1/23	20786LCA7	US Bank	7,400,000						
Capital Appreciation - SUB - SER C	1/1/24	20786LCB5	US Bank	7,500,000						
Capital Appreciation - SUB - SER C	1/1/25	20786LCC3	US Bank	8,700,000						
Capital Appreciation - SUB - SER C	1/1/26	20786LCD1	US Bank	9,000,000						
Capital Appreciation - SUB - SER C	1/1/27	20786LCE9	US Bank	9,100,000						
Capital Appreciation - SUB - SER C	1/1/28	20786LCF6	US Bank	9,300,000						
Capital Appreciation - SUB - SER C	1/1/29	20786LCG4	US Bank	10,500,000						
Capital Appreciation - SUB - SER C	1/1/30	20786LCH2	US Bank	10,800,000						
Capital Appreciation - SUB - SER C	1/1/31	20786LCK8	US Bank	11,000,000						
Capital Appreciation - SUB - SER C	1/1/32	20786LCK5	US Bank	11,200,000						
Capital Appreciation - SUB - SER C	1/1/33	20786LCL3	US Bank	11,500,000						
Capital Appreciation - SUB - SER C	1/1/34	20786LCM1	US Bank	11,700,000						
Capital Appreciation - SUB - SER C	1/1/35	20786LCN9	US Bank	12,000,000						
Capital Appreciation - SUB - SER C	1/1/36	20786LCP4	US Bank	12,200,000						
Capital Appreciation - SUB - SER C	1/1/37	20786LCQ2	US Bank	12,400,000						
Capital Appreciation - SUB - SER C	1/1/38	20786LCR0	US Bank	17,200,000						
TOTAL DTC NEW BONDS					2,785,639.00		2,911,557.00		3,709,220.00	

Connector 2000 Association, Inc.
Distributions of New 2011 Bonds
to Old 1998 Bonds - Via Mandatory Exchange

CURRENT BOND INFORMATION					7 New Bond Cusip 20786L DF5		8 New Bond Cusip 20786L DG3		9 New Bond Cusip 20786L DH1	
ISSUE DESCRIPTION	Due	Cusip	Trustee	DTC Principal	TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal	TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal	TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal
SR - Southern Connector PJ - SER A	1/1/23	20786LAA9	US Bank	19,600,000	327,821	16.725562	332,133	16.945562	341,615	17.429337
SR - Southern Connector PJ - SER A	1/1/33	20786LAB7	US Bank	44,800,000	750,201	16.745559	760,068	16.965804	781,768	17.450178
Capital Appreciation - SR - SER B	1/1/10	20786LAE1	US Bank	3,400,000	55,464	16.312842	56,194	16.527648	57,798	16.999412
Capital Appreciation - SR - SER B	1/1/11	20786LAF8	US Bank	3,900,000	60,275	15.455129	61,068	15.658462	62,811	16.105385
Capital Appreciation - SR - SER B	1/1/12	20786LAG6	US Bank	4,900,000	71,678	14.628164	72,620	14.820409	74,694	15.243674
Capital Appreciation - SR - SER B	1/1/13	20786LAH4	US Bank	5,200,000	71,926	13.831924	72,872	14.013847	74,952	14.413847
Capital Appreciation - SR - SER B	1/1/14	20786LAJ0	US Bank	5,600,000	73,171	13.066250	74,134	13.238215	76,250	13.616072
Capital Appreciation - SR - SER B	1/1/15	20786LAK7	US Bank	6,000,000	73,986	12.331000	74,959	12.493167	77,099	12.849834
Capital Appreciation - SR - SER B	1/1/16	20786LAL5	US Bank	6,400,000	74,485	11.638282	75,485	11.791407	77,620	12.128125
Capital Appreciation - SR - SER B	1/1/17	20786LAM3	US Bank	8,800,000	96,792	10.999091	98,065	11.143750	100,865	11.461932
Capital Appreciation - SR - SER B	1/1/18	20786LAN1	US Bank	9,100,000	94,456	10.379781	95,698	10.516264	98,430	10.816484
Capital Appreciation - SR - SER B	1/1/19	20786LAP6	US Bank	9,400,000	92,192	9.807660	93,405	9.936703	96,072	10.220426
Capital Appreciation - SR - SER B	1/1/20	20786LAQ4	US Bank	9,900,000	91,491	9.241516	92,694	9.363031	95,341	9.630405
Capital Appreciation - SR - SER B	1/1/21	20786LAR2	US Bank	12,300,000	107,374	8.729594	108,787	8.844472	111,693	9.096992
Capital Appreciation - SR - SER B	1/1/22	20786LAS0	US Bank	12,700,000	104,726	8.249142	106,103	8.354567	109,132	8.593071
Capital Appreciation - SR - SER B	1/1/23	20786LAT8	US Bank	13,000,000	101,016	7.770462	102,344	7.872616	105,266	8.097385
Capital Appreciation - SR - SER B	1/1/24	20786LAU5	US Bank	13,500,000	99,072	7.338667	100,375	7.435186	103,240	7.647408
Capital Appreciation - SR - SER B	1/1/25	20786LAV3	US Bank	16,200,000	112,279	6.930803	113,756	7.021976	117,004	7.224470
Capital Appreciation - SR - SER B	1/1/26	20786LAW1	US Bank	16,700,000	108,819	6.516108	110,250	6.601797	113,398	6.790300
Capital Appreciation - SR - SER B	1/1/27	20786LAX9	US Bank	17,100,000	105,203	6.152223	106,587	6.233158	109,630	6.411112
Capital Appreciation - SR - SER B	1/1/28	20786LAY7	US Bank	17,500,000	101,651	5.808629	102,988	5.885029	105,929	6.053066
Capital Appreciation - SR - SER B	1/1/29	20786LAZ4	US Bank	20,500,000	112,427	5.484244	113,906	5.556391	117,168	5.716025
Capital Appreciation - SR - SER B	1/1/30	20786LBA8	US Bank	21,000,000	108,326	5.158381	109,751	5.226239	112,684	5.375429
Capital Appreciation - SR - SER B	1/1/31	20786LBB6	US Bank	21,600,000	105,178	4.869352	106,561	4.933380	109,604	5.074260
Capital Appreciation - SR - SER B	1/1/32	20786LBC4	US Bank	22,100,000	101,583	4.596516	102,919	4.656969	105,657	4.789910
Capital Appreciation - SR - SER B	1/1/33	20786LBD2	US Bank	22,700,000	98,495	4.338987	99,790	4.396036	102,639	4.521542
Capital Appreciation - SR - SER B	1/1/34	20786LBE0	US Bank	23,300,000	95,434	4.095980	96,689	4.149743	99,449	4.268198
Capital Appreciation - SR - SER B	1/1/35	20786LBF7	US Bank	23,800,000	92,020	3.866387	93,230	3.917227	95,892	4.028076
Capital Appreciation - SR - SER B	1/1/36	20786LBG5	US Bank	24,400,000	89,054	3.649755	90,225	3.697746	92,801	3.893320
Capital Appreciation - SR - SER B	1/1/37	20786LBH3	US Bank	25,000,000	86,131	3.445240	87,264	3.490560	89,765	3.690200
Capital Appreciation - SR - SER B	1/1/38	20786LBJ9	US Bank	36,300,000	118,055	3.252704	119,608	3.294987	123,023	3.389064
Capital Appreciation - SUB - SER C	1/1/10	20786LBM2	US Bank	2,900,000						
Capital Appreciation - SUB - SER C	1/1/11	20786LBN0	US Bank	3,200,000						
Capital Appreciation - SUB - SER C	1/1/12	20786LBP5	US Bank	3,900,000						
Capital Appreciation - SUB - SER C	1/1/13	20786LBQ3	US Bank	4,100,000						
Capital Appreciation - SUB - SER C	1/1/14	20786LBR1	US Bank	4,200,000						
Capital Appreciation - SUB - SER C	1/1/15	20786LBS9	US Bank	4,400,000						
Capital Appreciation - SUB - SER C	1/1/16	20786LBT7	US Bank	4,600,000						
Capital Appreciation - SUB - SER C	1/1/17	20786LBU4	US Bank	5,600,000						
Capital Appreciation - SUB - SER C	1/1/18	20786LBV2	US Bank	5,800,000						
Capital Appreciation - SUB - SER C	1/1/19	20786LBW0	US Bank	5,900,000						
Capital Appreciation - SUB - SER C	1/1/20	20786LBX8	US Bank	6,000,000						
Capital Appreciation - SUB - SER C	1/1/21	20786LBY6	US Bank	7,100,000						
Capital Appreciation - SUB - SER C	1/1/22	20786LBZ3	US Bank	7,300,000						
Capital Appreciation - SUB - SER C	1/1/23	20786LCA7	US Bank	7,400,000						
Capital Appreciation - SUB - SER C	1/1/24	20786LCB5	US Bank	7,500,000						
Capital Appreciation - SUB - SER C	1/1/25	20786LCC3	US Bank	8,700,000						
Capital Appreciation - SUB - SER C	1/1/26	20786LCD1	US Bank	9,000,000						
Capital Appreciation - SUB - SER C	1/1/27	20786LCE9	US Bank	9,100,000						
Capital Appreciation - SUB - SER C	1/1/28	20786LCF6	US Bank	9,300,000						
Capital Appreciation - SUB - SER C	1/1/29	20786LCG4	US Bank	10,500,000						
Capital Appreciation - SUB - SER C	1/1/30	20786LCH2	US Bank	10,800,000						
Capital Appreciation - SUB - SER C	1/1/31	20786LCJ8	US Bank	11,000,000						
Capital Appreciation - SUB - SER C	1/1/32	20786LCK5	US Bank	11,200,000						
Capital Appreciation - SUB - SER C	1/1/33	20786LCL3	US Bank	11,600,000						
Capital Appreciation - SUB - SER C	1/1/34	20786LCM1	US Bank	11,700,000						
Capital Appreciation - SUB - SER C	1/1/35	20786LCN9	US Bank	12,000,000						
Capital Appreciation - SUB - SER C	1/1/36	20786LCP4	US Bank	12,200,000						
Capital Appreciation - SUB - SER C	1/1/37	20786LCQ2	US Bank	12,400,000						
Capital Appreciation - SUB - SER C	1/1/38	20786LCR0	US Bank	17,200,000						
TOTAL DTC NEW BONDS					3,780,781.00		3,830,508.00		3,939,889.00	

Connector 2000 Association, Inc.
Distributions of New 2011 Bonds
to Old 1998 Bonds - Via Mandatory Exchange

CURRENT BOND INFORMATION					10 New Bond Cusip 20786L D37		11 New Bond Cusip 20786L DK4		12 New Bond Cusip 20786L DL2	
ISSUE DESCRIPTION	Due	Cusip	Trustee	DTC Principal	TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal	TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal	TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal
SR - Southern Connector PJ - SER A	1/1/23	20786LAA9	US Bank	19,600,000	374,442	19.104184	373,556	19.058980	3,522,019	179.694847
SR - Southern Connector PJ - SER A	1/1/38	20786LAB7	US Bank	44,800,000	856,891	19.127032	854,862	19.081742	8,059,952	179.909643
Capital Appreciation - SR - SER B	1/1/10	20786LAE1	US Bank	3,400,000	63,352	18.632942	63,202	18.588824	595,893	175.262648
Capital Appreciation - SR - SER B	1/1/11	20786LAF8	US Bank	3,900,000	68,847	17.653077	68,684	17.611283	647,678	168.045642
Capital Appreciation - SR - SER B	1/1/12	20786LAG6	US Bank	4,900,000	81,871	16.708368	81,678	16.668980	770,085	167.160205
Capital Appreciation - SR - SER B	1/1/13	20786LAH4	US Bank	5,200,000	82,165	15.799039	81,960	15.781539	772,750	148.605770
Capital Appreciation - SR - SER B	1/1/14	20786LAJ0	US Bank	5,600,000	83,577	14.924465	83,379	14.889108	786,130	140.380358
Capital Appreciation - SR - SER B	1/1/15	20786LAK7	US Bank	6,000,000	84,508	14.084667	84,308	14.051334	794,888	132.481334
Capital Appreciation - SR - SER B	1/1/16	20786LAL5	US Bank	6,400,000	85,079	13.293594	84,877	13.282032	800,252	125.039375
Capital Appreciation - SR - SER B	1/1/17	20786LAM3	US Bank	8,800,000	110,557	12.563296	110,296	12.533637	1,039,907	118.171250
Capital Appreciation - SR - SER B	1/1/18	20786LAN1	US Bank	9,100,000	107,889	11.855935	107,633	11.827803	1,014,806	111.517143
Capital Appreciation - SR - SER B	1/1/19	20786LAP6	US Bank	9,400,000	105,304	11.202554	105,054	11.175958	990,489	105.371171
Capital Appreciation - SR - SER B	1/1/20	20786LAQ4	US Bank	9,900,000	104,502	10.555758	104,255	10.530809	982,951	99.287980
Capital Appreciation - SR - SER B	1/1/21	20786LAR2	US Bank	12,300,000	122,845	9.971139	122,354	9.947480	1,153,601	93.788700
Capital Appreciation - SR - SER B	1/1/22	20786LAS0	US Bank	12,700,000	119,619	9.418819	119,336	9.396536	1,125,143	88.599398
Capital Appreciation - SR - SER B	1/1/23	20786LAT8	US Bank	13,000,000	115,382	8.875539	115,109	8.854539	1,085,286	83.483539
Capital Appreciation - SR - SER B	1/1/24	20786LAU5	US Bank	13,500,000	113,161	8.382297	112,893	8.362445	1,064,398	78.844297
Capital Appreciation - SR - SER B	1/1/25	20786LAV3	US Bank	16,200,000	128,247	7.916482	127,943	7.897717	1,206,297	74.462778
Capital Appreciation - SR - SER B	1/1/26	20786LAW1	US Bank	16,700,000	124,295	7.442815	124,001	7.425210	1,169,123	70.007366
Capital Appreciation - SR - SER B	1/1/27	20786LAX9	US Bank	17,100,000	120,164	7.027135	119,880	7.010527	1,130,271	66.097720
Capital Appreciation - SR - SER B	1/1/28	20786LAY7	US Bank	17,500,000	116,108	6.634743	115,833	6.619029	1,092,112	62.408400
Capital Appreciation - SR - SER B	1/1/29	20786LAZ4	US Bank	20,500,000	128,416	6.264196	128,112	6.249366	1,207,885	58.921220
Capital Appreciation - SR - SER B	1/1/30	20786LBA8	US Bank	21,000,000	123,731	5.891953	123,438	5.878000	1,163,822	55.420096
Capital Appreciation - SR - SER B	1/1/31	20786LBB6	US Bank	21,600,000	120,136	5.561852	119,851	5.548658	1,130,002	52.314908
Capital Appreciation - SR - SER B	1/1/32	20786LBC4	US Bank	22,100,000	116,030	5.250227	115,755	5.237783	1,091,380	49.383711
Capital Appreciation - SR - SER B	1/1/33	20786LBD2	US Bank	22,700,000	112,502	4.956036	112,236	4.944316	1,058,200	46.616741
Capital Appreciation - SR - SER B	1/1/34	20786LBE0	US Bank	23,300,000	109,006	4.678370	108,748	4.667297	1,025,312	44.004807
Capital Appreciation - SR - SER B	1/1/35	20786LBF7	US Bank	23,800,000	105,106	4.416219	104,857	4.405757	988,633	41.539202
Capital Appreciation - SR - SER B	1/1/36	20786LBG5	US Bank	24,400,000	101,718	4.168771	101,478	4.158935	956,767	39.211763
Capital Appreciation - SR - SER B	1/1/37	20786LBH3	US Bank	25,000,000	98,380	3.935200	98,147	3.925880	925,369	37.014780
Capital Appreciation - SR - SER B	1/1/38	20786LBJ9	US Bank	36,300,000	134,844	3.714711	134,525	3.705923	1,268,352	34.940827
Capital Appreciation - SUB - SER C	1/1/10	20786LBM2	US Bank	2,900,000						
Capital Appreciation - SUB - SER C	1/1/11	20786LBN0	US Bank	3,200,000						
Capital Appreciation - SUB - SER C	1/1/12	20786LBP5	US Bank	3,900,000						
Capital Appreciation - SUB - SER C	1/1/13	20786LBQ3	US Bank	4,100,000						
Capital Appreciation - SUB - SER C	1/1/14	20786LBR1	US Bank	4,200,000						
Capital Appreciation - SUB - SER C	1/1/15	20786LBS9	US Bank	4,400,000						
Capital Appreciation - SUB - SER C	1/1/16	20786LBT7	US Bank	4,600,000						
Capital Appreciation - SUB - SER C	1/1/17	20786LBU4	US Bank	5,600,000						
Capital Appreciation - SUB - SER C	1/1/18	20786LBV2	US Bank	5,800,000						
Capital Appreciation - SUB - SER C	1/1/19	20786LBW0	US Bank	5,900,000						
Capital Appreciation - SUB - SER C	1/1/20	20786LBX8	US Bank	6,000,000						
Capital Appreciation - SUB - SER C	1/1/21	20786LBY6	US Bank	7,100,000						
Capital Appreciation - SUB - SER C	1/1/22	20786LBZ3	US Bank	7,300,000						
Capital Appreciation - SUB - SER C	1/1/23	20786LCA7	US Bank	7,400,000						
Capital Appreciation - SUB - SER C	1/1/24	20786LCB5	US Bank	7,500,000						
Capital Appreciation - SUB - SER C	1/1/25	20786LCC3	US Bank	8,700,000						
Capital Appreciation - SUB - SER C	1/1/26	20786LCD1	US Bank	9,000,000						
Capital Appreciation - SUB - SER C	1/1/27	20786LCE9	US Bank	9,100,000						
Capital Appreciation - SUB - SER C	1/1/28	20786LCF6	US Bank	9,300,000						
Capital Appreciation - SUB - SER C	1/1/29	20786LCG4	US Bank	10,500,000						
Capital Appreciation - SUB - SER C	1/1/30	20786LCH2	US Bank	10,800,000						
Capital Appreciation - SUB - SER C	1/1/31	20786LCJ8	US Bank	11,000,000						
Capital Appreciation - SUB - SER C	1/1/32	20786LCK5	US Bank	11,200,000						
Capital Appreciation - SUB - SER C	1/1/33	20786LCL3	US Bank	11,500,000						
Capital Appreciation - SUB - SER C	1/1/34	20786LCM1	US Bank	11,700,000						
Capital Appreciation - SUB - SER C	1/1/35	20786LCN9	US Bank	12,000,000						
Capital Appreciation - SUB - SER C	1/1/36	20786LCP4	US Bank	12,200,000						
Capital Appreciation - SUB - SER C	1/1/37	20786LCQ2	US Bank	12,400,000						
Capital Appreciation - SUB - SER C	1/1/38	20786LCR0	US Bank	17,200,000						
TOTAL DTC NEW BONDS					4,318,484.00		4,308,240.00		40,619,653.00	

Connector 2000 Association, Inc.
Distributions of New 2011 Bonds
to Old 1998 Bonds - Via Mandatory Exchange

CURRENT BOND INFORMATION					13 New Bond Cusip 20786L DM0		14 New Bond Cusip 20786L DN8		15 New Bond Cusip 20786L DP3	
					TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal	TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal	TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal
ISSUE DESCRIPTION	Due	Cusip	Trustee	DTC Principal						
SR - Southern Connector PJ - SER A	1/1/23	20786LAA9	US Bank	19,600,000	2,728,129	139.190256	1,577,279	80.473419	1,216,302	62.056225
SR - Southern Connector PJ - SER A	1/1/38	20786LAB7	US Bank	44,800,000	6,243,177	139.356830	3,609,519	80.569621	2,783,442	62.130402
Capital Appreciation - SR - SER B	1/1/10	20786LAE1	US Bank	3,400,000	461,574	135.757059	268,861	78.488530	205,787	60.525589
Capital Appreciation - SR - SER B	1/1/11	20786LAF8	US Bank	3,900,000	501,609	128.617893	290,007	74.360770	223,636	57.342655
Capital Appreciation - SR - SER B	1/1/12	20786LAG5	US Bank	4,900,000	596,502	121.735103	344,870	70.381633	265,943	54.274082
Capital Appreciation - SR - SER B	1/1/13	20786LAH4	US Bank	5,200,000	698,566	115.108847	346,064	66.550770	265,863	51.319808
Capital Appreciation - SR - SER B	1/1/14	20786LAJ0	US Bank	5,600,000	608,930	108.737506	352,055	62.866965	271,484	48.479286
Capital Appreciation - SR - SER B	1/1/15	20786LAK7	US Bank	6,000,000	615,714	102.619000	355,978	59.329667	274,508	45.761334
Capital Appreciation - SR - SER B	1/1/16	20786LAL5	US Bank	6,400,000	619,869	96.854532	358,380	55.996875	276,361	43.181407
Capital Appreciation - SR - SER B	1/1/17	20786LAM3	US Bank	8,800,000	805,504	91.534546	465,705	52.921023	359,124	40.809546
Capital Appreciation - SR - SER B	1/1/18	20786LAN1	US Bank	9,100,000	786,061	86.380330	454,464	49.941099	350,455	38.511539
Capital Appreciation - SR - SER B	1/1/19	20786LAP6	US Bank	9,400,000	767,225	81.619681	443,574	47.188724	342,058	36.389149
Capital Appreciation - SR - SER B	1/1/20	20786LAQ4	US Bank	9,900,000	761,366	76.907677	440,189	44.464546	339,455	34.288384
Capital Appreciation - SR - SER B	1/1/21	20786LAR2	US Bank	12,300,000	893,570	72.647968	516,621	42.001708	398,387	32.389187
Capital Appreciation - SR - SER B	1/1/22	20786LAS0	US Bank	12,700,000	871,527	68.624174	503,877	39.676355	388,559	30.595197
Capital Appreciation - SR - SER B	1/1/23	20786LAT8	US Bank	13,000,000	840,654	64.665693	466,028	37.386770	374,795	28.830385
Capital Appreciation - SR - SER B	1/1/24	20786LAU5	US Bank	13,500,000	824,474	61.072149	478,673	35.309112	367,682	27.228297
Capital Appreciation - SR - SER B	1/1/25	20786LAV3	US Bank	16,200,000	934,389	57.678334	540,221	33.346976	416,686	25.715186
Capital Appreciation - SR - SER B	1/1/26	20786LAW1	US Bank	16,700,000	905,694	54.227186	523,573	31.351677	403,748	24.176527
Capital Appreciation - SR - SER B	1/1/27	20786LAX9	US Bank	17,100,000	875,499	51.198772	506,173	29.600761	390,330	22.826316
Capital Appreciation - SR - SER B	1/1/28	20786LAY7	US Bank	17,500,000	845,942	48.339543	489,085	27.947716	377,152	21.551643
Capital Appreciation - SR - SER B	1/1/29	20786LAZ4	US Bank	20,500,000	935,619	45.639952	540,932	26.386927	417,134	20.348000
Capital Appreciation - SR - SER B	1/1/30	20786LBA8	US Bank	21,000,000	901,487	42.927953	521,199	24.819000	401,917	19.138905
Capital Appreciation - SR - SER B	1/1/31	20786LBB6	US Bank	21,600,000	875,291	40.522732	506,053	23.428380	390,237	18.065228
Capital Appreciation - SR - SER B	1/1/32	20786LBC4	US Bank	22,100,000	845,374	38.252218	488,767	22.116702	376,900	17.054299
Capital Appreciation - SR - SER B	1/1/33	20786LBD2	US Bank	22,700,000	819,673	36.108943	473,898	20.876564	365,441	16.098723
Capital Appreciation - SR - SER B	1/1/34	20786LBE0	US Bank	23,300,000	794,199	34.085784	459,189	19.706826	354,084	15.196739
Capital Appreciation - SR - SER B	1/1/35	20786LBF7	US Bank	23,800,000	765,788	32.175967	442,743	18.602648	341,417	14.345253
Capital Appreciation - SR - SER B	1/1/36	20786LBG5	US Bank	24,400,000	741,105	30.373156	428,473	17.660369	330,412	13.541476
Capital Appreciation - SR - SER B	1/1/37	20786LBH3	US Bank	25,000,000	716,784	28.671360	414,411	16.576440	319,569	12.782760
Capital Appreciation - SR - SER B	1/1/38	20786LBJ9	US Bank	36,300,000	982,456	27.064904	568,011	15.647686	438,015	12.066529
Capital Appreciation - SUB - SER C	1/1/10	20786LBM2	US Bank	2,900,000						
Capital Appreciation - SUB - SER C	1/1/11	20786LBN0	US Bank	3,200,000						
Capital Appreciation - SUB - SER C	1/1/12	20786LBP5	US Bank	3,900,000						
Capital Appreciation - SUB - SER C	1/1/13	20786LBQ3	US Bank	4,100,000						
Capital Appreciation - SUB - SER C	1/1/14	20786LBR1	US Bank	4,200,000						
Capital Appreciation - SUB - SER C	1/1/15	20786LBS9	US Bank	4,400,000						
Capital Appreciation - SUB - SER C	1/1/16	20786LBT7	US Bank	4,600,000						
Capital Appreciation - SUB - SER C	1/1/17	20786LBU4	US Bank	5,600,000						
Capital Appreciation - SUB - SER C	1/1/18	20786LBV2	US Bank	5,800,000						
Capital Appreciation - SUB - SER C	1/1/19	20786LBW0	US Bank	5,900,000						
Capital Appreciation - SUB - SER C	1/1/20	20786LBX8	US Bank	6,000,000						
Capital Appreciation - SUB - SER C	1/1/21	20786LBY6	US Bank	7,100,000						
Capital Appreciation - SUB - SER C	1/1/22	20786LBZ3	US Bank	7,300,000						
Capital Appreciation - SUB - SER C	1/1/23	20786LCA7	US Bank	7,400,000						
Capital Appreciation - SUB - SER C	1/1/24	20786LCB5	US Bank	7,500,000						
Capital Appreciation - SUB - SER C	1/1/25	20786LCC3	US Bank	8,700,000						
Capital Appreciation - SUB - SER C	1/1/26	20786LCD1	US Bank	9,000,000						
Capital Appreciation - SUB - SER C	1/1/27	20786LCE9	US Bank	9,100,000						
Capital Appreciation - SUB - SER C	1/1/28	20786LCF6	US Bank	9,300,000						
Capital Appreciation - SUB - SER C	1/1/29	20786LCG4	US Bank	10,500,000						
Capital Appreciation - SUB - SER C	1/1/30	20786LCH2	US Bank	10,800,000						
Capital Appreciation - SUB - SER C	1/1/31	20786LCK3	US Bank	11,000,000						
Capital Appreciation - SUB - SER C	1/1/32	20786LCK5	US Bank	11,200,000						
Capital Appreciation - SUB - SER C	1/1/33	20786LCL3	US Bank	11,600,000						
Capital Appreciation - SUB - SER C	1/1/34	20786LCM1	US Bank	11,700,000						
Capital Appreciation - SUB - SER C	1/1/35	20786LCN9	US Bank	12,000,000						
Capital Appreciation - SUB - SER C	1/1/36	20786LCP4	US Bank	12,200,000						
Capital Appreciation - SUB - SER C	1/1/37	20786LCO2	US Bank	12,400,000						
Capital Appreciation - SUB - SER C	1/1/38	20786LCR0	US Bank	17,200,000						
TOTAL DTC NEW BONDS					31,463,871.00		16,190,652.00		14,027,683.00	

Connector 2000 Association, Inc.
Distributions of New 2011 Bonds
to Old 1998 Bonds - Via Mandatory Exchange

CURRENT BOND INFORMATION					16 New Bond Cusip 20786L DQ1		17 New Bond Cusip 20786L DR9	
ISSUE DESCRIPTION	Due	Cusip	Trustee	DTC Principal	TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal	TOTAL DTC New Bond	Bond Amt per \$1,000 of Principal
SR - Southern Connector PJ - SER A	1/1/23	20786LAA9	US Bank	19,600,000	611,982	31.223572		
SR - Southern Connector PJ - SER A	1/1/38	20786LAB7	US Bank	44,800,000	1,400,488	31.260893		
Capital Appreciation - SR - SER B	1/1/10	20786LAE1	US Bank	3,400,000	103,542	30.453530		
Capital Appreciation - SR - SER B	1/1/11	20786LAF8	US Bank	3,900,000	112,622	28.851795		
Capital Appreciation - SR - SER B	1/1/12	20786LAG6	US Bank	4,900,000	133,809	27.307960		
Capital Appreciation - SR - SER B	1/1/13	20786LAH4	US Bank	5,200,000	134,272	25.821539		
Capital Appreciation - SR - SER B	1/1/14	20786LAJ0	US Bank	5,600,000	136,697	24.392322		
Capital Appreciation - SR - SER B	1/1/15	20786LAK7	US Bank	6,000,000	138,119	23.019834		
Capital Appreciation - SR - SER B	1/1/16	20786LAL5	US Bank	6,400,000	139,051	21.726719		
Capital Appreciation - SR - SER B	1/1/17	20786LAM3	US Bank	8,800,000	180,593	20.533296		
Capital Appreciation - SR - SER B	1/1/18	20786LAN1	US Bank	9,100,000	176,331	19.377033		
Capital Appreciation - SR - SER B	1/1/19	20786LAP6	US Bank	9,400,000	172,106	18.309149		
Capital Appreciation - SR - SER B	1/1/20	20786LAQ4	US Bank	9,900,000	170,796	17.252122		
Capital Appreciation - SR - SER B	1/1/21	20786LAR2	US Bank	12,300,000	200,448	16.296586		
Capital Appreciation - SR - SER B	1/1/22	20786LAS0	US Bank	12,700,000	195,504	15.394016		
Capital Appreciation - SR - SER B	1/1/23	20786LAT8	US Bank	13,000,000	188,578	14.506000		
Capital Appreciation - SR - SER B	1/1/24	20786LAU5	US Bank	13,500,000	184,949	13.699926		
Capital Appreciation - SR - SER B	1/1/25	20786LAV3	US Bank	16,200,000	209,605	12.938581		
Capital Appreciation - SR - SER B	1/1/26	20786LAW1	US Bank	16,700,000	203,146	12.164432		
Capital Appreciation - SR - SER B	1/1/27	20786LAX9	US Bank	17,100,000	196,395	11.485088		
Capital Appreciation - SR - SER B	1/1/28	20786LAY7	US Bank	17,500,000	189,764	10.843658		
Capital Appreciation - SR - SER B	1/1/29	20786LAZ4	US Bank	20,500,000	209,881	10.238098		
Capital Appreciation - SR - SER B	1/1/30	20786LBA8	US Bank	21,000,000	202,224	9.629715		
Capital Appreciation - SR - SER B	1/1/31	20786LBB6	US Bank	21,600,000	196,348	9.090186		
Capital Appreciation - SR - SER B	1/1/32	20786LBC4	US Bank	22,100,000	189,637	8.580860		
Capital Appreciation - SR - SER B	1/1/33	20786LBD2	US Bank	22,700,000	183,872	8.100089		
Capital Appreciation - SR - SER B	1/1/34	20786LBE0	US Bank	23,300,000	178,157	7.646224		
Capital Appreciation - SR - SER B	1/1/35	20786LBF7	US Bank	23,800,000	171,784	7.217816		
Capital Appreciation - SR - SER B	1/1/36	20786LBG5	US Bank	24,400,000	166,247	6.813402		
Capital Appreciation - SR - SER B	1/1/37	20786LBH3	US Bank	25,000,000	160,791	6.431640		
Capital Appreciation - SR - SER B	1/1/38	20786LBJ9	US Bank	26,300,000	220,387	6.071268		
Capital Appreciation - SUB - SER C	1/1/10	20786LBM2	US Bank	2,900,000			68874	23.749656
Capital Appreciation - SUB - SER C	1/1/11	20786LBN0	US Bank	3,200,000			71532	22.353750
Capital Appreciation - SUB - SER C	1/1/12	20786LBP5	US Bank	3,900,000			82056	21.040000
Capital Appreciation - SUB - SER C	1/1/13	20786LBQ3	US Bank	4,100,000			81134	19.788781
Capital Appreciation - SUB - SER C	1/1/14	20786LBR1	US Bank	4,200,000			78205	18.620239
Capital Appreciation - SUB - SER C	1/1/15	20786LBS9	US Bank	4,400,000			77024	17.605455
Capital Appreciation - SUB - SER C	1/1/16	20786LBT7	US Bank	4,600,000			75755	16.468479
Capital Appreciation - SUB - SER C	1/1/17	20786LBU4	US Bank	5,600,000			86652	15.473572
Capital Appreciation - SUB - SER C	1/1/18	20786LBV2	US Bank	5,800,000			84414	14.554138
Capital Appreciation - SUB - SER C	1/1/19	20786LBW0	US Bank	5,900,000			80768	13.689492
Capital Appreciation - SUB - SER C	1/1/20	20786LBX8	US Bank	6,000,000			77043	12.840500
Capital Appreciation - SUB - SER C	1/1/21	20786LBY6	US Bank	7,100,000			85726	12.074085
Capital Appreciation - SUB - SER C	1/1/22	20786LBZ3	US Bank	7,300,000			82880	11.353425
Capital Appreciation - SUB - SER C	1/1/23	20786LCA7	US Bank	7,400,000			79001	10.676511
Capital Appreciation - SUB - SER C	1/1/24	20786LCB5	US Bank	7,500,000			75289	10.038534
Capital Appreciation - SUB - SER C	1/1/25	20786LCC3	US Bank	8,700,000			82122	9.439311
Capital Appreciation - SUB - SER C	1/1/26	20786LCD1	US Bank	9,000,000			79524	8.836000
Capital Appreciation - SUB - SER C	1/1/27	20786LCE9	US Bank	9,100,000			75588	8.306154
Capital Appreciation - SUB - SER C	1/1/28	20786LCF6	US Bank	9,300,000			72615	7.808065
Capital Appreciation - SUB - SER C	1/1/29	20786LCG4	US Bank	10,500,000			77069	7.339905
Capital Appreciation - SUB - SER C	1/1/30	20786LCH2	US Bank	10,800,000			74236	6.873704
Capital Appreciation - SUB - SER C	1/1/31	20786LCJ8	US Bank	11,000,000			71064	6.460364
Capital Appreciation - SUB - SER C	1/1/32	20786LCK5	US Bank	11,200,000			68004	6.071786
Capital Appreciation - SUB - SER C	1/1/33	20786LCL3	US Bank	11,500,000			65628	5.706609
Capital Appreciation - SUB - SER C	1/1/34	20786LCM1	US Bank	11,700,000			62752	5.363419
Capital Appreciation - SUB - SER C	1/1/35	20786LCN9	US Bank	12,000,000			60490	5.040834
Capital Appreciation - SUB - SER C	1/1/36	20786LCP4	US Bank	12,200,000			57799	4.737623
Capital Appreciation - SUB - SER C	1/1/37	20786LCO2	US Bank	12,400,000			55214	4.452742
Capital Appreciation - SUB - SER C	1/1/38	20786LCRD	US Bank	17,200,000			71980	4.184884
TOTAL DTC NEW BONDS					7,058,025.00		2,160,434.00	

Schedule 2

Series 2011A Bonds Debt Service Table

Series 2011A Serial Capital Appreciation Bonds

<u>Maturity Date</u>	<u>Maturity Value</u>	<u>Original Principal Amount</u>	<u>Yield</u>	<u>CUSIP</u>
1/1/2012	\$1,678,097.39	\$1,638,319.00	3.25%	20786LCZ2
1/1/2013	2,879,118.66	2,699,469.00	3.75%	20786LDA6
1/1/2014	3,011,495.18	2,703,584.00	4.00%	20786LDB4
1/1/2015	3,256,189.14	2,785,639.00	4.25%	20786LDC2
1/1/2016	3,629,576.07	2,911,557.00	4.75%	20786LDD0
1/1/2017	4,910,450.90	3,709,220.00	5.00%	20786LDE8
1/1/2018	5,426,706.20	3,780,781.00	5.50%	20786LDF5
1/1/2019	5,907,830.79	3,830,508.00	5.75%	20786LDG3
1/1/2020	6,425,926.34	3,939,869.00	5.75%	20786LDH1
1/1/2021	7,621,873.04	4,318,464.00	6.00%	20786LDJ7
1/1/2022	8,060,070.80	4,308,240.00	6.00%	20786LDK4
Total:	\$52,807,334.51	\$36,625,650.00		

Term Series 2011A Capital Appreciation Bonds

<u>Maturity Date</u>	<u>Original Principal Amount</u>	<u>Yield</u>	<u>CUSIP</u>
1/1/2032	40,619,653.00	6.50%	20786LDL2
1/1/2042	31,463,671.00	7.00%	20786LDM0
7/22/2051	18,190,852.00	7.50%	20786LDN8
Total:	90,274,176.00		

Series 2011B Bonds Debt Service Table

Term Series 2011B Capital Appreciation Bonds

<u>Maturity Date</u>	<u>Original Principal Amount</u>	<u>Yield</u>	<u>CUSIP</u>
1/1/2032	\$14,027,683.00	8.50%	20786LDP3
7/22/2051	7,058,025.00	9.00%	20786LDQ1
Total:	\$21,085,708.00		

Series 2011C Bonds Debt Service Table

Term Series 2011C Capital Appreciation Bonds

<u>Maturity Date</u>	<u>Original Principal Amount</u>	<u>Yield</u>	<u>CUSIP</u>
7/22/2051	\$2,160,434.00	10.00%	20786LDR9

Schedule 3

Annual Pro Rata Paydown Amount Schedule Series 2011A Term Bonds 6.5% Term Series 2011A CUSIP 20786LDL2 Capital Appreciation Bonds Maturing 1/1/2032		Annual Pro Rata Paydown Amount Schedule Series 2011A Term Bonds 7.0% Term Series 2011A CUSIP 20786LDM0 Capital Appreciation Bonds Maturing 1/1/2042		Annual Pro Rata Paydown Amount Schedule Series 2011A Term Bonds 7.5% Term Series 2011A CUSIP 20786LDN8 Capital Appreciation Bonds Maturing 7/22/2051	
Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)
1/1/2023	8,321,446.51	1/1/2033	15,762,511.67	1/1/2043	22,515,040.48
1/1/2024	9,007,351.08	1/1/2034	16,038,108.38	1/1/2044	22,631,846.80
1/1/2025	10,334,438.55	1/1/2035	16,316,502.75	1/1/2045	24,926,718.74
1/1/2026	10,779,134.40	1/1/2036	16,600,451.77	1/1/2046	25,061,488.98
1/1/2027	11,103,067.05	1/1/2037	18,824,831.53	1/1/2047	25,193,942.64
1/1/2028	11,421,188.23	1/1/2038	19,155,274.05	1/1/2048	25,323,205.80
1/1/2029	12,763,078.03	1/1/2039	19,491,627.55	1/1/2049	27,719,960.97
1/1/2030	13,129,333.76	1/1/2040	19,833,067.78	1/1/2050	27,868,089.14
1/1/2031	13,506,659.03	1/1/2041	22,275,943.80	1/1/2051	28,013,263.86
1/1/2032	13,738,464.03	1/1/2042	22,396,362.88	7/22/2051	15,720,022.12

Annual Pro Rata Paydown Amount Schedule Series 2011B Term Bonds 8.5% Term Series 2011B; CUSIP# 20786LDP3 Capital Appreciation Bonds Maturing 1/1/2032				Annual Pro Rata Paydown Amount Schedule Series 2011B Term Bonds 9.0% Term Series 2011B; CUSIP #20786LDQ1 Capital Appreciation Bonds Maturing 7/22/2051			
Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)
1/1/2012	\$387,620.08	1/1/2022	1,861,780.22	1/1/2033	3,640,953.83	1/1/2043	5,200,698.53
1/1/2013	665,042.36	1/1/2023	1,968,352.87	1/1/2034	3,704,613.81	1/1/2044	5,227,682.20
1/1/2014	695,619.99	1/1/2024	2,080,592.98	1/1/2035	3,768,918.26	1/1/2045	5,757,779.35
1/1/2015	752,140.60	1/1/2025	2,387,133.73	1/1/2036	3,834,509.56	1/1/2046	5,788,894.66
1/1/2016	838,388.73	1/1/2026	2,489,851.49	1/1/2037	4,348,309.81	1/1/2047	5,819,500.57
1/1/2017	1,134,256.14	1/1/2027	2,564,679.03	1/1/2038	4,424,641.14	1/1/2048	5,849,363.12
1/1/2018	1,253,504.94	1/1/2028	2,638,158.29	1/1/2039	4,502,338.42	1/1/2049	6,402,972.64
1/1/2019	1,364,639.13	1/1/2029	2,948,118.46	1/1/2040	4,581,199.03	1/1/2050	6,437,201.86
1/1/2020	1,484,313.95	1/1/2030	3,032,719.48	1/1/2041	5,145,483.41	1/1/2051	6,470,730.84
1/1/2021	1,760,561.71	1/1/2031	3,119,876.21	1/1/2042	5,173,299.21	7/22/2051	3,631,129.14
		1/1/2032	3,173,425.57				

Annual Pro Rata Paydown Amount Schedule Series 2011C Term Bonds 10.0% Term Series 2011C Capital Appreciation Bonds Maturing 7/22/2051; CUSIP #20786LDR9							
Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)	Payment Date	Annual Amount (Accreted Value)
1/1/2012	\$47,908.08	1/1/2022	230,110.29	1/1/2032	392,220.05	1/1/2042	639,396.63
1/1/2013	82,196.47	1/1/2023	243,280.78	1/1/2033	450,009.99	1/1/2043	642,785.29
1/1/2014	85,976.41	1/1/2024	257,155.21	1/1/2034	457,878.04	1/1/2044	646,127.45
1/1/2015	92,961.69	1/1/2025	295,040.80	1/1/2035	465,819.39	1/1/2045	711,638.25
1/1/2016	103,622.67	1/1/2026	307,735.93	1/1/2036	473,933.89	1/1/2046	715,489.85
1/1/2017	140,190.50	1/1/2027	316,986.52	1/1/2037	537,433.70	1/1/2047	719,273.84
1/1/2018	154,928.42	1/1/2028	326,066.10	1/1/2038	546,871.96	1/1/2048	722,935.23
1/1/2019	168,665.70	1/1/2029	364,378.19	1/1/2039	556,470.35	1/1/2049	791,357.27
1/1/2020	183,455.32	1/1/2030	374,832.28	1/1/2040	566,221.60	1/1/2050	795,605.13
1/1/2021	217,599.41	1/1/2031	385,605.58	1/1/2041	635,963.51	1/1/2051	799,727.20
						7/22/2051	448,798.45

EXHIBIT B – CUSTODY AGREEMENT

CUSTODY AGREEMENT

Between

**FIRST TRUST OF NEW YORK,
NATIONAL ASSOCIATION**

and

**AMERICAN CAPITAL ACCESS
CORPORATION**

Dated as of November 3, 1997

TABLE OF CONTENTS

PREAMBLE

ARTICLE I

DEFINITIONS

SECTION 1.01. Defined Terms

SECTION 1.02. Generic Terms

ARTICLE II

CERTIFICATE OF BOND INSURANCE OPTION

SECTION 2.01. Creation of Custody Accounts

SECTION 2.02. Requirements for Deposit of Insured Obligations

SECTION 2.03. Certificates of Bond Insurance

SECTION 2.04. Delivery of Certificates of Bond Insurance

SECTION 2.05. Mutilated, Lost, Stolen or Destroyed Certificates of Bond Insurance

SECTION 2.06. Registration and Transfer of Ownership; Exchange; Persons Treated as Holders

ARTICLE III

POSITION OPTION

SECTION 3.01. Creation of Insured Position

SECTION 3.02. Defaults by Issuers; Rights of Related Owners

ARTICLE IV

ADMINISTRATION OF CUSTODY ACCOUNTS

- SECTION 4.01. **Payments of Principal of and Premium and Interest on Insured Obligations**
- SECTION 4.02. **Redemptions; Notices**
- SECTION 4.03. **Duties With Respect to Policy**
- SECTION 4.04. **Defaults by Issuers; Rights of Related Holders**
- SECTION 4.05. **Transfers of Policies or Insured Obligations by Custodian**
- SECTION 4.06. **Termination of Custody Accounts and Withdrawal of Insured Obligations**
- SECTION 4.07. **Insolvency Proceedings**
- SECTION 4.08. **Other Obligations of the Custodian in Connection With the Certificates and Positions**

ARTICLE V

THE CUSTODIAN

- SECTION 5.01. **Standard of Liability**
- SECTION 5.02. **Termination of Agreement**
- SECTION 5.03. **Resignation of the Custodian**
- SECTION 5.04. **Appointment of Successor Custodian**
- SECTION 5.05. **Compensation of the Custodian**
- SECTION 5.06. **Indemnification of the Custodian**

ARTICLE VI

MISCELLANEOUS

- SECTION 6.01. Amendment of Agreement
- SECTION 6.02. Counterparts
- SECTION 6.03. Exclusive Benefit of Parties; Effective Date
- SECTION 6.04. Custodian May Be Holder or Pledgee of Certificates of Bond Insurance
- SECTION 6.05. Invalidity of Provisions
- SECTION 6.06. Notice
- SECTION 6.07. Governing Law
- SECTION 6.08. Assignment

SIGNATURES

ATTACHMENT A - Secondary Market Insurance Policy

ATTACHMENT B - Form of Certificate of Bond Insurance

ATTACHMENT C - Form of Terms Agreement

CUSTODY AGREEMENT

PREAMBLE

THIS CUSTODY AGREEMENT dated as of November 3, 1997, is between First Trust of New York, National Association, a National Banking Association, as custodian ("Custodian") and American Capital Access Corporation, a Maryland corporation, as insurer ("Insurer").

RECITALS

WHEREAS, the Custodian and the Insurer desire to enter into a Custody Agreement in order to provide for the issuance of policies substantially in the form of Exhibit A ("Policy" or "Policies"), attached hereto, that insure scheduled payments of the principal and/or interest on certain previously issued debt obligations; and

WHEREAS, the Insurer and the Custodian desire to provide, when appropriate, custody receipts ("Certificates of Bond Insurance") substantially in the form of Exhibit B, attached hereto; and

WHEREAS, the Insurer and the Custodian desire to establish methods by which the premium payable with respect to the insurance of any series of debt obligations evidenced by Certificates of Bond Insurance or evidenced by book entry positions (collectively the "Positions") may be paid to the Insurer either up-front in aggregate, or on an installment basis; and

WHEREAS, the Insurer desires to clearly instruct the Custodian to obtain certain documentation from the holder of a Certificate of Bond Insurance (the "Holder") or the owner of a book entry position (the "Owner") prior to releasing funds paid under the Policy;

NOW, THEREFORE, the Custodian and the Insurer agree that the following terms and conditions shall govern the custodial relationship created hereby:

ARTICLE I
DEFINITIONS

Section 1.01. Defined Terms.

The terms defined in this Article I shall have the meanings provided herein for all purposes of this Custody Agreement, unless the context clearly requires otherwise, in both singular and plural form as appropriate.

"Authorized Denomination" means, with respect to any Series of Certificates of Bond Insurance or Positions, the denominations of the Obligations to which the Certificates of Bond Insurance or Positions relate.

"Authorized Depository" means DTC or any other securities depository registered under Section 17(a) of the Securities Exchange Act of 1934, as amended.

"Book-Entry Obligations" means Insured Obligations that are eligible for deposit and have been deposited with an Authorized Depository.

"Business Day" means any day of the year when the Custodian, the Insurer and DTC are all open for business. In any case, where the date on which any action is required to be taken hereunder shall not be a Business Day, then such action shall be taken on the next succeeding Business Day with the same effect as if on that day.

"Certificate of Bond Insurance" means an executed custody receipt substantially in the form of the custody receipt attached hereto as Exhibit B.

"Custodian" means the First Trust of New York, National Association or such successor custodian appointed as provided in Section 5.04 of this Custody Agreement.

"Custody Agreement" means the Custody Agreement between the Insurer and the Custodian dated as of November 3, 1997, as amended from time to time.

"Custody Account" means the separate account established and maintained pursuant to Section 2.01 of this Custody Agreement.

"DTC" means the Depository Trust Company.

"Holder" means the owner of a Certificate of Bond Insurance

"Indenture" means, with respect to an issue of Obligations, the trust indenture or other agreement pursuant to which such Obligations were issued, as amended or supplemented from time to time.

"Insolvency Proceeding" means, with respect to any Issuer, (i) any event or proceeding under any present or future federal or state bankruptcy, insolvency or similar law, (ii) the appointment of a conservator or receiver or liquidator or any other similar official of such Issuer or of any substantial part of its property or (iii) such Issuer shall admit in writing its inability to pay its debts generally as they become due.

"Insured Obligations" means Obligations deposited with the Custodian pursuant to this Custody Agreement for which a related Certificate of Bond Insurance has been issued or a related Position created.

"Insurer" means American Capital Access Corporation.

"Issuer" means, with respect to any Obligation, the issuer of the series of Obligations under which such Obligation was issued, any successor thereto under the related Indenture, or, if such Obligations are payable primarily from payments pursuant to a Payment Agreement, the obligor under such Payment Agreement.

"Obligations" means evidences of indebtedness eligible for deposit with the Custodian pursuant to this Custody Agreement.

"Owner" means the owner of a Position.

"Payment Agreement" means, with respect to an issue of Obligations, an agreement pursuant to which payments are required to be made in sufficient amounts to provide for timely payments of principal of, premium, if any, and interest on such Obligations and which has been assigned and pledged as security for the payment of such Obligations.

"Periodic Distribution" means, with respect to an Insured Obligation, a principal or interest payment when due.

"Policy" means a Secondary Market Insurance Policy, substantially in the form of Exhibit A attached hereto.

"Position" means a book-entry position with respect to an Insured Obligation created on behalf of the Owner.

"Preference Claim" means any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on or purchase price for, any related Insured Obligation.

"Premium" means the payment or periodic payments due to the Insurer in consideration of issuing a Secondary Market Insurance Policy.

"Related Holder" means, with respect to any Holder, any other Holder of a Certificate of Bond Insurance of the same Series.

"Related Owner" means, with respect to any Owner, any other Owner of a Position in the related Insured Obligation.

"Series" means a group of Certificates of Bond Insurance or Positions identified as a series in the related Terms Agreement and issued pursuant to this Custody Agreement.

"Tender Option" means, with respect to an issue of Obligations, any right with respect to such Obligations to tender such Obligations for purchase at a specified purchase price pursuant to the terms of the related Indenture.

"Terms Agreement" means an executed agreement substantially in the form of Exhibit C hereto.

Section 1.02. Generic Terms.

All words used herein shall be construed to be of such gender or number, as the circumstances require. The words "herein," "hereby," "hereof," "hereto," "hereinabove," "hereinbelow," and words of similar import, refer to this Custody Agreement as a whole and not to any particular paragraph, clause or other subdivision hereof, unless otherwise specifically noted.

ARTICLE II

CERTIFICATE OF BOND INSURANCE OPTION

Section 2.01. Creation of Custody Accounts.

The Custodian shall establish and maintain a separate account with respect to Certificates of Bond Insurance representing Insured Obligations of the Insurer (a "Custody Account"), into which the Custodian shall deposit the following:

- a) in the case of Insured Obligations that are not eligible for deposit with an Authorized Depository or are eligible for deposit with an Authorized Depository but have not been deposited with an Authorized Depository, the physical securities listed on the Terms Agreement in bearer form or duly endorsed in blank or accompanied by all necessary instruments of assignment and transfer in blank;
- b) in the case of Insured Obligations that are eligible for deposit and have been deposited with an Authorized Depository ("Book-Entry Obligations"), the Insured Obligations credited to the account of the Custodian at DTC or another Authorized Depository;
- c) the related Policy; and
- d) any moneys received in connection with (i) the Insured Obligations or (ii) any demands made under the related Policy.

Upon each delivery to the Custodian for deposit in the Custody Account of Insured Obligations in registered form, or of Insured Obligations in bearer form which by their terms are exchangeable for Insured Obligations in registered form, the Custodian shall, as soon as practicable, present such Insured Obligations to the registrar or transfer agent of the Issuer of such Insured Obligations for registration or registration of transfer, as the case may be, in the name of the Custodian or its nominee or endorsed by the registered owner for transfer to the Custodian or its nominee.

Upon each delivery to the Custodian for deposit in the Custody Account of Insured Obligations in bearer form which are not exchangeable for Insured Obligations in registered form, the Custodian shall hold such Insured Obligations in the Custody Account in the form in which such Insured Obligations were received.

Upon delivery to the Custodian of appropriate notifications and instruments of transfer of Book-Entry Obligations to be held in the Custody Account pursuant to this Custody Agreement, the Custodian shall cause the Authorized Depository holding the Book-Entry Obligations to register the Book-Entry Obligations in the name of the Custodian or its nominee.

The Custodian is authorized and directed to deliver to the registrar or transfer agent for any Insured Obligations any instrument or document necessary to obtain registration or registration of transfer of the Insured Obligations and to obtain payment of principal, premium and interest

thereon. The Custodian is further authorized to sign and file any declaration, affidavits, certificates of ownership or other documents required to service the Custody Account and to present for payment all Insured Obligations or coupons thereon required to be presented as a condition to payment on an interest payment date or at the maturity or earlier date or dates on which the principal of the Insured Obligations shall be due and payable according to their terms. The Custodian shall segregate, by separate recordation upon its trust ledgers or other records, the Insured Obligations and any funds relating thereto, holding such property for the benefit of the related Holders and Owners, as the case may be, and shall not commingle such property with any other assets or property held by the Custodian.

Section 2.02. Requirements for Deposit of Insured Obligations.

Each delivery of Insured Obligations for which a Certificate of Bond Insurance will be issued pursuant to Section 2.03 hereof, to the Custodian for deposit into the Custody Account shall be in an aggregate principal amount of not less than \$100,000 or such lesser amount agreed to by the Custodian in writing pursuant to a request by the Insurer.

Section 2.03. Certificates of Bond Insurance.

The Custodian shall issue Certificates of Bond Insurance in Authorized Denominations from time to time as hereinafter provided, each such Certificate of Bond Insurance to evidence beneficial ownership by the Holder named therein of the Insured Obligations represented thereby and the rights relating to such Certificates of Bond Insurance under this Custody Agreement and the related Policy; provided, however, that no Certificate of Bond Insurance will be issued in a denomination less than the denomination authorized by the related Indenture. Certificates of Bond Insurance of each Series shall be substantially in the form set forth in Exhibit B hereto, and shall be assigned consecutive registration numbers.

Each Certificate of Bond Insurance shall be executed by the Custodian by the manual signature of an authorized officer and no Certificate of Bond Insurance shall be entitled to any benefits under this Custody Agreement, or be valid or obligatory for any purpose, unless so executed by the Custodian. In case any authorized officer whose signature shall appear on any Certificate of Bond Insurance shall cease to be an authorized officer, such signature shall nevertheless be valid and sufficient for all purposes as if such person had remained in office. The Certificate of Bond Insurance shall not evidence any financial obligation of the Custodian except that the Custodian shall be required to apply all payments received in respect of the Insured Obligations deposited hereunder for payment of any Premium due and then to the Certificate of Bond Insurance evidencing ownership of such Insured Obligations as provided in Articles III and IV of this Custody Agreement.

Section 2.04. Delivery of Certificates of Bond Insurance.

The Custodian shall deliver the initial Certificate of Bond Insurance of a Series, as instructed by the Insurer, upon receipt by the Custodian of:

- a) an original, executed and related Policy and related Terms Agreement;

- b) registration of the aggregate principal amount of Obligations specified in the related Terms Agreement in the name of the Custodian (or its nominee) or endorsed by the registered owner thereof for transfer to the Custodian (or its nominee) or in blank; and
- c) a list of the names, addresses and, unless not required to be obtained under applicable laws and regulations, taxpayer identification numbers of the persons in whose names, and the denominations in which, such Certificate of Bond Insurance are to be registered.

The Custodian may accept the form of any of the foregoing delivered to it by the Insurer as being a true and correct copy of such document.

The Certificates of Bond Insurance related to each deposit of Insured Obligations with the Custodian will be delivered by the Custodian in registered form to the Holder or his designee of each such Certificate of Bond Insurance, by mail to such Holder's address as provided to the Custodian. Such delivery shall be made within three Business Days of the receipt of a request for such Certificate of Bond Insurance in accordance with the instructions received by the Custodian. The date of each Certificate of Bond Insurance shall be the original delivery date thereof.

Section 2.05. Mutilated, Lost, Stolen or Destroyed Certificates of Bond Insurance.

In the event a Certificate of Bond Insurance is mutilated, lost, stolen or destroyed, the Custodian shall execute and deliver in lieu thereof a new Certificate of Bond Insurance of the same Series, provided that:

- a) in the case of any mutilated Certificate of Bond Insurance, such mutilated Certificate of Bond Insurance shall be first surrendered to the Custodian; and
- b) in the case of any lost, stolen or destroyed Certificate of Bond Insurance, there shall first be delivered to the Custodian evidence of such loss, theft or destruction satisfactory to the Custodian and the Insurer, together with indemnity satisfactory to each of them, and neither the Insurer nor the Custodian shall have received notice that such Certificate of Bond Insurance has been acquired by a bona fide purchaser.

In the event that any such mutilated, lost, stolen or destroyed Certificate of Bond Insurance evidences one or more Insured Obligations that are about to be redeemed or paid at maturity, the Custodian in its discretion may, if the conditions set forth in clause (a) or (b), as applicable, have been satisfied, instead of issuing a new Certificate of Bond Insurance remit the amount received on behalf of the Holder of such mutilated, lost, stolen or destroyed Certificate of Bond Insurance in connection with such redemption or payment without surrender of the Certificate of Bond Insurance otherwise required by Section 4.01 hereof. Upon the issuance of any new Certificate of Bond Insurance under this Section, the Custodian may require from the Holder thereof the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto.

Section 2.06. Registration and Transfer of Ownership; Exchange; Persons Treated as Holders.

- a) The Custodian shall maintain books on which each Certificate of Bond Insurance executed and delivered under this Custody Agreement and the transfer and exchange of such Certificate of Bond Insurance shall be registered. The Custodian shall maintain on its transfer books for any Series of Certificate of Bond Insurance with respect to each such Certificates of Bond Insurance (i) the name, address and, unless not required to be maintained under applicable laws and regulations, taxpayer identification number of the Holder of such Certificate of Bond Insurance (ii) the registration number of such Certificate of Bond Insurance (iii) the principal amount or amounts of the related Insured Obligation or Obligations and (iv) such other information as the Custodian may deem necessary or appropriate for the performance of its duties hereunder.
- b) Certificates of Bond Insurance may be transferred only on the transfer books of the Custodian. Such transfers and exchanges shall be registered upon any surrender of a Certificate of Bond Insurance by the Holder in person or by duly authorized attorney, properly endorsed in blank and accompanied by proper instruments of transfer in form satisfactory to the Custodian at the corporate trust office of the Custodian in New York, New York. Upon surrender for transfer of any Certificate of Bond Insurance to the Custodian at the above office of the Custodian, the Custodian shall (i) execute and deliver to the transferee or transferees a new Certificate or new Certificates of Bond Insurance, as the case may be, with the same maturity in Authorized Denominations, with an aggregate face amount equal to the portion of the surrendered Certificate of Bond Insurance so transferred, registered in the name or names of such transferee or transferees and (ii) execute and deliver to the Holder of the surrendered Certificate of Bond Insurance a new Certificate or new Certificates of Bond Insurance, as the case may be, of the same Series in Authorized Denominations with a face amount equal to any portion of the surrendered Certificate of Bond Insurance not so transferred. Each Certificate of Bond Insurance issued upon such a transfer shall bear a registration number not assigned previously. The Custodian shall record in its transfer books the respective principal amounts and bond numbers, if available, of the related Insured Obligations evidenced by each Certificate of Bond Insurance issued upon a transfer as provided herein.
- c) Certificates of Bond Insurance may be exchanged for Certificates of Bond Insurance of the same Series having the same aggregate face amount but different denominations upon surrender of such Certificates of Bond Insurance of the same Series at the corporate trust office of the Custodian. Whenever any Certificate of Bond Insurance is so surrendered for exchange, the Custodian shall execute and deliver the Certificate of Bond Insurance, which the Holder making the exchange is entitled to receive, denominated in Authorized Denominations and bearing registration numbers not assigned previously.
- d) The Custodian may require payment by the Holder of Certificate of Bond Insurance of a sum sufficient to cover any tax, governmental fee or other governmental charge that may be imposed in connection with any registration of a transfer or exchange of such Certificate of Bond Insurance, as the case may be, and may require that such taxes, fees or other charges be paid prior to the issuance of a new Certificate of Bond Insurance. The Custodian shall not be

required to issue or register the transfer of any Certificate of Bond Insurance during the period when the trustee under the Indenture would not be required to issue or register the transfer of any related Obligation pursuant to the terms of the related Indenture.

- e) The Insurer and the Custodian may treat the person in whose name a Certificate of Bond Insurance is registered as the absolute owner thereof, for all purposes whatsoever, and shall not be bound or affected by any notice to the contrary, other than an order of a court having jurisdiction over such matters.
- f) Whenever any Certificate of Bond Insurance shall be delivered to the Custodian for transfer, exchange or payment, upon transfer, exchange or payment, the Custodian shall cancel and destroy such Certificate of Bond Insurance in accordance with the Custodian's normal business practices, and shall maintain a record of such cancellation and destruction.

ARTICLE III

POSITION OPTION

Section 3.01. Creation of Insured Position.

- a) Concurrently with the execution and delivery of the appropriate Terms Agreement, the Custodian will, upon receipt of the Insured Obligations and the applicable Policy, confirm that DTC has credited the account of the Custodian in accordance with DTC procedures, which will relate solely to Insured Obligations of a single issue and the related Policy.
- b) At any time, the Owner of a Position may request that the Custodian issue a Certificate of Bond Insurance pursuant to Section 2.03 upon surrender of any document representing an interest in the Position and written instructions to the Custodian.

Section 3.02. Defaults by Issuers; Rights of Related Owners.

- a) The sole obligor with respect to related Insured Obligations will be the Issuer of such Insured Obligations. If an Issuer defaults in the payment of principal of and/or interest on Insured Obligations, each related Owner will have the right, subject to the limitation of Section 4.03 (establishing the Insurer's control of remedies following payment under the related Policy), to proceed directly and individually against the Issuer in whatever manner is deemed to be appropriate by the related Owner, and will not be required to act in concert with the Custodian, a Holder or any other Owner. The Custodian is not authorized hereunder to proceed against any Issuer in the event of a default under the related Indenture and has no fiduciary or other power or obligation hereunder to assert any of the rights and privileges of the related Owners.
- b) The creation of Positions will not in any manner: (i) alter, modify or increase the rights of the Related Owners with respect to the Insured Obligations to which such Position is applicable (provided, that payments of principal and interest on the Insured Obligations and proceeds of the applicable Policies will be paid to the Related Owner as provided herein); (ii) grant to any Owner of a Position of a different Series rights with respect to the Position or Insured Obligation described in clause (i) above; or (iii) grant to such Related Owner rights to any Positions of a different Series or the Insured Obligations to which such other Series of Positions is applicable. The parties hereto understand and agree that each Related Owner will hold title to its respective Insured Obligations to which such other Series of Positions is applicable. The parties hereto understand and agree that each Related Owner will hold title to its respective Insured Obligations (but will have no interest in Insured Obligations or Positions held by any other Related Owner), and that the Custodian will hold Insured Obligations as bailee for the applicable Related Owners.

ARTICLE IV

ADMINISTRATION OF CUSTODY ACCOUNTS

Section 4.01. Payments of Principal of and Premium and Interest on Insured Obligations.

- a) The Custodian shall remit to each Holder of a Certificate of Bond Insurance the following payments:
 - (i) on each interest payment date, an amount equal to the interest then due on the Insured Obligations less any amount retained as Premium in accordance with the related Terms Agreement, whether or not such interest, has then been received by the Custodian from the paying agent for the Insured Obligations; provided, however, the Custodian may make such payment unless it has been advised by the paying agent upon due inquiry or the Custodian has actual knowledge that the paying agent has not been provided with sufficient funds from the issuer of the Insured Obligations for timely payment in full of such amounts; and
 - (ii) on the stated maturity date or earlier date or dates on which principal of the Insured Obligations shall be due and payable according to their terms, an amount equal to the principal (including any premium) then due less any amount retained as Premium in accordance with the related Terms Agreement, to the extent that the Custodian has received such funds from the paying agent of the Insured Obligations.
- b) In lieu of the amounts referred to in subparagraph (a) above, the Custodian shall pay all insurance proceeds received by it under the related Policy in next-day funds or the equivalent no later than the Business Day following the date upon which the Custodian actually receives such insurance proceeds.
- c) Certificates of Bond Insurance must be presented and surrendered to the Custodian before the Custodian will be obligated to provide for payment upon redemption or at maturity.
- d) In connection with a payment of a portion of the principal amount of an Insured Obligation, the Custodian shall issue, in exchange for the Certificate of Bond Insurance surrendered to the Custodian by the Holder, a Certificate of Bond Insurance of the same Series in a face amount equal to the balance of the principal amount of the Insured Obligations evidenced thereby.
- e) Payments of principal of or interest on the Insured Obligations pursuant to this Section shall be made by bank check payable in currency of the United States of America in next-day funds or the equivalent or by such other method requested by a Holder and consented to in writing by the Insurer and the Custodian, provided that payments with respect to Certificate of Bond Insurance on deposit with DTC or other authorized depository will be made in accordance with the procedures of such depository.

- f) Payments of interest (less any related Premium payable) pursuant to this Section shall be mailed by the Custodian to the Holders on each interest payment date. Payments of principal (less any related Premium payable) pursuant to this Section shall be mailed by the Custodian to the Holders no later than the day after receipt of such funds from the paying agent of the Insured Obligations and presentment of the related Certificate of Bond Insurance.
- g) As, when and if the Custodian comes into possession of any moneys then payable as Premium, the Custodian shall promptly transfer, in next-day funds or the equivalent, such moneys to the Insurer.

Section 4.02. Redemptions; Notices.

- a) Upon receipt of any notice of redemption of an Insured Obligation, the Custodian shall promptly transmit a notice by first-class mail to the affected Holder, specifying the numbers of the Certificates of Bond Insurance or Positions to be redeemed (and, in the case of any Certificate of Bond Insurance or Position which is to be redeemed in part, the portion thereof to be redeemed, which shall be a principal amount equal to the minimum Authorized Denomination or a multiple thereof). If less than all the Insured Obligations of a particular Series are to be redeemed, the Custodian shall select by lot, in such manner as it shall deem fair and appropriate, the Certificates of Bond Insurance or Positions to be so redeemed. The Custodian (or its agent) shall present the Insured Obligation so called for redemption on or prior to the date of such redemption to the paying agent on behalf of such Holder or Owner for redemption in accordance with the terms of the related Indenture.

The redemption price received by the Custodian net of any Premium payable shall be paid to any such Holder in accordance with the provisions of Section 4.01 hereof upon surrender of the related Certificate of Bond Insurance at the corporate trust office of the Custodian. The redemption price received by the Custodian net of any Premium payable shall be paid to any such Owner in accordance with the provisions of Section 4.08(e) hereof.

- b) In the event of a redemption in part, the Custodian shall not be required (i) to register the transfer of or exchange Certificate of Bond Insurance for a period of 15 days preceding the selection of Certificate of Bond Insurance for redemption or (ii) to register the transfer of or exchange any Certificate of Bond Insurance, or portion thereof, selected for redemption.

Any Certificate of Bond Insurance which is to be redeemed in part only shall be surrendered at the corporate trust office of the Custodian, and the Custodian shall execute and deliver to the Holder of such Certificate of Bond Insurance, so surrendered, in exchange for the unredeemed portion of the Certificate of Bond Insurance so surrendered, a new Certificate of Bond Insurance in an aggregate principal amount equal to the unredeemed portion of the Certificate of Bond Insurance so surrendered and in any Authorized Denomination or Denominations as shall be requested by such Holder.

- c) Upon receipt of any other notice with respect to Insured Obligations, the Custodian shall promptly transmit such notice by mail to each affected Holder or Owner, as the case may be. In the event such notice requests or requires any action by any such Holder or Owner, the

Custodian shall not take any action on behalf of such Holder or Owner except in accordance with written instructions from such Holder or Owner and upon receipt of reasonable indemnity from such Holder or Owner for resulting costs and liabilities, whether or not any action appears to be in the best interest of such Holder or Owner.

For purposes of paragraphs (a), (b) and (c) of this Section 4.02, the Custodian shall consider the date of the receipt of any such notice as the record date for the purpose of determining the Holders or Owners of record to whom notices shall be transmitted by the Custodian.

Section 4.03. Duties With Respect to Policy.

a) The Custodian is authorized and directed to take such actions as are expressly set forth in each Policy, including demanding payment from the Insurer under such Policy. In the event that an Issuer shall fail to make all or a portion of a Periodic Distribution, the Custodian shall as soon as practicable proceed in accordance with the related Policy to receive payment thereunder as follows:

(i) if the Custodian has received notice from the paying agent or the Issuer of the Insured Obligation by 1:00 p.m., Eastern time, on the interest or principal payment date, that the Issuer shall fail to make such required payment or such payment is not received at such time, the Custodian shall that day make a demand for payment pursuant to the Policy and shall send notice to each affected Holder or Owner on that same day,

(ii) if the Custodian has received notice from the paying agent or the Issuer of the Insured Obligation after 1:00 p.m., Eastern time, on the interest or principal payment date, that the Issuer shall fail to make such required payment or such payment is not received by such time, the Custodian shall by 10:00 a.m., Eastern time, the following Business Day make a demand for payment pursuant to the Policy and shall send notice to each affected Holder or Owner no later than the next Business Day following the scheduled payment date.

b) By acceptance of a Certificate of Bond Insurance Position, each Holder or Owner, as the case may be, designates, appoints, authorizes and directs the Custodian to act as his attorney-in-fact as follows:

(i) if and to the extent a deficiency exists in amounts received by the Custodian from the Issuer or the paying agent which are required to pay interest on the related Insured Obligations, to execute and deliver an appropriate instrument of assignment to the Insurer for each of the claims for interest to which such deficiency relates, contemporaneously with the delivery to the Insurer of the notice demanding payment under the Policy;

(ii) if and to the extent a deficiency exists in amounts received by the Custodian from the Issuer or the paying agent which are required to pay principal of the related Insured Obligations, to execute and deliver an appropriate instrument of assignment to the Insurer of related Insured Obligations the principal amount of which has not previously been paid or for which moneys are not held by the Custodian and available for payment,

contemporaneously with the delivery to the Insurer of the notice demanding payment under the Policy; and

(iii) if and so long as any deficiency exists with respect to the related Insured Obligations, to appoint, without recourse, the Insurer as agent for the Holder or Owner, as the case may be, and the Custodian in any legal proceeding with respect to the related Insured Obligations until any claims resulting from the assignments in (i) or (ii) above shall have been satisfied, such appointment to be made contemporaneously with the delivery of the notice to the Insurer demanding payment under the Policy and to be contingent upon the Insurer's continued performance under the Policy.

If the Custodian delivers to the Insurer any such instrument of assignment with respect to a Periodic Distribution and the Insurer fails to make a payment with respect to such Periodic Distribution pursuant to the related Policy, such instrument of assignment shall be without effect and shall be canceled and returned, on the date such payment is due, by the Insurer to the Custodian. In each case in which the Custodian shall receive, in accordance with the related Policy, payment from the Insurer with respect to the claims so assigned with respect to the related Insured Obligations for interest or principal, whichever is applicable, the Custodian shall only disburse such sums (i) to a Holder in accordance with Section 4.01 hereof, and (ii) to an Owner in accordance with Section 4.08(e) hereof. Payments disbursed by the Custodian from proceeds of the related Policy shall not be considered to satisfy payments required to be made by the related Issuer, and the Insurer shall become the owner of such unpaid related Insured Obligation or Obligations, appurtenant coupon(s), if any, or right to payment of principal or of interest on such Insured Obligation or Obligations in accordance with the assignments made to it. Such Insured Obligation or Obligations shall be delivered to the Insurer pursuant to the terms of the related Policy. Irrespective of whether any assignment is executed and delivered, the Custodian and each related Holder or Owner, as the case may be, hereby agree for the benefit of the Insurer that (a) they recognize that, to the extent the Insurer pays the amount of any deficiency with respect to the related Insured Obligations to the Custodian on behalf of the related Holders or Owners, as the case may be, the Insurer will be subrogated to the rights of such Holders or Owners, as the case may be, to receive from the related Issuer the principal and/or interest to which such deficiency relates, and (b) the Custodian will accordingly pay to the Insurer such principal and interest or purchase price as shall be received by it as provided in this Section and the related Insured Obligations, but only from sources and in the manner provided herein for the payment of principal of and interest on the related Insured Obligations, and will otherwise treat the Insurer as the owner of the rights to such principal and interest.

- c) To the extent the Custodian shall hold funds drawn under a Policy, it shall hold such funds for the benefit of the Insurer until the instruments of assignment and appointment executed by the respective Holder or Owner and reasonably satisfactory to the Insurer are presented to the Insurer; provided, however, that the Custodian shall have no obligation to pay interest on such funds to the Insurer or the Holders or Owners. Except with respect to such actions under a Policy and the drawing procedures set forth above, the Custodian shall not take any action with respect to any Policy on behalf of any related Holder or Owner other than in accordance with written instructions from such Holder or Owner and upon receipt of indemnity satisfactory to the Custodian from such Holder or

Owner for resulting costs and liabilities, whether or not such action appears to be in the best interest of such Holder or Owner.

- d) Upon default by the Insurer in the payment of any amounts due under a related Policy each related Holder or Owner as the real party in interest, shall have the right to proceed directly and individually against the Insurer, in whatever manner such Holder or Owner deems to be appropriate. In such event, such Holder or Owner shall not be required to act in concert with other Holders or Owners or with the Custodian. Except as otherwise expressly provided in this Custody Agreement, the Custodian has no obligation to assert the rights and privileges of the Holders or Owners. No provision of this Custody Agreement or any document or instrument delivered in furtherance of the provisions hereof shall provide otherwise.

Section 4.04. Defaults by Issuers; Rights of Related Holders.

- a) The sole obligor with respect to related Insured Obligations will be the Issuer of such Insured Obligations. If an Issuer defaults in the payment of principal of and/or interest on Insured Obligations, each related Holder will have the right, subject to the limitation of the preceding Section 4.03 (establishing the Insurer's control of remedies following payment under the related Policy), to proceed directly and individually against the Issuer in whatever manner is deemed to be appropriate by the related Holder, and will not be required to act in concert with the Custodian, an Owner or any other Holder. The Custodian is not authorized hereunder to proceed against any Issuer in the event of a default under the related Indenture and has no fiduciary or other power or obligation hereunder to assert any of the rights and privileges of the related Holders.
- b) The issuance of an Certificate of Bond Insurance shall not in any manner: (i) alter, modify or increase the rights of the Holder of such Certificate of Bond Insurance with respect to the Insured Obligations evidenced by such Certificate of Bond Insurance as the case may be (provided that payments of principal of and premium, if any, and interest on and purchase price for such Insured Obligations and proceeds of the related Policy held by the Custodian shall be paid to such Holder as the case may be, as provided herein), (ii) grant to any Holders of other Certificates of Bond Insurance rights with respect to such Certificate of Bond Insurance or the Insured Obligation or Obligations evidenced thereby or (iii) grant to such Holder, through ownership of such Certificate of Bond Insurance any rights with respect to any other Certificate of Bond Insurance or the Insured Obligation or Obligations evidenced thereby. The parties hereto understand and agree that each Holder of a Certificate of Bond Insurance is the sole beneficial owner of the Insured Obligation or Obligations evidenced thereby (but shall have no interest in any Insured Obligations evidenced by Certificate of Bond Insurance held by any other Holder) and that the Custodian shall hold Insured Obligations as custodian for the Holders of Certificate of Bond Insurance evidencing such Insured Obligations.
- c) Notwithstanding anything in this Section 4.04 to the contrary, the Custodian will proceed promptly pursuant to Section 4.03 hereof to demand payment pursuant to the related Policy in the event of any default in payment by an Issuer and, upon receipt of reasonable

indemnity from the related Holders for resulting costs and liability, if any, will undertake to perform such other ministerial acts as may be reasonably necessary to assist such Holders in enforcing rights hereunder or under the related Indenture.

Section 4.05. Transfers of Policies or Insured Obligations by Custodian.

The Custodian shall hold the Insured Obligations and the Policies in custody only and shall not assign, transfer, pledge, set off or otherwise dispose of any Policy, Insured Obligation or interest therein except as specifically provided hereunder or as required by an order of a court having jurisdiction in the premises.

Section 4.06. Termination of Custody Accounts and Withdrawal of Insured Obligations.

During the term of this Custody Agreement, the Custodian shall have the following obligations:

- a) The Custodian shall maintain in a Custody Account each related Insured Obligation until the earliest to occur of: (i) payment of such Insured Obligation in full, including all accrued interest, on its stated maturity date by the related Issuer and/or the Insurer pursuant to the related Policy (ii) payment of such Insured Obligation in full, including all accrued interest, by the related Issuer and/or the Insurer pursuant to the related Policy upon redemption in whole (or other payment in full) of such Insured Obligation prior to its stated maturity date.
- b) Following the occurrence of a default in payment by an Issuer or if all installments of Premium provided for by the related Terms Agreement have been paid in full pursuant to the related Terms Agreement, the Custodian will deliver an Insured Obligation or Obligations to a Holder of the related Certificate of Bond Insurance evidencing such Insured Obligation or Obligations upon receipt of the Certificate of Bond Insurance at the corporate trust office of the Custodian and: (i) a written instrument executed by such Holder and addressed to the Custodian and the Insurer in the form and substance satisfactory to the Custodian and the Insurer, which (x) directs the Custodian to deliver the applicable Insured Obligation or Obligations to such Holder, (y) states that such Holder surrenders its interests in the applicable Certificate of Bond Insurance and delivers such Certificate of Bond Insurance to the Custodian for cancellation and (z) waives, unless the Insurer specifically otherwise agrees in writing that such waiver will not be required, all rights against the Insurer, including any rights to payment by the Insurer under the related Policy to the Custodian, of the Holder with respect to such Insured Obligation or Obligations; and (ii) payment by the Holder to the Custodian of a sum sufficient to cover (a) any tax or other governmental charge that may be imposed in connection therewith, and (b) any other expenses of the Custodian connected therewith. Upon withdrawal of an Insured Obligation, the formerly Insured Obligation or Obligations will no longer be entitled to any benefits under the related Policy or Policies.

Section 4.07. Insolvency Proceedings.

The Custodian shall promptly notify the Insurer of any notice it receives of (i) the commencement of any Insolvency Proceeding by an Issuer and (ii) the taking of any action by the Issuer or any other party interested in the Insolvency Proceeding seeking the avoidance as a preferential transfer (a "Preference Claim") of any payment of principal of, or interest on, or purchase price for, any related Insured Obligations. Following and to the extent of payment by the Insurer under the related Policy, the Insurer may at any time during the continuation of an Insolvency Proceeding control all matters relating to such Insolvency Proceeding, including (i) all matters relating to any Preference Claim, (ii) the direction of any appeal of any order relating to any Preference Claim and (iii) the posting of any surety, supersedes or performance bond pending any such appeal. Following and to the extent of payment by the Insurer under the related Policy, the Insurer shall be subrogated to the rights of the Custodian and each related Holder or Owner in the conduct of any Insolvency Proceeding, including all rights of any party to an adversary proceeding or with respect to any court order issued in connection with any such Insolvency Proceeding, so long as any action so taken is not adverse to the right of such Holder or Owner to payment pursuant to the related Policy.

Section 4.08. Other Obligations of the Custodian in Connection With the Certificates of Bond Insurance and Positions.

During the term of this Custody Agreement, the Custodian shall have the following obligations in connection with each Series of Certificates of Bond Insurance or Positions, as the case may be:

- a) Custody of the Insured Bonds and the Policy. The Custodian shall maintain custody of the Insured Obligations and the Policy until the earlier of (i) payment of all the Insured Obligations has been made pursuant to the terms of such Insured Obligations in full, including all accrued interest on its respective maturity date, (ii) payment under the Policy in full, including all accrued interest on the stated maturity date of the Insured Obligations, (iii) payment of the Insured Obligations in full, together with all accrued interest by the Issuer or, if applicable under the Policy, on an earlier date on which the Insured Obligations will have been fully redeemed or (iv) delivery of the Insured Obligations to the Owner in accordance with paragraph (f) of this Section 4.08. The Custodian agrees to hold the Insured Obligations and the Policy in its custody and to provide for the safekeeping thereof, subject to the terms of this Custody Agreement. The Custodian may not hold Insured Obligations which are in its own physical custody as part of a fungible bulk but may in the ordinary course of business deposit Insured Obligations that are DTC eligible with DTC for the account of the Custodian. The Custodian shall not sell, assign, transfer, pledge or otherwise encumber, nor suffer the encumbrance of, the Insured Obligations except as provided in, and in accordance with, the terms of this Custody Agreement. The Custodian shall segregate, by separate recordation upon its trust ledgers or other records, the Insured Obligations and any funds relating thereto, including amounts referred to in paragraphs (d) and (e) of this Section 4.08, holding the same as property held in trust.

- b) Collection of Interest and Principal. The Custodian shall be responsible for the collection, in accordance with Section 4.03 hereof, on each interest payment date, of the interest on the Insured Obligations, and for the collection, in accordance with Section 4.03, on the stated maturity date or earlier date or dates on which principal of the Obligations shall be due and payable according to their terms, of principal (including any premium) of the Insured Obligations, from the paying agent for the Insured Obligations.
- c) Collection Under the Policy. The Custodian shall be initially responsible for the collection, in accordance with Section 4.03 hereof, of any insurance proceeds which become payable under the terms of the Policy.
- d) Payment of Insurance Premium Payable. The Premium payable with respect to any Insured Obligation shall be payable either in a single payment or in periodic installments. If the Premium together with any related fees are, under the terms of the related Terms Agreement, payable to the Insurer in an initial payment with periodic installments thereafter or solely as periodic installments (such periodic installments to coincide with the interest payment date for each related Insured Obligation), any initial payment of Premium together with any related fees shall be made upon delivery of the related Insured Obligation to the Custodian and thereafter each installment of Premium shall be retained by the Custodian from moneys otherwise payable to the Owner as provided in Section 4.08(e) hereof and paid as provided herein. As, when and if the Custodian comes into possession of any moneys then payable as Premium together with any related fees, the Custodian shall promptly transfer, in next-day funds or the equivalent, such moneys to the Insurer as instructed by the Insurer.
- e) Payments to Owner. The Custodian shall pay, by bank check payable in currency of the United States of America, in next-day funds or the equivalent, or by such other method as shall be agreed to in writing by DTC, the Custodian and the Insurer, to CEDE & CO. for payment of such proceeds to the Owners all amounts referred to below.
- (i) The Custodian shall pay, on each interest payment date, an amount equal to the interest then due on the Insured Obligations less any amount to be retained as Premium under the related Terms Agreement, whether or not such interest has then been received by the Custodian from the paying agent for the Insured Obligations; provided, however, the Custodian may make such payment unless it has been advised by the paying agent upon due inquiry or the Custodian has actual knowledge that the paying agent has not been provided with sufficient funds from the Issuer of the Insured Obligations for timely payment in full of such amounts.
- (ii) On the stated maturity date or earlier date or dates on which principal of the Insured Obligations shall be due and payable according to their terms, an amount equal to the principal (including any premium) then due less any amount retained as Premium in accordance with the related Terms Agreement, to the extent that the Custodian has received such funds from the paying agent of the Insured Obligations.
- (iii) In lieu of any amounts referred to in subparagraph (i) above, the Custodian shall pay, subject to the provisions of subsection (c) of Section 4.03 hereof, all insurance

proceeds received by it under the related Policy no later than the Business Day following the date upon which the Custodian actually receives such insurance proceeds.

Subject to the provisions of subsection (d) of Section 4.08 of this Custody Agreement, the Custodian shall not seek to retain, by reason of any claim of any kind in its favor or in favor of any person claiming through it (including without limitation any claim by it for compensation under this Custody Agreement), any amount required to be paid by it under this paragraph (e).

- f) Delivery of Insured Obligations to an Owner. Following the occurrence of a default in payment by an Issuer or if all installments of Premium provided for by the related Terms Agreement have been paid in full, pursuant to the related Terms Agreement, the Custodian will deliver an Insured Obligation or Insured Obligations to an Owner upon receipt by the Custodian and the Insurer of: (i) a written instrument executed by the related Owner and addressed to the Custodian and the Insurer, in form and substance satisfactory to the Custodian and the Insurer, which: (x) directs the Custodian to deliver the applicable Insured Obligation or Insured Obligations to the related Owner, (y) states that the related Owner surrenders its beneficial interests in the applicable Certificate, Certificates, Position or Positions, as the case may be, and (z) waives, unless the Insurer specifically otherwise agrees in writing that such waiver will not be required, any rights to payment by the Insurer under the applicable Policy or Policies to the Custodian, or the Owner with respect to such Insured Obligation or Insured Obligations; and (ii) evidence satisfactory to the Custodian and the Insurer that such Owner is the owner of the applicable Insured Obligation or Insured Obligations to be delivered as set forth in this paragraph (f). Upon delivery by the Custodian, the formerly Insured Obligation or Insured Obligations will no longer be entitled to any benefits under the Policy or Policies.

ARTICLE V

THE CUSTODIAN

Section 5.01. Standard of Liability.

The Custodian undertakes to perform only such duties as are expressly set forth herein and no implied duties, obligations or agreements of the Custodian shall be read into this Custody Agreement, including without limitation any duties as a fiduciary or similar appointment. The Custodian shall have no responsibility for the contents of any writing contemplated herein and may rely without any liability upon the contents thereof. The Custodian shall not be liable for any action taken or omitted by it and believed by it to be authorized hereby or within the rights or powers conferred upon it hereunder, nor for action taken or omitted by it and in accordance with advice of counsel, and shall not be liable for any mistake of fact or error of judgment or for any acts or omissions of any kind unless caused by the Custodian's willful misconduct, bad faith or gross negligence.

Without in any way limiting the generality of the foregoing, it is understood and agreed that:

- a) The Custodian may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, endorsement, approval, or other paper or document believed by it to be genuine and to have been signed or presented by any Holder or Owner or any other proper party, and the Custodian shall have no responsibility to ascertain or confirm the genuineness of any signature of any Holder or Owner or any other party.
- b) The Custodian shall not be responsible for the validity or sufficiency of this Custody Agreement or for the due execution hereof by the Insurer, or for or in respect of the validity or sufficiency of any Certificate of Bond Insurance (except the due execution thereof by the Custodian), or for the form, character, sufficiency, value or validity of any Insured Obligation or related Indenture.
- c) The Custodian shall not be accountable for the use of any of the Certificates of Bond Insurance. The Custodian may become the Holder of Certificates of Bond Insurance or the Owner of a Position with the same rights which it would have if it were not Custodian.
- d) The Custodian shall have no liability for any claim arising out of any payment of funds or delivery of Insured Obligations or Certificates of Bond Insurance to any Holder at the address of record of such Holder in the Custody Account.
- e) The Custodian shall have no liability for any claim arising out of any failure by DTC to properly apply funds required herein to be delivered to DTC or its nominee.
- f) The Custodian may consult with counsel of its own choice and shall have full and complete authorization and protection in respect of any action taken, suffered or omitted

by it hereunder in good faith and in reliance on the opinion of such counsel. The Custodian may perform its duties hereunder either directly or by or through agents or attorneys.

- g) The Custodian may treat the registered owner of any Certificate of Bond Insurance as the Holder as the case may be, thereof for the purposes of receiving payment in respect of the Insured Obligations to which such Certificate of Bond Insurance relates and for all other purposes.
- h) The Custodian shall be under no obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of any Insured Obligations, the Policies, Certificates of Bond Insurance or Positions which in its opinion may involve it in expense or liability, unless indemnity satisfactory to it against all expense and liability be furnished as often as may be required.
- i) No provision of this Custody Agreement, shall require the Custodian to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights hereunder or thereunder. Without limiting the generality of the foregoing, the Custodian shall have no responsibility to advance or expend its own funds for the payment of any taxes or other governmental charges that may be imposed upon, or in respect of, the Insured Obligations, the Certificate of Bond Insurance or the Positions the transfer thereof or the receipt or payment of interest or principal on the Insured Obligations.
- j) The Custodian shall not be responsible for the payment of any amounts due as Premium unless and until such amounts have actually been received by the Custodian from the Issuer or the Insurer.
- k) The Custodian shall have no responsibilities to Holders or Owners in respect of amounts required to be transferred to the Insurer as Premium hereunder and under the Insurance and Indemnity Agreement.
- l) The Custodian shall not be responsible for its failure to transmit notices in respect of any Insolvency Proceedings unless and until the Custodian has actually received any such notice.

Section 5.02 Termination of Agreement.

The Insurer shall have the right for any reason and at its sole discretion to terminate the Custody Agreement by giving written notice of termination to the Custodian. Such termination shall take effect on the day a successor Custodian shall have been appointed pursuant to the requirements of Section 5.04 of this Agreement.

Section 5.03. Resignation of the Custodian.

The Custodian may resign with respect to all of its duties hereunder at any time by written notice thereof delivered to the Insurer, such resignation to take effect upon the appointment of a successor custodian pursuant to the provisions of Section 5.04 hereof; provided, however, that in the event of such resignation, the Custodian shall (a) assist the Insurer in its efforts to identify a successor custodian and (b) assist the Insurer in its negotiations with such proposed successor custodian and the Insurer regarding the fees and expenses to be charged by the successor custodian.

Section 5.04 Appointment of Successor Custodian.

If this Custody Agreement is terminated by written agreement pursuant to Section 5.02 hereof, or if the Custodian resigns pursuant to Section 5.03 hereof, a successor custodian will be appointed as follows:

- a) The Insurer will, within 60 days after delivery of the notice of resignation or notice of termination, appoint a successor custodian. If no successor custodian has been appointed within 60 days, the Custodian may petition any court of competent jurisdiction for the appointment of a successor custodian. In such case, the Custodian's resignation shall not become effective until the appointment of such successor custodian.
- b) Any successor custodian will be a corporation organized and doing business under the laws of the United States or any state and which is a direct or indirect participant of DTC.
- c) The Custodian shall transfer to the successor custodian all positions and documents relative to the Insured Obligations, the related Policies the related Certificates of Bond Insurance or Positions, any moneys held by the Custodian with respect to the foregoing and all unamortized fees (net of (1) income taxes already paid by the Custodian on such unamortized fees and not otherwise subject to recovery by tax refund, benefit or credit from any tax authority, (2) fees earned to the actual date of transfer and (3) the reasonable fees and expenses of the Custodian related to the Insurer's election to terminate the Custody Agreement, which fees and expenses, subject to Section 5.06, will not exceed \$25,000 unless consented to by the Insurer (which consent shall not be unreasonably withheld) and any other related documentation, all within 60 days after the receipt of the written notice of termination from the Insurer or such later date as a successor custodian is appointed pursuant to Section 5.04 of the Custody Agreement. The retiring Custodian shall, upon payment of its fees and charges, duly assign, transfer and deliver to such successor custodian, the Policy and all records, Insured Obligations, Certificates of Bond Insurance and moneys held by such retiring Custodian pursuant to the terms of this Custody Agreement. Any successor custodian appointed hereunder will execute, acknowledge and deliver to its predecessor and to the Insurer an instrument in writing accepting such appointment, and thereupon such successor, without any further act, will become fully vested with all the rights, duties and obligations of its predecessor, subject to Section 5.06.

- d) The successor Custodian shall send notice of its appointment to each Holder or Owner within 10 days of such appointment.

Section 5.05. Compensation of the Custodian.

The Custodian shall be compensated for its services in accordance with a fee schedule negotiated between the Insurer and the Custodian. Such fee schedule may change from time to time upon the mutual agreement and approval of the Custodian and the Insurer.

Section 5.06. Indemnification of the Custodian.

The Insurer agrees to indemnify the Custodian and hold it harmless from and against any loss, damage, expense or liability accruing to it without gross negligence, bad faith or willful misconduct on its part arising out of or in connection, with the performance of its duties under the Custody Agreement, including the costs and expenses (including reasonable counsel fees) of defending itself against any claim, suit or litigation commenced or arising from or related to its carrying out the transactions contemplated in the Custody Agreement.

Section 5.07. Reports to the Insurer.

The Custodian shall deliver to the Insurer within 30 days following the end of each calendar quarter a report detailing the balances held by the Custodian under the Custody Agreement by CUSIP number, par value and related policy number plus the amount of unamortized fees associated with such balances. The unamortized fee amount need not be listed by CUSIP number on such report but may be reported in a lump sum showing the changes from the prior reporting dates. In addition, no later than 60 days after June 30th and December 31st of each year, the Custodian shall deliver to the Insurer a report detailing the balances held by it as Custodian under the Custody Agreement by par value, CUSIP number and the related policy number of the Insurer.

Section 5.08. Unamortized Fees.

All unamortized fees associated with Insured Obligations shall be accounted for separately by the Custodian and shall not be pledged, or used as collateral by the Custodian without the prior approval of the Insurer. The Custodian shall provide the Insurer with a description of its accounting policy for custodial fees (the "Accounting Policy"). The Custodian hereby agrees to give the Insurer 30 days prior written notice of a change to the Accounting Policy. The Custodian shall not change the Accounting Policy upon notice from the Insurer that the Insurer intends to terminate the Custody Agreement.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Amendment of Agreement.

The Insurer and the Custodian may enter into any amendments, modifications or supplements to this Custody Agreement, without the consent of the Holders of the Certificates of Bond Insurance or Owners of the Positions, which will not adversely affect the interest of any such Holder or Owner.

Section 6.02. Counterparts.

This Custody Agreement may be executed in any number of counterparts by the parties hereto on separate counterparts, each of which, when so executed and delivered, shall be deemed an original, but all such counterparts shall together constitute one and the same instrument. Copies of this Custody Agreement shall be filed with the Custodian and shall be open to inspection during business hours at the Custodian's principal office by any Owner or Holder.

Section 6.03. Exclusive Benefit of Parties; Effective Date.

This Custody Agreement is for the exclusive benefit of the Custodian, the Insurer and the Holders of the Certificates of Bond Insurance or the Owners of Positions from time to time, and their respective successors hereunder, and shall not be deemed to give any legal or equitable right, remedy or claim to any other person whatsoever.

The Holders or Owners shall be the beneficiaries of this Custody Agreement and, pursuant to the terms of the Certificate of Bond Insurance or Standard Representation Letter, as the case may be, shall acknowledge and accept all of the terms and conditions and agree to be bound by all of the provisions hereof and of the Certificates of Bond Insurance or the Standard Representation Letter as the case may be, by acceptance of delivery of the Certificates of Bond Insurance or the Standard Representation Letter as the case may be, without the necessity of any written acknowledgment or signature. This Custody Agreement shall become effective as to the Custodian with respect to any Certificate of Bond Insurance upon execution of this Custody Agreement and the receipt by the Custodian of the items specified in Section 2.01 hereof with respect to such Certificates of Bond Insurance. This Custody Agreement shall become effective as to the Custodian with respect to any Position upon execution of this Custody Agreement and the receipt by the Custodian of the items specified in Section 3.01(a) with respect to such Positions.

Section 6.04. Custodian May Be Holder or Pledgee of Certificates of Bond Insurance.

The Custodian, in its individual or any other capacity, may become the owner or pledgee of Certificates of Bond Insurance or Positions with the same rights it would have if it were not the Custodian.

Section 6.05. Invalidity of Provisions.

In case any one or more of the provisions contained in this Custody Agreement, the Certificates of Bond Insurance or the Standard Representation Letter should be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein or therein shall in no way be affected, prejudiced or disturbed thereby.

Section 6.06. Notice.

Any notice hereunder shall be in writing and shall be duly given if delivered unless directed otherwise by the applicable party (a) to the Custodian at 100 Wall Street, 16th Floor, New York, New York, 10005 Attention: Corporate Trust (b) to the Insurer at One Liberty Plaza, 52nd Floor, New York, New York 10006.

Section 6.07. Governing Law.

This Custody Agreement and the Certificate of Bond Insurance shall be governed by and construed in accordance with the laws of the State of New York.


Section 6.08. Assignment.

The rights and obligations of the parties hereunder may not be assigned or delegated without the prior written consent of the other party.

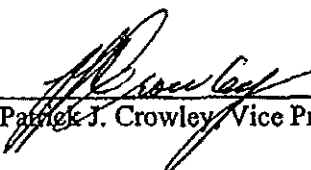
IN WITNESS WHEREOF, First Trust of New York, National Association, as Custodian, and American Capital Access Corporation, as Insurer, have caused this Custody Agreement to be executed on its behalf by their duly authorized officers as of the date first written above.

AMERICAN CAPITAL ACCESS CORPORATION

By 
Gary P. Karvelis, Managing Director

Attest: 
Michael A. Freed, Secretary

FIRST TRUST of NEW YORK, N. A.

By: 
Patrick J. Crowley, Vice President and Director

Attest: 
Carmela Ehret, CCTS, Vice President

AMENDMENT TO CUSTODY AGREEMENT

This Amendment to Custody Agreement, dated February 10, 1998 (the "Amendment") amends the Custody Agreement by and between First Trust of New York, National Association (the "Custodian") and American Capital Access Corporation (the "Insurer") dated as of November 3, 1997 (the "Custody Agreement").

WHEREAS, the Custodian and the Insurer entered into the Custody Agreement;

WHEREAS, the Insurer has changed its corporate name from American Capital Access Corporation to ACA Financial Guaranty Corporation;

NOW, THEREFORE, pursuant to Section 6.01 of the Custody Agreement, the Custodian and the Insurer hereby enter into this Amendment for the purpose of amending the name of American Capital Access Corporation to ACA Financial Guaranty Corporation and acknowledging that all references in the Custody Agreement to American Capital Access Corporation shall hereafter refer to ACA Financial Guaranty Corporation.

IN WITNESS WHEREOF, First Trust of New York, National Association, as Custodian, and ACA Financial Guaranty Corporation, formerly known as American Capital Access Corporation, as Insurer, have caused this Amendment to the Custody Agreement to be executed on their behalf by their duly authorized officers as of the date first written above.

ACA FINANCIAL GUARANTY CORPORATION
formerly known as AMERICAN CAPITAL
ACCESS CORPORATION

By: Gary P. Kavelle
Title: MANAGING DIRECTOR

Attest: Kathleen Cully
Title: Managing Director

FIRST TRUST OF NEW YORK, NATIONAL
ASSOCIATION

By: SL McLaughlin
Title: Assistant Vice President

Attest: COOPER
Title: Vice President

AMENDMENT TO CUSTODY AGREEMENT

This Amendment to the Custody Agreement, dated as of October 1, 1998 (the "Amendment") amends the Custody Agreement as amended by and between First Trust of New York, National Association (the "Custodian") and ACA Financial Guaranty Corporation (the "Insurer") dated as of November 3, 1997 (the "Custody Agreement").

WHEREAS, as the Custodian and the Insurer entered into the Custody Agreement;

WHEREAS, the Custodian has changed its corporate name from First Trust of New York, National Association to U.S. Bank Trust National Association;

NOW, THEREFORE, pursuant to Section 6.01 of the Custody Agreement, the Custodian and the Insurer hereby enter into this Amendment for the purpose of amending the name of the Custodian and acknowledging that all references in the Custody Agreement to the Custodian shall hereafter refer to U.S. Bank Trust National Association.

IN WITNESS WHEREOF, the Custodian and the Insurer have caused this Amendment to the Custody Agreement to be executed on their behalf by their duly authorized officers as of the date first written above.

ACA FINANCIAL GUARANTY CORPORATION

By: Gary P. Kamel
Title: Managing Director

Attest: Kathleen A. Cully
Title: Managing Director

U.S. BANK TRUST NATIONAL ASSOCIATION

By: Kim Kuczycki
Title: Assistant Vice President

Attest: [Signature]
Title: Vice President



ACA Financial Guaranty Corporation
140 Broadway, 47th Floor
New York, NY 10005
For information, contact:
(212) 375-2000
(888) 427-2833

SECONDARY MARKET INSURANCE POLICY

Policy Number: S0601-15

Effective Date: June 8, 2001

Issuer: Connector 2000 Association, Inc.

**Bonds: \$3,300,000 Connector 2000 Association, Inc. Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina), 5.25%, dated
02/01/1998, due 01/01/2023, CUSIP 20786LAA9, Enhanced 20786**

ACA FINANCIAL GUARANTY CORPORATION, a Maryland stock insurance corporation (the "Insurer"), in consideration of the payment of the premium and subject to the terms of this Secondary Market Insurance Policy (the "Policy") and the Custody Agreement between U.S. Bank Trust National Association (the "Custodian") and the Insurer, dated November 3, 1997, (the "Custody Agreement"), hereby agrees to pay to the Custodian, for the benefit of each Holder or Owner, as the case may be, the Amount Due for Payment resulting from the Nonpayment by the Issuer of the Obligations described in Exhibit A, attached hereto.

For purposes of this Policy, the following terms shall have the meanings hereinbelow set forth. "Amounts Due for Payment" shall mean the amounts of Nonpayment, as reduced, if applicable, by the amount of any partial payments made by or behalf of the Issuer. "Business Day" shall mean any day other than a Saturday, Sunday or a day on which banking institutions in the State of New York are authorized or required by law to be closed. "Due Date of Payment" shall mean (i) when referring to the principal of an Obligation, the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless the Insurer shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (ii) when referring to interest on an Obligation, the stated date for payment of interest. "Holder" shall mean the owner of a custody receipt issued pursuant to Article II of the Custody Agreement. "Nonpayment" shall mean the failure of the Issuer to have provided sufficient funds to the Custodian for payment in full of all principal and interest on any Due Date of Payment of an Obligation. "Notice of Nonpayment" shall mean telephonic or electronic notice subsequently confirmed in writing, or written notice by registered or certified mail from the Custodian to the Insurer, which notice shall specify (i) the name of the person or entity making the claim, (ii) the Policy Number, (iii) the Amount Due for Payment and (iv) the Due Date of Payment. "Obligations" shall mean the securities insured under the Policy, as described in Exhibit A, attached hereto. "Owner" shall mean the owner of a beneficial interest in a book-entry position. "Preference Claim" shall mean a Nonpayment resulting from any payment of principal or interest made to an Owner or Holder by or on behalf of the Issuer of such Obligation which has been recovered from such Owner pursuant to a final, non-appealable order of a court of competent jurisdiction that such payment constitutes an avoidable preference to such Owner within the meaning of any applicable bankruptcy law. Notwithstanding the foregoing, the terms "Owner" and "Holder" shall mean, as to a particular Obligation, the person who is entitled to payment under the terms of such Obligation, other than the Issuer or any third party whose direct or indirect obligation constitutes the underlying security for such Obligation.

Upon receipt of Notice of Nonpayment from the Custodian, the Insurer, on the later of the Due Date of Payment or within one Business Day after receipt of Notice of Nonpayment, will deposit the Amount Due for Payment into a segregated account to be held by the Custodian.

Upon presentment and delivery to the Insurer by the Custodian of (i) evidence of the right of the Custodian, Holder or Owner, as the case may be, to receive payment of the Amounts Due for Payment and (ii) evidence, including appropriate instruments of assignment and agency, which instruments shall be reasonably satisfactory to Insurer in its sole discretion, that all rights of the Custodian, Holder or Owner relating to the insured Obligations shall thereupon vest in the Insurer, the Custodian shall disburse from the aforesaid segregated account to the Holder or Owner, as the case may be, payment of the Amounts Due for Payment. Upon any such disbursement, the Insurer shall become fully subrogated to the rights of the Holder or Owner, including all rights to receive payment to the extent of any payments by the Insurer hereunder. This Policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

99098W-S-W-5

96029320

Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be made on the fourth Business Day following receipt by the Insurer from the Custodian of (i) a certified copy of the order requiring the return of moneys and giving rise to a Preference Claim, (ii) a certificate of the Holder, Owner or Custodian, as the case may be, that such order has been duly entered and is not subject to any stay and (iii) an assignment duly executed by the Holder or Owner, as the case may be, irrevocably assigning to the Insurer all rights and claims of such Holder or Owner relating to the Obligations, provided that if the foregoing documents are received on a day that is not a Business Day or after 1:00 p.m. Eastern prevailing time on any Business Day, the Insurer shall make such payment on the fifth Business Day following such date. Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be disbursed to the receiver, conservator, debtor in possession or trustee in bankruptcy named in the related order and not to the Custodian, Holder or Owner directly, unless such Custodian, Holder or Owner has previously refunded all or a part of such payment, pursuant to a legal requirement, as demonstrated to the satisfaction of the Insurer.

In any event of a Nonpayment, the Custodian shall make a claim for payment under this Policy. In order to receive payment hereunder, the Custodian, as the attorney-in-fact of the Holder or Owner, as the case may be, shall execute and deliver appropriate instruments of assignment to the Insurer and shall appoint the Insurer as the agent of such Holder or Owner and of the Custodian in any legal proceedings relating to the Obligations.

IN THE EVENT THAT A HOLDER OR OWNER REVOKES THE AFORESAID ATTORNEY-IN-FACT STATUS OF THE CUSTODIAN, THE CUSTODIAN SHALL HAVE NO OBLIGATION TO DISBURSE FUNDS PAID BY INSURER AND HELD BY THE CUSTODIAN PURSUANT TO THIS POLICY UNTIL AND UNLESS SUCH HOLDER OR OWNER SHALL EXECUTE AND DELIVER DOCUMENTS SATISFACTORY TO THE INSURER TO EFFECT AN ASSIGNMENT TO THE INSURER OF ALL RIGHTS AND REMEDIES THAT SUCH HOLDER OR OWNER HAS OR MAY HAVE AGAINST THE ISSUER OF THE OBLIGATION.

Following any default by the Insurer in the payment of any amounts due under this Policy, each Holder or Owner, as the case may be, shall have the right to proceed directly and individually against the Insurer in whatever manner such Holder or Owner deems appropriate and shall not be required to act in concert with any other Holder or Owner or the Custodian.

If the premium and expenses relating to this Policy are payable in a single payment, the payment in full of such premium to the Insurer shall coincide with the delivery of the Obligations to the Custodian. If all or a portion of the premium and expenses relating to this Policy are payable in periodic installments, such amounts will be deducted from moneys payable to each Holder or Owner, as the case may be, under the Custody Agreement (or from moneys payable under this Policy in lieu thereof) for each scheduled periodic payment of Amounts Due for Payment.

This Policy shall not insure against the failure of the Custodian to remit amounts received hereunder to the Holder or the Owner.

The premium for this Policy is not refundable for any reason, including the payment of the Obligations prior to maturity.

This Policy is noncancellable, except in the event that the Holder or Owner surrenders its interest in the Certificate of Bond Insurance or in the Position (as the term "Position" is defined in the Custody Agreement) and waives its right to receive payment from the Insurer under this Policy, pursuant to Sections 3.03 (f) and 4.06 (b) of the Custody Agreement.

This policy is issued to the Holders and the Owners and is nontransferable except in accordance with the Custody Agreement. There shall be no acceleration payment due under this Policy except at the sole option of the Insurer. This Policy shall be governed by the laws of the State of New York.

This Policy is not covered by the Property/Casualty Insurance Security Fund specified in Article 76 of the New York Insurance Fund.

IN WITNESS WHEREOF, ACA has caused this Policy to be affixed with its corporate seal and executed on its behalf by its duly authorized representative.

ACA FINANCIAL GUARANTY CORPORATION

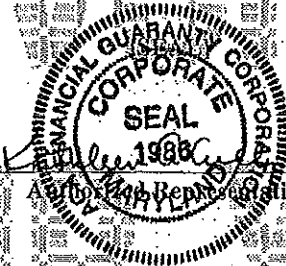


EXHIBIT A

TERMS AGREEMENT

Pursuant to the Custody Agreement dated as of November 3, 1997 (the "Agreement") between U.S. Bank Trust National Association, custodian (the "Custodian"), and ACA Financial Guaranty Corporation (the "Insurer"), this Terms Agreement dated 06/08/2001, is hereby delivered, as approved, by the Insurer. The provisions of the Agreement are incorporated herein by reference in their entirety and shall be deemed to be a part of this Terms Agreement as fully and to the same extent as if such provisions had been set forth herein in full.

The applicant listed below will deliver to the Custodian, in the manner set forth in the Agreement, the securities described below:

Applicant: **First Miami Securities, Inc.**
Applicant DTC: **995**
Applicant Contact: **Terry O'Grady** Phone/Fax: **305-935-1946/561-367-0773**
Applicant Office Address: **20660 W. Dixie Highway No. Miami Beach, FL 33160**
CUSIP No.: **20786LAA9** Enhanced CUSIP No.: **20786LCS8**
Bond Issuer: **Connector 2000 Association, Inc.**
Bond Description: **Connector 2000 Association, Inc. Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina)**
Par Amount: **\$3,300,000** Dated Date: **02/01/1998**
Due Date: **01/01/2023** Coupon: **5.250%**
Ratings - S&P: **BBB-** Moody's: **NA**
Fitch: **NA**
Type of Delivery to Custodian (DTC/Physical): **DTC**
Interest Payment Dates: **Jan. & July 1**
Denominations: **\$5,000** Bearer/Registered: **Registered**
Secondary Market Insurance Policy No.: **S0601-15**
Settlement Date: **06/08/2001**



ACA Financial Guaranty Corporation
 140 Broadway, 47th Floor
 New York, NY 10005
 For information, contact:
 (212) 375-2000
 (888) 427-2833

SECONDARY MARKET INSURANCE POLICY

Policy Number: S0601-17

Effective Date: June 8, 2001

Issuer: Connector 2000 Association, Inc.

**Bonds: \$1,000,000 Connector 2000 Association, Inc. Toll Road Revenue Bonds
 (Southern Connector Project, Greenville, South Carolina), 0.00%, dated
 02/01/1998, due 01/01/2012, CUSIP 20786LAG6, Enhanced 20786LCU3**

ACA FINANCIAL GUARANTY CORPORATION, a Maryland stock insurance corporation (the "Insurer") in consideration of the payment of the premium and subject to the terms of this Secondary Market Insurance Policy (the "Policy") and the Custody Agreement between U.S. Bank Trust National Association (the "Custodian") and the Insurer, dated November 3, 1997, (the "Custody Agreement"), hereby agrees to pay to the Custodian, for the benefit of each Holder or Owner, as the case may be, the Amount Due for Payment resulting from the Nonpayment by the Issuer of the Obligations described in Exhibit A, attached hereto.

For purposes of this Policy, the following terms shall have the meanings hereinbelow set forth. "Amounts Due for Payment" shall mean the amounts of Nonpayment, as reduced, if applicable, by the amount of any partial payments made by or behalf of the Issuer. "Business Day" shall mean any day other than a Saturday, Sunday or a day on which banking institutions in the State of New York are authorized or required by law to be closed. "Due Date of Payment" shall mean (i) when referring to the principal of an Obligation, the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless the Insurer shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (ii) when referring to interest on an Obligation, the stated date for payment of interest. "Holder" shall mean the owner of a custody receipt issued pursuant to Article II of the Custody Agreement. "Nonpayment" shall mean the failure of the Issuer to have provided sufficient funds to the Custodian for payment in full of all principal and interest on any Due Date of Payment of an Obligation. "Notice of Nonpayment" shall mean telephonic or electronic notice, subsequently confirmed in writing, or written notice by registered or certified mail from the Custodian to the Insurer, which notice shall specify (i) the name of the person or entity making the claim, (ii) the Policy Number, (iii) the Amount Due for Payment and (iv) the Due Date of Payment. "Obligations" shall mean the securities insured under the Policy, as described in Exhibit A, attached hereto. "Owner" shall mean the owner of a beneficial interest in a book-entry position. "Preference Claim" shall mean a Nonpayment resulting from any payment of principal or interest made to an Owner or Holder by or on behalf of the Issuer of such Obligation which has been recovered from such Owner pursuant to a final, non-appealable order of a court of competent jurisdiction that such payment constitutes an avoidable preference to such Owner within the meaning of any applicable bankruptcy law. Notwithstanding the foregoing, the terms "Owner" and "Holder" shall mean, as to a particular Obligation, the person who is entitled to payment under the terms of such Obligation, other than the Issuer or any third party whose direct or indirect obligation constitutes the underlying security for such Obligation.

Upon receipt of Notice of Nonpayment from the Custodian, the Insurer, on the later of the Due Date of Payment or within one Business Day after receipt of Notice of Nonpayment, will deposit the Amount Due for Payment into a segregated account to be held by the Custodian.

Upon presentment and delivery to the Insurer by the Custodian of (i) evidence of the right of the Custodian, Holder or Owner, as the case may be, to receive payment of the Amounts Due for Payment and (ii) evidence, including appropriate instruments of assignment and agency, which instruments shall be reasonably satisfactory to Insurer in its sole discretion, that all rights of the Custodian, Holder or Owner relating to the insured Obligations shall thereupon vest in the Insurer, the Custodian shall disburse from the aforesaid segregated account to the Holder or Owner, as the case may be, payment of the Amounts Due for Payment. Upon any such disbursement, the Insurer shall become fully subrogated to the rights of the Holder or Owner, including all rights to receive payment to the extent of any payments by the Insurer hereunder. This Policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

990960-54-9
 96099330

Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be made on the fourth Business Day following receipt by the Insurer from the Custodian of (i) a certified copy of the order requiring the return of moneys and giving rise to a Preference Claim, (ii) a certificate of the Holder, Owner or Custodian, as the case may be, that such order has been duly entered and is not subject to any stay and (iii) an assignment duly executed by the Holder or Owner, as the case may be, irrevocably assigning to the Insurer all rights and claims of such Holder or Owner relating to the Obligations, provided that if the foregoing documents are received on a day that is not a Business Day or after 1:00 p.m. Eastern prevailing time on any Business Day, the Insurer shall make such payment on the fifth Business Day following such date. Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be disbursed to the receiver, conservator, debtor in possession or trustee in bankruptcy named in the related order and not to the Custodian, Holder or Owner directly, unless such Custodian, Holder or Owner has previously refunded all or a part of such payment, pursuant to a legal requirement, as demonstrated to the satisfaction of the Insurer.

In any event of a Nonpayment, the Custodian shall make a claim for payment under this Policy. In order to receive payment hereunder, the Custodian, as the attorney-in-fact of the Holder or Owner, as the case may be, shall execute and deliver appropriate instruments of assignment to the Insurer and shall appoint the Insurer as the agent of such Holder or Owner and of the Custodian in any legal proceedings relating to the Obligations.

IN THE EVENT THAT A HOLDER OR OWNER REVOKES THE AFORESAID ATTORNEY-IN-FACT STATUS OF THE CUSTODIAN, THE CUSTODIAN SHALL HAVE NO OBLIGATION TO DISBURSE FUNDS PAID BY INSURER AND HELD BY THE CUSTODIAN PURSUANT TO THIS POLICY UNTIL AND UNLESS SUCH HOLDER OR OWNER SHALL EXECUTE AND DELIVER DOCUMENTS SATISFACTORY TO THE INSURER TO EFFECT AN ASSIGNMENT TO THE INSURER OF ALL RIGHTS AND REMEDIES THAT SUCH HOLDER OR OWNER HAS OR MAY HAVE AGAINST THE ISSUER OF THE OBLIGATION.

Following any default by the Insurer in the payment of any amounts due under this Policy, each Holder or Owner, as the case may be, shall have the right to proceed directly and individually against the Insurer in whatever manner such Holder or Owner deems appropriate and shall not be required to act in concert with any other Holder or Owner or the Custodian.

If the premium and expenses relating to this Policy are payable in a single payment, the payment in full of such premium to the Insurer shall coincide with the delivery of the Obligations to the Custodian. If all or a portion of the premium and expenses relating to this Policy are payable in periodic installments, such amounts will be deducted from moneys payable to each Holder or Owner, as the case may be, under the Custody Agreement (or from moneys payable under this Policy in lieu thereof) for each scheduled periodic payment of Amounts Due for Payment.

This Policy shall not insure against the failure of the Custodian to remit amounts received hereunder to the Holder or the Owner.

The premium for this Policy is not refundable for any reason, including the payment of the Obligations prior to maturity.

This Policy is noncancellable, except in the event that the Holder or Owner surrenders its interest in the Certificate of Bond Insurance or in the Position, (as the term "Position" is defined in the Custody Agreement) and waives its right to receive payment from the Insurer under this Policy, pursuant to Sections 3.03 (f) and 4.06 (b) of the Custody Agreement.

This policy is issued to the Holders and the Owners and is nontransferable except in accordance with the Custody Agreement. There shall be no acceleration payment due under this Policy except at the sole option of the Insurer. This Policy shall be governed by the laws of the State of New York.

This Policy is not covered by the Property/Casualty Insurance Security Fund specified in Article 76 of the New York Insurance Fund.

IN WITNESS WHEREOF, ACA has caused this Policy to be affixed with its corporate seal and executed on its behalf by its duly authorized representative.

ACA FINANCIAL GUARANTY CORPORATION



EXHIBIT A**TERMS AGREEMENT**

Pursuant to the Custody Agreement dated as of November 3, 1997 (the "Agreement") between U.S. Bank Trust National Association, custodian (the "Custodian"), and ACA Financial Guaranty Corporation (the "Insurer"), this Terms Agreement dated 06/08/2001, is hereby delivered, as approved, by the Insurer. The provisions of the Agreement are incorporated herein by reference in their entirety and shall be deemed to be a part of this Terms Agreement as fully and to the same extent as if such provisions had been set forth herein in full.

The applicant listed below will deliver to the Custodian, in the manner set forth in the Agreement, the securities described below:

Applicant: **T. Rowe Price Associates, Inc.**
 Applicant DTC: **[null]**
 Applicant Contact: **James Murphy** Phone/Fax: **410-345-2121/410-581-5116**
 Applicant Office Address: **100 East Pratt Street Baltimore, MD 21202**
 CUSIP No.: **20786LAG6** Enhanced CUSIP No.: **20786LCU3**
 Bond Issuer: **Connector 2000 Association, Inc.**
 Bond Description: **Connector 2000 Association, Inc. Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina)**
 Par Amount: **\$1,000,000** Dated Date: **02/01/1998**
 Due Date: **01/01/2012** Coupon: **0.000%**
 Ratings - S&P: **BBB-** Moody's: **NA**
 Fitch: **NA**
 Type of Delivery to Custodian (DTC/Physical): **DTC**
 Interest Payment Dates: **Jan. & July 1**
 Denominations: **\$5,000** Bearer/Registered: **Registered**
 Secondary Market Insurance Policy No.: **S0601-17**
 Settlement Date: **06/08/2001**



ACA Financial Guaranty Corporation
 140 Broadway, 47th Floor
 New York, NY 10005
 For information, contact:
 (212) 375-2000
 (888) 427-2833

SECONDARY MARKET INSURANCE POLICY

Policy Number: S0601-18

Effective Date: June 8, 2001

Issuer: Connector 2000 Association, Inc.

Bonds: \$9,900,000 Connector 2000 Association, Inc. Toll Road Revenue Bonds

(Southern Connector Project, Greenville, South Carolina), 0.00%, dated 02/01/1998, due 01/01/2020, CUSIP 20786LAQ4, Enhanced 20786LCV1

ACA FINANCIAL GUARANTY CORPORATION, a Maryland stock insurance corporation (the "Insurer"), in consideration of the payment of the premium and subject to the terms of this Secondary Market Insurance Policy (the "Policy") and the Custody Agreement between U.S. Bank Trust National Association (the "Custodian") and the Insurer, dated November 3, 1997, (the "Custody Agreement"), hereby agrees to pay to the Custodian, for the benefit of each Holder or Owner, as the case may be, the Amount Due for Payment resulting from the Nonpayment by the Issuer of the Obligations described in Exhibit A, attached hereto.

For purposes of this Policy, the following terms shall have the meanings hereinbelow set forth. "Amounts Due for Payment" shall mean the amounts of Nonpayment, as reduced, if applicable, by the amount of any partial payments made by or behalf of the Issuer. "Business Day" shall mean any day other than a Saturday, Sunday or a day on which banking institutions in the State of New York are authorized or required by law to be closed. "Due Date of Payment" shall mean (i) when referring to the principal of an Obligation, the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless the Insurer shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (ii) when referring to interest on an Obligation, the stated date for payment of interest. "Holder" shall mean the owner of a custody receipt issued pursuant to Article II of the Custody Agreement. "Nonpayment" shall mean the failure of the Issuer to have provided sufficient funds to the Custodian for payment in full of all principal and interest on any Due Date of Payment of an Obligation. "Notice of Nonpayment" shall mean telephonic or electronic notice, subsequently confirmed in writing, or written notice by registered or certified mail from the Custodian to the Insurer, which notice shall specify (i) the name of the person or entity making the claim, (ii) the Policy Number, (iii) the Amount Due for Payment and (iv) the Due Date of Payment. "Obligations" shall mean the securities insured under the Policy, as described in Exhibit A, attached hereto. "Owner" shall mean the owner of a beneficial interest in a book-entry position. "Preference Claim" shall mean a Nonpayment resulting from any payment of principal or interest made to an Owner or Holder by or on behalf of the Issuer of such Obligation which has been recovered from such Owner pursuant to a final, non-appealable order of a court of competent jurisdiction that such payment constitutes an avoidable preference to such Owner within the meaning of any applicable bankruptcy law. Notwithstanding the foregoing, the terms "Owner" and "Holder" shall mean, as to a particular Obligation, the person who is entitled to payment under the terms of such Obligation, other than the Issuer or any third party whose direct or indirect obligation constitutes the underlying security for such Obligation.

Upon receipt of Notice of Nonpayment from the Custodian, the Insurer, on the later of the Due Date of Payment or within one Business Day after receipt of Notice of Nonpayment, will deposit the Amount Due for Payment into a segregated account to be held by the Custodian.

Upon presentment and delivery to the Insurer by the Custodian of (i) evidence of the right of the Custodian, Holder or Owner, as the case may be, to receive payment of the Amounts Due for Payment and (ii) evidence, including appropriate instruments of assignment and agency, which instruments shall be reasonably satisfactory to Insurer in its sole discretion, that all rights of the Custodian, Holder or Owner relating to the insured Obligations shall thereupon vest in the Insurer, the Custodian shall disburse from the aforesaid segregated account to the Holder or Owner, as the case may be, payment of the Amounts Due for Payment. Upon any such disbursement, the Insurer shall become fully subrogated to the rights of the Holder or Owner, including all rights to receive payment to the extent of any payments by the Insurer hereunder. This Policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be made on the fourth Business Day following receipt by the Insurer from the Custodian of (i) a certified copy of the order requiring the return of moneys and giving rise to a Preference Claim, (ii) a certificate of the Holder, Owner or Custodian, as the case may be, that such order has been duly entered and is not subject to any stay and (iii) an assignment duly executed by the Holder or Owner, as the case may be, irrevocably assigning to the Insurer all rights and claims of such Holder or Owner relating to the Obligations, provided that if the foregoing documents are received on a day that is not a Business Day or after 1:00 p.m. Eastern prevailing time on any Business Day, the Insurer shall make such payment on the fifth Business Day following such date. Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be disbursed to the receiver, conservator, debtor in possession or trustee in bankruptcy named in the related order and not to the Custodian, Holder or Owner directly, unless such Custodian, Holder or Owner has previously refunded all or a part of such payment, pursuant to a legal requirement, as demonstrated to the satisfaction of the Insurer.

In any event of a Nonpayment, the Custodian shall make a claim for payment under this Policy. In order to receive payment hereunder, the Custodian, as the attorney-in-fact of the Holder or Owner, as the case may be, shall execute and deliver appropriate instruments of assignment to the Insurer and shall appoint the Insurer as the agent of such Holder or Owner and of the Custodian in any legal proceedings relating to the Obligations.

IN THE EVENT THAT A HOLDER OR OWNER REVOKES THE AFORESAID ATTORNEY-IN-FACT STATUS OF THE CUSTODIAN, THE CUSTODIAN SHALL HAVE NO OBLIGATION TO DISBURSE FUNDS PAID BY INSURER AND HELD BY THE CUSTODIAN PURSUANT TO THIS POLICY UNTIL AND UNLESS SUCH HOLDER OR OWNER SHALL EXECUTE AND DELIVER DOCUMENTS SATISFACTORY TO THE INSURER TO EFFECT AN ASSIGNMENT TO THE INSURER OF ALL RIGHTS AND REMEDIES THAT SUCH HOLDER OR OWNER HAS OR MAY HAVE AGAINST THE ISSUER OF THE OBLIGATION.

Following any default by the Insurer in the payment of any amounts due under this Policy, each Holder or Owner, as the case may be, shall have the right to proceed directly and individually against the Insurer in whatever manner such Holder or Owner deems appropriate and shall not be required to act in concert with any other Holder or Owner or the Custodian.

If the premium and expenses relating to this Policy are payable in a single payment, the payment in full of such premium to the Insurer shall coincide with the delivery of the Obligations to the Custodian. If all or a portion of the premium and expenses relating to this Policy are payable in periodic installments, such amounts will be deducted from moneys payable to each Holder or Owner, as the case may be, under the Custody Agreement (or from moneys payable under this Policy in lieu thereof) for each scheduled periodic payment of Amounts Due for Payment.

This Policy shall not insure against the failure of the Custodian to remit amounts received hereunder to the Holder or the Owner.

The premium for this Policy is not refundable for any reason, including the payment of the Obligations prior to maturity.

This Policy is noncancellable, except in the event that the Holder or Owner surrenders its interest in the Certificate of Bond Insurance or in the Position (as the term "Position" is defined in the Custody Agreement) and waives its right to receive payment from the Insurer under this Policy, pursuant to Sections 3.03 (f) and 4.06 (b) of the Custody Agreement.

This policy is issued to the Holders and the Owners and is nontransferable except in accordance with the Custody Agreement. There shall be no acceleration payment due under this Policy except at the sole option of the Insurer. This Policy shall be governed by the laws of the State of New York.

This Policy is not covered by the Property/Casualty Insurance Security Fund specified in Article 76 of the New York Insurance Fund.

IN WITNESS WHEREOF, ACA has caused this Policy to be affixed with its corporate seal and executed on its behalf by its duly authorized representative.

ACA FINANCIAL GUARANTY CORPORATION



EXHIBIT A

TERMS AGREEMENT

Pursuant to the Custody Agreement dated as of November 3, 1997 (the "Agreement") between U.S. Bank Trust National Association, custodian (the "Custodian"), and ACA Financial Guaranty Corporation (the "Insurer"), this Terms Agreement dated 06/08/2001, is hereby delivered, as approved, by the Insurer. The provisions of the Agreement are incorporated herein by reference in their entirety and shall be deemed to be a part of this Terms Agreement as fully and to the same extent as if such provisions had been set forth herein in full.

The applicant listed below will deliver to the Custodian, in the manner set forth in the Agreement, the securities described below:

Applicant: **T. Rowe Price Associates, Inc.**

Applicant DTC: **[null]**

Applicant Contact: **James Murphy**

Phone/Fax: **410-345-2121/410-581-5116**

Applicant Office Address: **100 East Pratt Street Baltimore, MD 21202**

CUSIP No.: **20786LAQ4**

Enhanced CUSIP No.: **20786LCV1**

Bond Issuer: **Connector 2000 Association, Inc.**

Bond Description: **Connector 2000 Association, Inc. Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina)**

Par Amount: **\$9,900,000**

Dated Date: **02/01/1998**

Due Date: **01/01/2020**

Coupon: **0.000%**

Ratings - S&P: **BBB-**

Moody's: **NA**

Fitch: **NA**

Type of Delivery to Custodian (DTC/Physical): **DTC**

Interest Payment Dates: **Jan. & July 1**

Denominations: **\$5,000**

Bearer/Registered: **Registered**

Secondary Market Insurance Policy No.: **S0601-18**

Settlement Date: **06/08/2001**



ACA Financial Guaranty Corporation
140 Broadway, 47th Floor
New York, NY 10005
For information, contact:
(212) 375-2000
(888) 427-2833

SECONDARY MARKET INSURANCE POLICY

Policy Number: S0601-19

Effective Date: June 8, 2001

Issuer: Connector 2000 Association, Inc.

**Bonds: \$12,300,000 Connector 2000 Association, Inc. Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina), 0.00%, dated
02/01/1998, due 01/01/2021, CUSIP 20786LAR2, Enhanced 20786LCW9**

ACA FINANCIAL GUARANTY CORPORATION, a Maryland stock insurance corporation (the "Insurer") in consideration of the payment of the premium and subject to the terms of this Secondary Market Insurance Policy (the "Policy") and the Custody Agreement between U.S. Bank Trust National Association (the "Custodian") and the Insurer, dated November 3, 1997, (the "Custody Agreement"), hereby agrees to pay to the Custodian, for the benefit of each Holder or Owner, as the case may be, the Amount Due for Payment resulting from the Nonpayment by the Issuer of the Obligations described in Exhibit A, attached hereto.

For purposes of this Policy, the following terms shall have the meanings hereinbelow set forth. "Amounts Due for Payment" shall mean the amounts of Nonpayment, as reduced, if applicable, by the amount of any partial payments made by or behalf of the Issuer. "Business Day" shall mean any day other than a Saturday, Sunday or a day on which banking institutions in the State of New York are authorized or required by law to be closed. "Due Date of Payment" shall mean (i) when referring to the principal of an Obligation, the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless the Insurer shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (ii) when referring to interest on an Obligation, the stated date for payment of interest. "Holder" shall mean the owner of a custody receipt issued pursuant to Article II of the Custody Agreement. "Nonpayment" shall mean the failure of the Issuer to have provided sufficient funds to the Custodian for payment in full of all principal and interest on any Due Date of Payment of an Obligation. "Notice of Nonpayment" shall mean telephonic or electronic notice subsequently confirmed in writing, or written notice by registered or certified mail from the Custodian to the Insurer, which notice shall specify (i) the name of the person or entity making the claim, (ii) the Policy Number, (iii) the Amount Due for Payment and (iv) the Due Date of Payment. "Obligations" shall mean the securities insured under the Policy, as described in Exhibit A, attached hereto. "Owner" shall mean the owner of a beneficial interest in a book-entry position. "Preference Claim" shall mean a Nonpayment resulting from any payment of principal or interest made to an Owner or Holder by or on behalf of the Issuer of such Obligation which has been recovered from such Owner pursuant to a final, non-appealable order of a court of competent jurisdiction that such payment constitutes an avoidable preference to such Owner within the meaning of any applicable bankruptcy law. Notwithstanding the foregoing, the terms "Owner" and "Holder" shall mean, as to a particular Obligation, the person who is entitled to payment under the terms of such Obligation, other than the Issuer or any third party whose direct or indirect obligation constitutes the underlying security for such Obligation.

Upon receipt of Notice of Nonpayment from the Custodian, the Insurer, on the later of the Due Date of Payment or within one Business Day after receipt of Notice of Nonpayment, will deposit the Amount Due for Payment into a segregated account to be held by the Custodian.

Upon presentment and delivery to the Insurer by the Custodian of (i) evidence of the right of the Custodian, Holder or Owner, as the case may be, to receive payment of the Amounts Due for Payment and (ii) evidence, including appropriate instruments of assignment and agency, which instruments shall be reasonably satisfactory to Insurer in its sole discretion, that all rights of the Custodian, Holder or Owner relating to the insured Obligations shall thereupon vest in the Insurer, the Custodian shall disburse from the aforesaid segregated account to the Holder or Owner, as the case may be, payment of the Amounts Due for Payment. Upon any such disbursement, the Insurer shall become fully subrogated to the rights of the Holder or Owner, including all rights to receive payment to the extent of any payments by the Insurer hereunder. This Policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

99-0814-4
7-SS-M25066
99050927

Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be made on the fourth Business Day following receipt by the Insurer from the Custodian of (i) a certified copy of the order requiring the return of moneys and giving rise to a Preference Claim, (ii) a certificate of the Holder, Owner or Custodian, as the case may be, that such order has been duly entered and is not subject to any stay and (iii) an assignment duly executed by the Holder or Owner, as the case may be, irrevocably assigning to the Insurer all rights and claims of such Holder or Owner relating to the Obligations, provided that if the foregoing documents are received on a day that is not a Business Day or after 1:00 p.m. Eastern prevailing time on any Business Day, the Insurer shall make such payment on the fifth Business Day following such date. Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be disbursed to the receiver, conservator, debtor in possession or trustee in bankruptcy named in the related order and not to the Custodian, Holder or Owner directly, unless such Custodian, Holder or Owner has previously refunded all or a part of such payment, pursuant to a legal requirement, as demonstrated to the satisfaction of the Insurer.

In any event of a Nonpayment, the Custodian shall make a claim for payment under this Policy. In order to receive payment hereunder, the Custodian, as the attorney-in-fact of the Holder or Owner, as the case may be, shall execute and deliver appropriate instruments of assignment to the Insurer and shall appoint the Insurer as the agent of such Holder or Owner and of the Custodian in any legal proceedings relating to the Obligations.

IN THE EVENT THAT A HOLDER OR OWNER REVOKES THE AFORESAID ATTORNEY-IN-FACT STATUS OF THE CUSTODIAN, THE CUSTODIAN SHALL HAVE NO OBLIGATION TO DISBURSE FUNDS PAID BY INSURER AND HELD BY THE CUSTODIAN PURSUANT TO THIS POLICY UNTIL AND UNLESS SUCH HOLDER OR OWNER SHALL EXECUTE AND DELIVER DOCUMENTS SATISFACTORY TO THE INSURER TO EFFECT AN ASSIGNMENT TO THE INSURER OF ALL RIGHTS AND REMEDIES THAT SUCH HOLDER OR OWNER HAS OR MAY HAVE AGAINST THE ISSUER OF THE OBLIGATION.

Following any default by the Insurer in the payment of any amounts due under this Policy, each Holder or Owner, as the case may be, shall have the right to proceed directly and individually against the Insurer in whatever manner such Holder or Owner deems appropriate and shall not be required to act in concert with any other Holder or Owner or the Custodian.

If the premium and expenses relating to this Policy are payable in a single payment, the payment in full of such premium to the Insurer shall coincide with the delivery of the Obligations to the Custodian. If all or a portion of the premium and expenses relating to this Policy are payable in periodic installments, such amounts will be deducted from moneys payable to each Holder or Owner, as the case may be, under the Custody Agreement (or from moneys payable under this Policy in lieu thereof) for each scheduled periodic payment of Amounts Due for Payment.

This Policy shall not insure against the failure of the Custodian to remit amounts received hereunder to the Holder or the Owner.

The premium for this Policy is not refundable for any reason, including the payment of the Obligations prior to maturity.

This Policy is noncancellable, except in the event that the Holder or Owner surrenders its interest in the Certificate of Bond Insurance or in the Position, (as the term "Position" is defined in the Custody Agreement) and waives its right to receive payment from the Insurer under this Policy, pursuant to Sections 3.03 (f) and 4.06 (b) of the Custody Agreement.

This policy is issued to the Holders and the Owners and is nontransferable except in accordance with the Custody Agreement. There shall be no acceleration payment due under this Policy except at the sole option of the Insurer. This Policy shall be governed by the laws of the State of New York.

This Policy is not covered by the Property/Casualty Insurance Security Fund specified in Article 76 of the New York Insurance Fund.

IN WITNESS WHEREOF, ACA has caused this Policy to be affixed with its corporate seal and executed on its behalf by its duly authorized representative.

ACA FINANCIAL GUARANTY CORPORATION



EXHIBIT A

TERMS AGREEMENT

Pursuant to the Custody Agreement dated as of November 3, 1997 (the "Agreement") between U.S. Bank Trust National Association, custodian (the "Custodian"), and ACA Financial Guaranty Corporation (the "Insurer"), this Terms Agreement dated 06/08/2001, is hereby delivered, as approved, by the Insurer. The provisions of the Agreement are incorporated herein by reference in their entirety and shall be deemed to be a part of this Terms Agreement as fully and to the same extent as if such provisions had been set forth herein in full.

The applicant listed below will deliver to the Custodian, in the manner set forth in the Agreement, the securities described below:

Applicant: **T. Rowe Price Associates, Inc.**

Applicant DTC: **[null]**

Applicant Contact: **James Murphy**

Phone/Fax: **410-345-2121/410-581-5116**

Applicant Office Address: **100 East Pratt Street Baltimore, MD 21202**

CUSIP No.: **20786LAR2**

Enhanced CUSIP No.: **20786LCW9**

Bond Issuer: **Connector 2000 Association, Inc.**

Bond Description: **Connector 2000 Association, Inc. Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina)**

Par Amount: **\$12,300,000**

Dated Date: **02/01/1998**

Due Date: **01/01/2021**

Coupon: **0.000%**

Ratings - S&P: **BBB-**

Moody's: **NA**

Fitch: **NA**

Type of Delivery to Custodian (DTC/Physical): **DTC**

Interest Payment Dates: **Jan. & July 1**

Denominations: **\$5,000**

Bearer/Registered: **Registered**

Secondary Market Insurance Policy No.: **S0601-19**

Settlement Date: **06/08/2001**



ACA Financial Guaranty Corporation
140 Broadway, 47th Floor
New York, NY 10005
For information, contact:
(212) 375-2000
(888) 427-2833

SECONDARY MARKET INSURANCE POLICY

Policy Number: S0601-20

Effective Date: June 8, 2001

Issuer: Connector 2000 Association, Inc.

**Bonds: \$8,500,000 Connector 2000 Association, Inc. Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina), 0.00%, dated
02/01/1998, due 01/01/2024, CUSIP 20786LAU5, Enhanced 20786LCX7**

ACA FINANCIAL GUARANTY CORPORATION, a Maryland stock insurance corporation (the "Insurer"), in consideration of the payment of the premium and subject to the terms of this Secondary Market Insurance Policy (the "Policy") and the Custody Agreement between U.S. Bank Trust National Association (the "Custodian") and the Insurer, dated November 3, 1997, (the "Custody Agreement"), hereby agrees to pay to the Custodian, for the benefit of each Holder or Owner, as the case may be, the Amount Due for Payment resulting from the Nonpayment by the Issuer of the Obligations described in Exhibit A, attached hereto.

For purposes of this Policy, the following terms shall have the meanings hereinbelow set forth. "Amounts Due for Payment" shall mean the amounts of Nonpayment, as reduced, if applicable, by the amount of any partial payments made by or behalf of the Issuer. "Business Day" shall mean any day other than a Saturday, Sunday or a day on which banking institutions in the State of New York are authorized or required by law to be closed. "Due Date of Payment" shall mean (i) when referring to the principal of an Obligation, the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless the Insurer shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration; and (ii) when referring to interest on an Obligation, the stated date for payment of interest. "Holder" shall mean the owner of a custody receipt issued pursuant to Article II of the Custody Agreement. "Nonpayment" shall mean the failure of the Issuer to have provided sufficient funds to the Custodian for payment in full of all principal and interest on any Due Date of Payment of an Obligation. "Notice of Nonpayment" shall mean telephonic or electronic notice, subsequently confirmed in writing, or written notice by registered or certified mail from the Custodian to the Insurer, which notice shall specify (i) the name of the person or entity making the claim, (ii) the Policy Number, (iii) the Amount Due for Payment and (iv) the Due Date of Payment. "Obligations" shall mean the securities insured under the Policy, as described in Exhibit A, attached hereto. "Owner" shall mean the owner of a beneficial interest in a book-entry position. "Preference Claim" shall mean a Nonpayment resulting from any payment of principal or interest made to an Owner or Holder by or on behalf of the Issuer of such Obligation which has been recovered from such Owner pursuant to a final, non-appealable order of a court of competent jurisdiction that such payment constitutes an avoidable preference to such Owner within the meaning of any applicable bankruptcy law. Notwithstanding the foregoing, the terms "Owner" and "Holder" shall mean, as to a particular Obligation, the person who is entitled to payment under the terms of such Obligation, other than the Issuer or any third party whose direct or indirect obligation constitutes the underlying security for such Obligation.

Upon receipt of Notice of Nonpayment from the Custodian, the Insurer, on the later of the Due Date of Payment or within one Business Day after receipt of Notice of Nonpayment, will deposit the Amount Due for Payment into a segregated account to be held by the Custodian.

Upon presentment and delivery to the Insurer by the Custodian of (i) evidence of the right of the Custodian, Holder or Owner, as the case may be, to receive payment of the Amounts Due for Payment and (ii) evidence, including appropriate instruments of assignment and agency, which instruments shall be reasonably satisfactory to Insurer in its sole discretion, that all rights of the Custodian, Holder or Owner relating to the insured Obligations shall thereupon vest in the Insurer, the Custodian shall disburse from the aforesaid segregated account to the Holder or Owner, as the case may be, payment of the Amounts Due for Payment. Upon any such disbursement, the Insurer shall become fully subrogated to the rights of the Holder or Owner, including all rights to receive payment to the extent of any payments by the Insurer hereunder. This Policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

990811-5E-6
96029320

Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be made on the fourth Business Day following receipt by the Insurer from the Custodian of (i) a certified copy of the order requiring the return of moneys and giving rise to a Preference Claim, (ii) a certificate of the Holder, Owner or Custodian, as the case may be, that such order has been duly entered and is not subject to any stay and (iii) an assignment duly executed by the Holder or Owner, as the case may be, irrevocably assigning to the Insurer all rights and claims of such Holder or Owner relating to the Obligations, provided that if the foregoing documents are received on a day that is not a Business Day or after 1:00 p.m. Eastern prevailing time on any Business Day, the Insurer shall make such payment on the fifth Business Day following such date. Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be disbursed to the receiver, conservator, debtor in possession or trustee in bankruptcy named in the related order and not to the Custodian, Holder or Owner directly, unless such Custodian, Holder or Owner has previously refunded all or a part of such payment, pursuant to a legal requirement, as demonstrated to the satisfaction of the Insurer.

In any event of a Nonpayment, the Custodian shall make a claim for payment under this Policy. In order to receive payment hereunder, the Custodian, as the attorney-in-fact of the Holder or Owner, as the case may be, shall execute and deliver appropriate instruments of assignment to the Insurer and shall appoint the Insurer as the agent of such Holder or Owner and of the Custodian in any legal proceedings relating to the Obligations.

IN THE EVENT THAT A HOLDER OR OWNER REVOKES THE AFORESAID ATTORNEY-IN-FACT STATUS OF THE CUSTODIAN, THE CUSTODIAN SHALL HAVE NO OBLIGATION TO DISBURSE FUNDS PAID BY INSURER AND HELD BY THE CUSTODIAN PURSUANT TO THIS POLICY UNTIL AND UNLESS SUCH HOLDER OR OWNER SHALL EXECUTE AND DELIVER DOCUMENTS SATISFACTORY TO THE INSURER TO EFFECT AN ASSIGNMENT TO THE INSURER OF ALL RIGHTS AND REMEDIES THAT SUCH HOLDER OR OWNER HAS OR MAY HAVE AGAINST THE ISSUER OF THE OBLIGATION.

Following any default by the Insurer in the payment of any amounts due under this Policy, each Holder or Owner, as the case may be, shall have the right to proceed directly and individually against the Insurer in whatever manner such Holder or Owner deems appropriate and shall not be required to act in concert with any other Holder or Owner or the Custodian.

If the premium and expenses relating to this Policy are payable in a single payment, the payment in full of such premium to the Insurer shall coincide with the delivery of the Obligations to the Custodian. If all or a portion of the premium and expenses relating to this Policy are payable in periodic installments, such amounts will be deducted from moneys payable to each Holder or Owner, as the case may be, under the Custody Agreement (or from moneys payable under this Policy in lieu thereof) for each scheduled periodic payment of Amounts Due for Payment.

This Policy shall not insure against the failure of the Custodian to remit amounts received hereunder to the Holder or the Owner.

The premium for this Policy is not refundable for any reason, including the payment of the Obligations prior to maturity.

This Policy is noncancellable, except in the event that the Holder or Owner surrenders its interest in the Certificate of Bond Insurance or in the Position, (as the term "Position" is defined in the Custody Agreement) and waives its right to receive payment from the Insurer under this Policy, pursuant to Sections 3.03 (f) and 4.06 (b) of the Custody Agreement.

This policy is issued to the Holders and the Owners and is nontransferable except in accordance with the Custody Agreement. There shall be no acceleration payment due under this Policy except at the sole option of the Insurer. This Policy shall be governed by the laws of the State of New York.

This Policy is not covered by the Property/Casualty Insurance Security Fund specified in Article 76 of the New York Insurance Fund.

IN WITNESS WHEREOF, ACA has caused this Policy to be affixed with its corporate seal and executed on its behalf by its duly authorized representative.

ACA FINANCIAL GUARANTY CORPORATION



EXHIBIT A**TERMS AGREEMENT**

Pursuant to the Custody Agreement dated as of November 3, 1997 (the "Agreement") between U.S. Bank Trust National Association, custodian (the "Custodian"), and ACA Financial Guaranty Corporation (the "Insurer"), this Terms Agreement dated 06/08/2001, is hereby delivered, as approved, by the Insurer. The provisions of the Agreement are incorporated herein by reference in their entirety and shall be deemed to be a part of this Terms Agreement as fully and to the same extent as if such provisions had been set forth herein in full.

The applicant listed below will deliver to the Custodian, in the manner set forth in the Agreement, the securities described below:

Applicant: **T. Rowe Price Associates, Inc.**

Applicant DTC: **[null]**

Applicant Contact: **James Murphy** Phone/Fax: **410-345-2121/410-581-5116**

Applicant Office Address: **100 East Pratt Street Baltimore, MD 21202**

CUSIP No.: **20786LAU5** Enhanced CUSIP No.: **20786LCX7**

Bond Issuer: **Connector 2000 Association, Inc.**

Bond Description: **Connector 2000 Association, Inc. Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina)**

Par Amount: **\$8,500,000** Dated Date: **02/01/1998**

Due Date: **01/01/2024** Coupon: **0.000%**

Ratings - S&P: **BBB-** Moody's: **NA**

Fitch: **NA**

Type of Delivery to Custodian (DTC/Physical): **DTC**

Interest Payment Dates: **Jan. & July 1**

Denominations: **\$5,000** Bearer/Registered: **Registered**

Secondary Market Insurance Policy No.: **S0601-20**

Settlement Date: **06/08/2001**



ACA Financial Guaranty Corporation
140 Broadway, 47th Floor
New York, NY 10005
For information, contact:
(212) 375-2000
(888) 427-2833

SECONDARY MARKET INSURANCE POLICY

Policy Number: S0601-21

Effective Date: June 8, 2001

Issuer: Connector 2000 Association, Inc.

**Bonds: \$6,700,000 Connector 2000 Association, Inc. Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina), 0.00%, dated
02/01/1998, due 01/01/2026, CUSIP 20786LAW1, Enhanced 20786LCY5**

ACA FINANCIAL GUARANTY CORPORATION, a Maryland stock insurance corporation (the "Insurer"), in consideration of the payment of the premium and subject to the terms of this Secondary Market Insurance Policy (the "Policy") and the Custody Agreement between U.S. Bank Trust National Association (the "Custodian") and the Insurer, dated November 3, 1997, (the "Custody Agreement"), hereby agrees to pay to the Custodian, for the benefit of each Holder or Owner, as the case may be, the Amount Due for Payment resulting from the Nonpayment by the issuer of the Obligations described in Exhibit A, attached hereto.

For purposes of this Policy, the following terms shall have the meanings hereinbelow set forth. "Amounts Due for Payment" shall mean the amounts of Nonpayment, as reduced, if applicable, by the amount of any partial payments made by or behalf of the Issuer. "Business Day" shall mean any day other than a Saturday, Sunday or a day on which banking institutions in the State of New York are authorized or required by law to be closed. "Due Date of Payment" shall mean (i) when referring to the principal of an Obligation, the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless the Insurer shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (ii) when referring to interest on an Obligation, the stated date for payment of interest. "Holder" shall mean the owner of a custody receipt issued pursuant to Article II of the Custody Agreement. "Nonpayment" shall mean the failure of the Issuer to have provided sufficient funds to the Custodian for payment in full of all principal and interest on any Due Date of Payment of an Obligation. "Notice of Nonpayment" shall mean telephonic or electronic notice, subsequently confirmed in writing, or written notice by registered or certified mail from the Custodian to the Insurer, which notice shall specify (i) the name of the person or entity making the claim, (ii) the Policy Number, (iii) the Amount Due for Payment and (iv) the Due Date of Payment. "Obligations" shall mean the securities insured under the Policy, as described in Exhibit A, attached hereto. "Owner" shall mean the owner of a beneficial interest in a book-entry position. "Preference Claim" shall mean a Nonpayment resulting from any payment of principal or interest made to an Owner or Holder by or on behalf of the Issuer of such Obligation which has been recovered from such Owner pursuant to a final, non-appealable order of a court of competent jurisdiction that such payment constitutes an avoidable preference to such Owner within the meaning of any applicable bankruptcy law. Notwithstanding the foregoing, the terms "Owner" and "Holder" shall mean, as to a particular Obligation, the person who is entitled to payment under the terms of such Obligation, other than the Issuer or any third party whose direct or indirect obligation constitutes the underlying security for such Obligation.

Upon receipt of Notice of Nonpayment from the Custodian, the Insurer, on the later of the Due Date of Payment or within one Business Day after receipt of Notice of Nonpayment, will deposit the Amount Due for Payment into a segregated account to be held by the Custodian.

Upon presentment and delivery to the Insurer by the Custodian of (i) evidence of the right of the Custodian, Holder or Owner, as the case may be, to receive payment of the Amounts Due for Payment and (ii) evidence, including appropriate instruments of assignment and agency, which instruments shall be reasonably satisfactory to Insurer in its sole discretion, that all rights of the Custodian, Holder or Owner relating to the insured Obligations shall thereupon vest in the Insurer, the Custodian shall disburse from the aforesaid segregated account to the Holder or Owner, as the case may be, payment of the Amounts Due for Payment. Upon any such disbursement, the Insurer shall become fully subrogated to the rights of the Holder or Owner, including all rights to receive payment to the extent of any payments by the Insurer hereunder. This Policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

205-113066
02-08-01

Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be made on the fourth Business Day following receipt by the Insurer from the Custodian of (i) a certified copy of the order requiring the return of moneys and giving rise to a Preference Claim, (ii) a certificate of the Holder, Owner or Custodian, as the case may be, that such order has been duly entered and is not subject to any stay and (iii) an assignment duly executed by the Holder or Owner, as the case may be, irrevocably assigning to the Insurer all rights and claims of such Holder or Owner relating to the Obligations, provided that if the foregoing documents are received on a day that is not a Business Day or after 1:00 p.m. Eastern prevailing time on any Business Day, the Insurer shall make such payment on the fifth Business Day following such date. Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be disbursed to the receiver, conservator, debtor in possession or trustee in bankruptcy named in the related order and not to the Custodian, Holder or Owner directly, unless such Custodian, Holder or Owner has previously refunded all or a part of such payment, pursuant to a legal requirement, as demonstrated to the satisfaction of the Insurer.

In any event of a Nonpayment, the Custodian shall make a claim for payment under this Policy. In order to receive payment hereunder, the Custodian, as the attorney-in-fact of the Holder or Owner, as the case may be, shall execute and deliver appropriate instruments of assignment to the Insurer and shall appoint the Insurer as the agent of such Holder or Owner and of the Custodian in any legal proceedings relating to the Obligations.

IN THE EVENT THAT A HOLDER OR OWNER REVOKES THE AFORESAID ATTORNEY-IN-FACT STATUS OF THE CUSTODIAN, THE CUSTODIAN SHALL HAVE NO OBLIGATION TO DISBURSE FUNDS PAID BY INSURER AND HELD BY THE CUSTODIAN PURSUANT TO THIS POLICY UNTIL AND UNLESS SUCH HOLDER OR OWNER SHALL EXECUTE AND DELIVER DOCUMENTS SATISFACTORY TO THE INSURER TO EFFECT AN ASSIGNMENT TO THE INSURER OF ALL RIGHTS AND REMEDIES THAT SUCH HOLDER OR OWNER HAS OR MAY HAVE AGAINST THE ISSUER OF THE OBLIGATION.

Following any default by the Insurer in the payment of any amounts due under this Policy, each Holder or Owner, as the case may be, shall have the right to proceed directly and individually against the Insurer in whatever manner such Holder or Owner deems appropriate and shall not be required to act in concert with any other Holder or Owner or the Custodian.

If the premium and expenses relating to this Policy are payable in a single payment, the payment in full of such premium to the Insurer shall coincide with the delivery of the Obligations to the Custodian. If all or a portion of the premium and expenses relating to this Policy are payable in periodic installments, such amounts will be deducted from moneys payable to each Holder or Owner, as the case may be, under the Custody Agreement (or from moneys payable under this Policy in lieu thereof) for each scheduled periodic payment of Amounts Due for Payment.

This Policy shall not insure against the failure of the Custodian to remit amounts received hereunder to the Holder or the Owner.

The premium for this Policy is not refundable for any reason, including the payment of the Obligations prior to maturity.

This Policy is noncancellable, except in the event that the Holder or Owner surrenders its interest in the Certificate of Bond Insurance or in the Position, (as the term "Position" is defined in the Custody Agreement) and waives its right to receive payment from the Insurer under this Policy, pursuant to Sections 3.03 (f) and 4.06 (b) of the Custody Agreement.

This policy is issued to the Holders and the Owners and is nontransferable except in accordance with the Custody Agreement. There shall be no acceleration payment due under this Policy except at the sole option of the Insurer. This Policy shall be governed by the laws of the State of New York.

This Policy is not covered by the Property/Casualty Insurance Security Fund specified in Article 76 of the New York Insurance Fund.

IN WITNESS WHEREOF, ACA has caused this Policy to be affixed with its corporate seal and executed on its behalf by its duly authorized representative.

ACA FINANCIAL GUARANTY CORPORATION



EXHIBIT A

TERMS AGREEMENT

Pursuant to the Custody Agreement dated as of November 3, 1997 (the "Agreement") between U.S. Bank Trust National Association, custodian (the "Custodian"), and ACA Financial Guaranty Corporation (the "Insurer"), this Terms Agreement dated 06/08/2001, is hereby delivered, as approved, by the Insurer. The provisions of the Agreement are incorporated herein by reference in their entirety and shall be deemed to be a part of this Terms Agreement as fully and to the same extent as if such provisions had been set forth herein in full.

The applicant listed below will deliver to the Custodian, in the manner set forth in the Agreement, the securities described below:

Applicant: **T. Rowe Price Associates, Inc.**

Applicant DTC: **[null]**

Applicant Contact: **James Murphy**

Phone/Fax: **410-345-2121/410-581-5116**

Applicant Office Address: **100 East Pratt Street Baltimore, MD 21202**

CUSIP No.: **20786LAW1**

Enhanced CUSIP No.: **20786LCY5**

Bond Issuer: **Connector 2000 Association, Inc.**

Bond Description: **Connector 2000 Association, Inc. Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina)**

Par Amount: **\$6,700,000**

Dated Date: **02/01/1998**

Due Date: **01/01/2026**

Coupon: **0.000%**

Ratings - S&P: **BBB-**

Moody's: **NA**

Fitch: **NA**

Type of Delivery to Custodian (DTC/Physical): **DTC**

Interest Payment Dates: **Jan. & July 1**

Denominations: **\$5,000**

Bearer/Registered: **Registered**

Secondary Market Insurance Policy No.: **S0601-21**

Settlement Date: **06/08/2001**



ACA Financial Guaranty Corporation
140 Broadway, 47th Floor
New York, NY 10005
For information, contact:
(212) 375-2000
(888) 427-2833

SECONDARY MARKET INSURANCE POLICY

Policy Number: S0601-22

Effective Date: June 8, 2001

Issuer: Connector 2000 Association, Inc.

**Bonds: \$10,000,000 Connector 2000 Association, Inc. Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina), 0.00%, dated
02/01/1998, due 01/01/2026, CUSIP 20786LAW1, Enhanced 20786LCY5**

ACA FINANCIAL GUARANTY CORPORATION, a Maryland stock insurance corporation (the "Insurer"), in consideration of the payment of the premium and subject to the terms of this Secondary Market Insurance Policy (the "Policy") and the Custody Agreement between U.S. Bank Trust National Association (the "Custodian") and the Insurer, dated November 3, 1997, (the "Custody Agreement"), hereby agrees to pay to the Custodian, for the benefit of each Holder or Owner, as the case may be, the Amount Due for Payment resulting from the Nonpayment by the Issuer of the Obligations described in Exhibit A, attached hereto.

For purposes of this Policy, the following terms shall have the meanings hereinbelow set forth. "Amounts Due for Payment" shall mean the amounts of Nonpayment, as reduced, if applicable, by the amount of any partial payments made by or behalf of the Issuer. "Business Day" shall mean any day other than a Saturday, Sunday or a day on which banking institutions in the State of New York are authorized or required by law to be closed. "Due Date of Payment" shall mean (i) when referring to the principal of an Obligation, the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless the Insurer shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (ii) when referring to interest on an Obligation, the stated date for payment of interest. "Holder" shall mean the owner of a custody receipt issued pursuant to Article II of the Custody Agreement. "Nonpayment" shall mean the failure of the Issuer to have provided sufficient funds to the Custodian for payment in full of all principal and interest on any Due Date of Payment of an Obligation. "Notice of Nonpayment" shall mean telephonic or electronic notice, subsequently confirmed in writing, or written notice by registered or certified mail from the Custodian to the Insurer, which notice shall specify (i) the name of the person or entity making the claim, (ii) the Policy Number, (iii) the Amount Due for Payment and (iv) the Due Date of Payment. "Obligations" shall mean the securities insured under the Policy, as described in Exhibit A, attached hereto. "Owner" shall mean the owner of a beneficial interest in a book-entry position. "Preference Claim" shall mean a Nonpayment resulting from any payment of principal or interest made to an Owner or Holder by or on behalf of the Issuer of such Obligation which has been recovered from such Owner pursuant to a final, non-appealable order of a court of competent jurisdiction that such payment constitutes an avoidable preference to such Owner within the meaning of any applicable bankruptcy law. Notwithstanding the foregoing, the terms "Owner" and "Holder" shall mean, as to a particular Obligation, the person who is entitled to payment under the terms of such Obligation, other than the Issuer or any third party whose direct or indirect obligation constitutes the underlying security for such Obligation.

Upon receipt of Notice of Nonpayment from the Custodian, the Insurer, on the later of the Due Date of Payment or within one Business Day after receipt of Notice of Nonpayment, will deposit the Amount Due for Payment into a segregated account to be held by the Custodian.

Upon presentment and delivery to the Insurer by the Custodian of (i) evidence of the right of the Custodian, Holder or Owner, as the case may be, to receive payment of the Amounts Due for Payment and (ii) evidence, including appropriate instruments of assignment and agency, which instruments shall be reasonably satisfactory to Insurer in its sole discretion, that all rights of the Custodian, Holder or Owner relating to the insured Obligations shall thereupon vest in the Insurer, the Custodian shall disburse from the aforesaid segregated account to the Holder or Owner, as the case may be, payment of the Amounts Due for Payment. Upon any such disbursement, the Insurer shall become fully subrogated to the rights of the Holder or Owner, including all rights to receive payment to the extent of any payments by the Insurer hereunder. This Policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

990810-50-0

96029320

Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be made on the fourth Business Day following receipt by the Insurer from the Custodian of (i) a certified copy of the order requiring the return of moneys and giving rise to a Preference Claim, (ii) a certificate of the Holder, Owner or Custodian, as the case may be, that such order has been duly entered and is not subject to any stay and (iii) an assignment duly executed by the Holder or Owner, as the case may be, irrevocably assigning to the Insurer all rights and claims of such Holder or Owner relating to the Obligations, provided that if the foregoing documents are received on a day that is not a Business Day or after 1:00 p.m. Eastern prevailing time on any Business Day, the Insurer shall make such payment on the fifth Business Day following such date. Payment of any Amount Due for Payment under this Policy which is the result of a Preference Claim shall be disbursed to the receiver, conservator, debtor in possession or trustee in bankruptcy named in the related order and not to the Custodian, Holder or Owner directly, unless such Custodian, Holder or Owner has previously refunded all or a part of such payment, pursuant to a legal requirement, as demonstrated to the satisfaction of the Insurer.

In any event of a Nonpayment, the Custodian shall make a claim for payment under this Policy. In order to receive payment hereunder, the Custodian, as the attorney-in-fact of the Holder or Owner, as the case may be, shall execute and deliver appropriate instruments of assignment to the Insurer and shall appoint the Insurer as the agent of such Holder or Owner and of the Custodian in any legal proceedings relating to the Obligations.

IN THE EVENT THAT A HOLDER OR OWNER REVOKES THE AFORESAID ATTORNEY-IN-FACT STATUS OF THE CUSTODIAN, THE CUSTODIAN SHALL HAVE NO OBLIGATION TO DISBURSE FUNDS PAID BY INSURER AND HELD BY THE CUSTODIAN PURSUANT TO THIS POLICY UNTIL AND UNLESS SUCH HOLDER OR OWNER SHALL EXECUTE AND DELIVER DOCUMENTS SATISFACTORY TO THE INSURER TO EFFECT AN ASSIGNMENT TO THE INSURER OF ALL RIGHTS AND REMEDIES THAT SUCH HOLDER OR OWNER HAS OR MAY HAVE AGAINST THE ISSUER OF THE OBLIGATION.

Following any default by the Insurer in the payment of any amounts due under this Policy, each Holder or Owner, as the case may be, shall have the right to proceed directly and individually against the Insurer in whatever manner such Holder or Owner deems appropriate and shall not be required to act in concert with any other Holder or Owner or the Custodian.

If the premium and expenses relating to this Policy are payable in a single payment, the payment in full of such premium to the Insurer shall coincide with the delivery of the Obligations to the Custodian. If all or a portion of the premium and expenses relating to this Policy are payable in periodic installments, such amounts will be deducted from moneys payable to each Holder or Owner, as the case may be, under the Custody Agreement (or from moneys payable under this Policy in lieu thereof) for each scheduled periodic payment of Amounts Due for Payment.

This Policy shall not insure against the failure of the Custodian to remit amounts received hereunder to the Holder or the Owner.

The premium for this Policy is not refundable for any reason, including the payment of the Obligations prior to maturity.

This Policy is noncancellable, except in the event that the Holder or Owner surrenders its interest in the Certificate of Bond Insurance or in the Position, (as the term "Position" is defined in the Custody Agreement) and waives its right to receive payment from the Insurer under this Policy, pursuant to Sections 3.03 (f) and 4.06 (b) of the Custody Agreement.

This policy is issued to the Holders and the Owners and is nontransferable except in accordance with the Custody Agreement. There shall be no acceleration payment due under this Policy except at the sole option of the Insurer. This Policy shall be governed by the laws of the State of New York.

This Policy is not covered by the Property/Casualty Insurance Security Fund specified in Article 76 of the New York Insurance Fund.

IN WITNESS WHEREOF, ACA has caused this Policy to be affixed with its corporate seal and executed on its behalf by its duly authorized representative.

ACA FINANCIAL GUARANTY CORPORATION



EXHIBIT A**TERMS AGREEMENT**

Pursuant to the Custody Agreement dated as of November 3, 1997 (the "Agreement") between U.S. Bank Trust National Association, custodian (the "Custodian"), and ACA Financial Guaranty Corporation (the "Insurer"), this Terms Agreement dated 06/08/2001, is hereby delivered, as approved, by the Insurer. The provisions of the Agreement are incorporated herein by reference in their entirety and shall be deemed to be a part of this Terms Agreement as fully and to the same extent as if such provisions had been set forth herein in full.

The applicant listed below will deliver to the Custodian, in the manner set forth in the Agreement, the securities described below:

Applicant: **Strong Capital Management**
 Applicant DTC: **[null]**
 Applicant Contact: **Thomas Stoeckmann** Phone/Fax: **414-359-3360/414-359-3334**
 Applicant Office Address: **100 Heritage Reserve Menomonee Falls, WI 53051**
 CUSIP No.: **20786LAW1** Enhanced CUSIP No.: **20786LCY5**
 Bond Issuer: **Connector 2000 Association, Inc.**
 Bond Description: **Connector 2000 Association, Inc. Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina)**
 Par Amount: **\$2,436,364** Dated Date: **02/01/1998**
 Due Date: **01/01/2026** Coupon: **0.000%**
 Ratings - S&P: **BBB-** Moody's: **NA**
 Fitch: **NA**
 Type of Delivery to Custodian (DTC/Physical): **DTC**
 Interest Payment Dates: **Jan. & July 1**
 Denominations: **\$5,000** Bearer/Registered: **Registered**
 Secondary Market Insurance Policy No.: **S0601-22**
 Settlement Date: **06/08/2001**



usbank.com

100 Wall Street
16th Floor
New York, NY 10005

April 6, 2011

TO:
Holders of Certificates of Bond Insurance Issued by

ACA Financial Guaranty Corporation
Relating to
Connector 2000 Association, Inc Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina)
Bearing Cusips
**20786LCS8, 20786LCU3, 20786LCV1,
20786LCW9, 20786LCX7 and 20786LCY5**

As Custodian for the Policy issued by ACA Financial Guaranty Corporation and
the position of the above described Bonds so insured, we are forwarding a copy of a
Notice we received relative to the Bonds.

Please forward this material to beneficial holders.

Inquiries to ACA Financial Guaranty Corporation may be directed to Carl
McCarthy at 212 375-2472.

By U.S. Bank Trust National Association,
As Custodian



**IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA**

In re:

Connector 2000 Association, Inc.,

Debtor.

Case No. 10-04467-dd
Chapter 9

NOTICE OF ENTRY OF CONFIRMATION ORDER

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On April 1, 2011, the United States Bankruptcy Court for the District of South Carolina entered its Order Confirming Debtor's First Amended Plan For Adjustment of Debts Pursuant to Chapter 9 of the Bankruptcy Code [Docket No. 141].

2. Any party may review the Order without charge at the website of the Debtor at <http://www.southernconnector.com/Zbankruptcy.htm>. A copy of the Order will be provided upon written request made to the Debtor's attorney at the following address: Stanley H. McGuffin, Haynsworth Sinkler Boyd, P.A., P.O. Box 11889, Columbia, SC 29211-1889. Additionally, parties in interest may obtain a copy of the Order by electronic mail to llivingston@hsblawfirm.com (reference Southern Connector in the subject line).

Respectfully submitted,

HAYNSWORTH SINKLER BOYD, P.A.

By: s/Stanley H. McGuffin
Stanley H. McGuffin
District ID No. 2833
Lindsey Carlberg Livingston
District ID No. 9518

Post Office Drawer 11889
Columbia, South Carolina 29211
(803) 779.3080 Tel
(803) 765.1243 Fax
smcguffin@hsblawfirm.com
llivingston@hsblawfirm.com

Attorneys for Debtor Connector 2000
Association, Inc.

April 4, 2011



Corporate Trust Services
60 Livingston Avenue, EP-MN-WS1D
St. Paul, MN 55107

Notice #34

**BONDHOLDER UPDATE AND
NOTICE OF HEARING ON DEBTOR'S
BANKRUPTCY DISCLOSURE STATEMENT AND OBJECTION DEADLINE**

**Re: Connector 2000 Association, Inc. Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina),
Series 1998A and Series 1998B**

CUSIP Prefix 20786L

U.S. Bank National Association is the trustee (the "Trustee") for the holders of the Connector 2000 Association, Inc. Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 1998A and Series 1998B (the "Bonds"), which were issued under the Master Indenture of Trust dated as of February 1, 1998, as heretofore amended and supplemented (the "Indenture") between Connector 2000 Association, Inc. (the "Association") and the Trustee. Holders and beneficial owners of the Bonds are referred to herein as the "Bondholders."

Also outstanding under the Indenture are the Series 1998C bonds (the "Subordinate Bonds"). Note that HSBC Bank USA, N.A. acts as the trustee for the holders of Subordinate Bonds (the "Subordinate Bonds Trustee"). Holders and beneficial owners of the Subordinate Bonds ("Subordinate Bondholders") may direct correspondence to the Subordinate Bonds Trustee at the following address: Sandra E. Horwitz, Vice President/HSBC Bank USA, National Association, 10 East 40th Street, New York, NY 10016, Phone: 212-525-1111, Fax: 212-525-1300, Email: sandra.e.horwitz@us.hsbc.com.

Capitalized terms used in this notice and not defined herein have the meaning ascribed to such terms in the Indenture.

I. Background

A. Overview of Revenue Shortfall and Defaults. As advised in the Trustee's previous notices, the Indenture provides for the Bonds to be repaid from the revenues generated from the operation of the Greenville Southern Connector toll road (the "Connector"), which the Association operates under a license agreement (the "License Agreement") with the South Carolina Department of Transportation ("SCDOT"). The revenues from the Connector have

been (i) less than originally forecast and (ii) insufficient to pay the scheduled debt service on the Bonds. The Trustee directs your attention to the detailed background and historical information (i) set forth in our earlier notices, and (ii) located at the Association website at www.southernconnector.com under News and Filings, Official Filings.

B. Association's Bankruptcy Filing. In relevant part, we previously notified you that on June 24, 2010, the Association filed its petition for bankruptcy protection as a debtor under Chapter 9 of Title 11 of the United States Code, 11 U.S.C. § 101 et seq. (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of South Carolina (the "Bankruptcy Court"). The bankruptcy is pending as Case Number 10-04467 (the "Bankruptcy Proceeding") and has been assigned to Judge David Duncan. Chapter 9 is the part of the Bankruptcy Code that applies to the adjustment of debts of a municipality, which includes a public agency, authority, or instrumentality of a state.

On July 30, 2010, SCDOT filed an objection to the Association's eligibility to be a Chapter 9 debtor and a motion to dismiss the Association's bankruptcy petition (the "Eligibility Objection"). A response was filed by the Trustee in support of the Association's eligibility and ability to restructure under Chapter 9 of the Bankruptcy Code. Pursuant to scheduling orders entered by the Bankruptcy Court on August 12, 2010 and October 29, 2010, the parties commenced discovery on the eligibility litigation with a full trial on the eligibility issue scheduled for December 6, 2010 before the Bankruptcy Court.

II. Update.

In our last notice, we advised you that there have been on-going discussions among the Trustee, the Association, the SCDOT, certain Bondholders holding a significant principal amount of the Bonds, the Subordinate Bonds Trustee, and their respective advisors to determine if a potential consensus restructuring plan might be reached for presentation for a full vote by the Bondholders and others in the Bankruptcy Proceeding. Addressing the Eligibility Objection and allowing the Debtor to proceed with a Chapter 9 plan to be submitted for creditor vote have been part of these discussions.

By way of background information, the Bankruptcy Code sets forth a disclosure and voting process which the Association must follow for soliciting creditor approval of a bankruptcy plan. As part of this solicitation process, creditors entitled to vote on the plan under the Bankruptcy Code will receive a ballot for accepting or rejecting the plan, along with a copy of the bankruptcy plan of debt adjustment and a disclosure statement describing information material to a creditor's decision to vote to accept or reject the plan. However, before the debtor or other plan proponent can send solicitation materials out to the creditors for a vote, the bankruptcy court must determine whether the plan, disclosure statement, and other solicitation materials contain "adequate information". For this purpose, "adequate information" generally means information of a kind and in sufficient detail to enable typical hypothetical persons whose votes are being solicited to make an informed judgment on whether to accept or reject the plan. The bankruptcy court will approve or disapprove the adequacy of the solicitation materials after notice and a hearing at which interested parties may object to the adequacy of the disclosure statement and other materials. (It should be noted, however, that the bankruptcy court's approval of the disclosure statement and solicitation materials does not constitute a guarantee or

representation of the accuracy or completeness thereof or endorsement of the plan, but merely reflects the court's determination that the information contained in the solicitation materials is "adequate", as discussed above.)

As a result of the ongoing discussions referenced above, on November 23, 2010, the Association filed with the Bankruptcy Court a proposed First Amended Plan for Adjustment of Debts under Chapter 9 of the Bankruptcy Code ("Amended Plan"), together with the Association's First Amended Disclosure Statement ("Amended Disclosure Statement"), to be submitted for a vote by creditors including the Bondholders. In the meantime, the discovery and trial on the Eligibility Objection have been stayed.

Subsequently, the Bankruptcy Court entered the attached Order and Notice for Hearing on Disclosure Statement ("Disclosure Statement Hearing Notice"), which sets forth certain dates and events regarding the proposed plan and the disclosure statement. **The Disclosure Statement Hearing Notice contains important information and deadlines, and Bondholders are urged to read it in its entirety.**

The notice provides, in relevant part, that **the deadline for filing written objections to the Amended Disclosure Statement is no later than December 28, 2010. If you have objections thereto and fail to file these objections in writing by the December 28, 2010 deadline in accordance with the terms of the notice, you may be denied the opportunity to appear and be heard as set forth therein.** You also may not be permitted to subsequently file any such objections with the Bankruptcy Court. As set forth in the Disclosure Statement Hearing Notice, the Bankruptcy Court has scheduled the hearing to consider approval of, and any objections to, the Amended Disclosure Statement for 10:00 a.m. (Eastern time) on January 5, 2011 at the Donald Russell Federal Courthouse, 201 Magnolia Street, Spartanburg, South Carolina (subject to oral continuation or adjournment at the hearing without further notice). When the disclosure statement (including any changes thereto) is approved by the Bankruptcy Court, then the plan and disclosure statement (including any changes) as approved will be distributed for vote by the eligible creditors, including the Bondholders.

In the meantime, the Disclosure Statement Hearing Notice provides that if you wish to obtain a copy of the Amended Plan and Amended Disclosure Statement prior to approval (including to consider the adequacy of the Amended Disclosure Statement and any objection thereto), you may do so by request to the following persons:

Lindsey Carlbert Livingston
Stanley H. McGuffin
William Harold Short Jr.
Haynsworth Sinkler Boyd, PA
Post Office Box 11889
Columbia, SC 29211-1889

III. Further Communications and Review with Counsel.

The Trustee requests that, if any holder of Bonds is going to file any pleadings in the bankruptcy proceeding that the holder first contact the Trustee to discuss the proposed filing if possible. It is too early to predict the outcome of the Bankruptcy Proceeding, the success of any proposed bankruptcy plans, or the ultimate treatment of the Bonds in or resulting from the Bankruptcy Proceeding. We anticipate communicating with the Bondholders with additional periodic updates regarding the Bankruptcy Proceeding. The Bondholders are also directed to other potential sources of information, including the Association's website www.southernconnector.com and the Bankruptcy Court's PACER public document system (fee based; PACER subscription required) found at <https://ecf.scb.uscourts.gov/cgi-bin/login.pl> or accessible with instructions through the Bankruptcy Court's website at www.scb.uscourts.gov. Bondholders are strongly encouraged to review thoroughly all matters relating to the Bonds, including any bankruptcy plan and disclosure statement, and to discuss those matters with your own legal counsel and/or financial advisor.

IV. Additional Information.

The Trustee may invest funds held under the Indenture in a mutual fund for which either (a) the Trustee receives a service fee from the fund or fund service provider, or (b) investment or advisory services are provided by the Trustee or an affiliate of the Trustee. As such, the Trustee and its affiliates may receive compensation for the investment advisory, custodial, distribution and other services provided. A prospectus that explains the services and costs, including the rate, formula and method of calculating such compensation, is available by contacting U.S. Bank at (800) 934-6802, option #4, or at the following web address: www.usbank.com/corp_trust/bondholder_contact.html.

Holders should not rely on the Trustee as their sole source of information. We encourage Bondholders to keep themselves informed from other sources of available information. The Trustee may conclude that a specific response to particular inquiries from individual holders is not consistent with equal and full dissemination of information to all holders. The Trustee makes no recommendations and gives no investment advice.

Please direct any questions or comments in writing to Susan Jacobsen, U.S. Bank National Association, Corporate Trust Services, 60 Livingston Avenue, EP-MN-WS1D, St. Paul, Minnesota 55107, phone number (651) 495-3954, fax number (651) 495-8100, or by e-mail to susan.jacobsen2@usbank.com.

**U. S. Bank National Association,
as Indenture Trustee**

December 8, 2010

**U.S. BANKRUPTCY COURT
District of South Carolina**

Case Number: 10-04467-dd

ORDER AND NOTICE FOR HEARING ON DISCLOSURE STATEMENT
The relief set forth on the following pages, for a total of 2 pages including this page, is hereby **ORDERED**.

**FILED BY THE COURT
11/24/2010**



Entered: 11/24/2010

A handwritten signature in black ink, appearing to read "D. R. Duncan", written over a horizontal line.

David R. Duncan
US Bankruptcy Judge
District of South Carolina

Document Page 2 of 2
UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA

IN RE:)	CHAPTER 9
)	
Connector 2000 Association, Inc.)	CASE NO: 10-04467-dd
)	
)	ORDER AND NOTICE FOR HEARING ON
Debtor.)	DISCLOSURE STATEMENT
)	
)	

To the debtor, its creditors, and other parties in interest:

A disclosure statement and a plan under Chapter 9 of the Bankruptcy Code having been filed by Connector 2000 Association, Inc. on November 23, 2010, **IT IS ORDERED** and notice is hereby given, that:

1. The hearing to consider the approval of the disclosure statements shall be held at Donald Stuart Russell Federal Courthouse, 201 Magnolia Street, Spartanburg, South Carolina, on January 5, 2011, at 10:00 a.m..

2. December 28, 2010 is fixed as the last day for filing and serving, in accordance with Fed. R. Bankr. P. 3017(a), written objections to the disclosure statement. Parties in interest filing objections must comply with SC LBR 9014-1 and any party failing to do so may be denied the opportunity to appear and be heard.

3. On or before November 26, 2010, the disclosure statement and plan shall be distributed in accordance with Fed. R. Bankr. P. 3017(a).

4. Requests for copies of the disclosure statement and plan shall be mailed to the attorneys shown below.

The hearing may be adjourned from time to time by an announcement made in open court at the hearing without further notice. The court may upon its discretion orally set deadlines pursuant to Fed. R. Bankr. P. 3017(d) at this hearing.

ATTORNEY:

Lindsey Carlbert Livingston
Stanley H. McGuffin
William Harold Short, Jr.
Haynsworth Sinkler Boyd, PA
Post Office Box 11889
Columbia, SC 29211-1889