AN ORDINANCE BY COUNCILMEMBERS
FELICIA MOORE AND H. LAMAR WILLIS
AS SUBSTITUTED BY THE
FINANCE/EXECUTIVE COMMITTEE
OF THE ATLANTA CITY COUNCIL

03-O-0835

A FOURTH SUPPLEMENTAL BOND ORDINANCE SUPPLEMENTING THE RESTATED AND AMENDED MASTER BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON MARCH 20, 2000, AS AMENDED AND SUPPLEMENTED BY THE FIRST SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON MARCH 30, 2000, THE SECOND SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON OCTOBER 7, 2002 AND THE AMENDED AND RESTATED THIRD SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTEDON MAY 19, 2003 TO AMEND CERTAIN PROVISIONS OF THE RESTATED AND AMENDED MASTER BOND ORDINANCE RELATING TO THE ISSUANCE OF ADDITIONAL BONDS; AND FOR OTHER PURPOSES:

FOURTH SUPPLEMENTAL BOND ORDINANCE

ADOPTED JUNE __, 2003

BY THE CITY COUNCIL
OF THE CITY OF ATLANTA

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FOURTH SUPPLEMENTAL BOND ORDINANCE

A FOURTH SUPPLEMENTAL BOND ORDINANCE SUPPLEMENTING THE RESTATED AND AMENDED MASTER BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON MARCH 20, 2000, AS AMENDED AND SUPPLEMENTED BY THE FIRST SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON MARCH 30, 2000, THE SECOND SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON OCTOBER 7, 2002 AND THE AMENDED AND RESTATED THIRD SUPPLEMENTAL BOND ORDINANCE OF THE CITY OF ATLANTA ADOPTED ON MAY 19, 2003 TO AMEND CERTAIN PROVISIONS OF THE RESTATED AND AMENDED MASTER BOND ORDINANCE RELATING TO THE ISSUANCE OF ADDITIONAL BONDS; AND FOR OTHER PURPOSES:

WHEREAS, the City of Atlanta (the "City") is a municipal corporation duly created and existing under the laws of the State of Georgia; and

WHEREAS, pursuant to the Constitution and laws of the State of Georgia, including specifically, but without limitation, the Revenue Bond Law (Title 36, Chapter 82, Article 3 of the Official Code of Georgia Annotated, as amended) and the charter of the City, as amended (the "Charter"), the City is authorized to undertake the acquisition, construction, reconstruction and improvement of airports for its own use and for the use of the public and to issue revenue bonds to finance and refinance the cost of such undertaking; and

WHEREAS, the City owns and operates William B. Hartsfield Atlanta International Airport (the "Airport"); and

WHEREAS, pursuant to that certain Bond Ordinance adopted May 17, 1977, as amended (the "1977 Bond Ordinance"), the City has heretofore issued multiple series of airport revenue bonds; and

WHEREAS, the City previously determined that it desired to amend the 1977 Bond Ordinance to provide flexibility for Airport operations and permit the use of new financing devices and structures in the future, which flexibility was not available under the terms of the 1977 Bond Ordinance; and

WHEREAS, the City, pursuant to that certain Amended and Restated Master Bond Ordinance adopted March 20, 2000 (the "Master Bond Ordinance") as amended and supplemented by the First Supplemental Bond Ordinance adopted March 30, 2000 (the "First Supplemental Bond Ordinance"), provided for (a) the amendment and restatement of the 1977 Bond Ordinance, (b) the issuance and delivery of $711,880,000 original aggregate principal amount of Airport General Revenue and Refunding Bonds, Series 2000A (the "Series 2000A Bonds"), $201,995,000 original aggregate principal amount of Airport General Revenue Bonds, Series 2000B (the "Series 2000B Bonds") and $96,400,000 original aggregate principal amount of Airport General Revenue Refunding Bonds, Series 2000C (the "Series 2000C Bonds" and,

together with the Series 2000A Bonds and the Series 2000B Bonds, the "Series 2000 Bonds"), which are currently outstanding in the aggregate principal amount of $974,555,000 and (c) the defeasance of a portion of the airport revenue bonds then outstanding under the 1977 Bond Ordinance with a portion of the proceeds of the Series 2000 Bonds; and

WHEREAS, upon the adoption of the Master Bond Ordinance, the bonds issued by the City under the 1977 Bond Ordinance and not defeased with proceeds of the Series 2000 Bonds (the "1977 Ordinance Bonds"), became subject to the security and the terms and provisions of the Master Bond Ordinance; and

WHEREAS, the 1977 Ordinance Bonds are comprised of the City's Airport Facilities Revenue Bonds, Series 1990 (Capital Appreciation Bonds), Airport Facilities Revenue Refunding Bonds, Series 1994A, Airport Facilities Revenue Bonds, Series 1994B and Airport Facilities Revenue Refunding Bonds, Series 1996, which are currently outstanding in the aggregate principal amount of $354,392,504; and

WHEREAS, pursuant to the terms of the Master Bond Ordinance, upon the earlier to occur of (i) the date of issuance of any Additional Bonds (as defined in the Master Bond Ordinance) after the issuance of any of the Series 2000 Bonds or (ii) the effective date of a release of Revenues pursuant to Section 505 of the Master Bond Ordinance (the "Lien Clarification Date"), the 1977 Ordinance Bonds shall, until their defeasance or payment, have a claim to payment from all lawfully and unconditionally received 1977 Pledged Revenues (as defined in the Master Bond Ordinance), prior to other bonds of the City secured by a pledge of Airport Revenues, including the Series 2000 Bonds and any Additional Bonds (collectively, the "Airport Revenue Bonds"); and

WHEREAS, 1977 Pledged Revenues include General Revenues of the Airport; and

WHEREAS, the 1977 Ordinance Bonds and the Series 2000 Bonds are currently the only bonded indebtedness outstanding secured by a lien on the General Revenues of the Airport (which are defined in the Master Bond Ordinance as all Revenues other than PFC Revenues, Special Purpose Revenues and Released Revenues); and

WHEREAS, pursuant to that certain Second Supplemental Bond Ordinance adopted October 7, 2002 (the "Second Supplemental Bond Ordinance"), the City issued $300,000,000 original principal amount of City of Atlanta Limited Obligation Bond Anticipation Notes, Series 2002 (the "Notes") and authorized the issuance of the City of Atlanta Airport General Revenue Bonds, Series 2003 (the "Takeout Bonds"), the proceeds of which are pledged to repay the Notes; and

WHEREAS, the Takeout Bonds, when issued, shall be secured on a parity with the Series 2000 Bonds by a Senior Lien on the General Revenues of the Airport, subject to payment of the 1977 Ordinance Bonds; and

WHEREAS, pursuant to that certain Amended and Restated Third Supplemental Bond Ordinance adopted May 19, 2003 (the "Third Supplemental Bond Ordinance"), the City approved the issuance of the City of Atlanta Airport General Revenue Refunding Bonds, Series 2003RF (the "Series 2003RF Bonds") secured by a lien on the General Revenues of the Airport,

the proceeds of which shall be used to refund by redemption and payment a portion of the 1977 Ordinance Bonds and the Series 2000 Bonds; and

WHEREAS, the City further anticipates the acquisition, construction and equipping of capital projects at the Airport, the funding of which will require the issuance of Additional Bonds that may be secured in whole or in part with Gross Revenues (the "Future Bonds"); and

WHEREAS, in order to issue the Future Bonds on a parity with the Series 2000 Bonds, the Series 2003RF Bonds and the Takeout Bonds, the City must meet the requirements of Section 502(b) of the Master Bond Ordinance which provides that Additional Senior Lien Bonds (as defined, together with other capitalized terms in this clause, in the Master Bond Ordinance) may be issued on a parity with Outstanding Senior Lien Bonds (other than 1977 Ordinance Bonds) pursuant to a Supplemental Bond Ordinance, if certain conditions are satisfied, including that the City must procure either:

(A) a report by an Independent Certified Public Accountant to the effect that the historical related Net Revenues (as hereafter defined) (for General Revenues, without consideration of (i) amounts in the General Revenue Enhancement Subaccount, or (ii) gifts or grants or expenditures of such gifts or grants) for each of the two most recent audited Fiscal Years, were equal to at least 120% of the Maximum Annual Debt Service Requirement on all related Senior Lien Bonds which will be Outstanding immediately after the issuance of the proposed Additional Bonds and secured on a parity therewith and, for Additional General Revenue Bonds, all Outstanding 1977 Ordinance Bonds, or

(B) a report by an Airport Consultant to the effect that in each Fiscal Year of the Forecast Period the forecasted related Net Revenues (for General Revenues, without consideration of (i) any amounts in the General Revenue Enhancement Subaccount, or (ii) gifts or grants or expenditures of such gifts or grants) are expected to equal at least 130% of the Maximum Annual Debt Service Requirement on all Senior Lien Bonds which will be Outstanding immediately after the issuance of the proposed Additional Bonds and secured on a parity therewith and, for Additional General Revenue Bonds, all Outstanding 1977 Ordinance Bonds (the "Forecast Period Test"); and

WHEREAS, the City has certain contracts with airlines and other service providers serving the Airport (the "Airport Contracts"), which require the airlines and other service providers to make payments to the City sufficient to pay debt service on Bonds secured by General Revenues and issued to fund Airport capital projects that have been approved by the airlines and the service providers (the "Airport Payments"); and

WHEREAS, Airport Payments to the City do not occur until the capital projects have been placed in service; and

WHEREAS, the City desires to amend and restate the definition of Forecast Period (included as part of the Forecast Period Test) so that the Forecast Period and the Forecast Period Test more accurately correspond with the timing of Airport Payments under the Airport Contracts; and

WHEREAS, the City also desires to amend the definition of Maximum Annual Debt Service Requirement in order to clarify its application; and

WHEREAS, Section 1001(n) permits the modification of any provision of the Master Bond Ordinance (other than a modification requiring the unanimous written consent of all bondholders), provided, that, for any Outstanding Bonds which are secured by Credit Facilities (as defined in the Master Bond Ordinance) providing for the payment of the full amount of principal and interest to be paid thereon, each Credit Issuer (as defined in the Master Bond Ordinance) must consent in writing to the modification and the modification may not affect any provisions of the Master Bond Ordinance relating to the 1977 Ordinance Bonds; and

WHEREAS, the payment of the principal and interest on the 1977 Ordinance Bonds and the Series 2000 Bonds are secured by Credit Facilities issued by Ambac Assurance Corporation, MBIA Insurance Company and Financial Guaranty Insurance Company (the "Prior Credit Issuers"), and it is expected that the payment of the principal of and interest on the Series 2003RF Bonds will be secured by a Credit Issuer; and

WHEREAS, Section 1002 of the Master Bond Ordinance provides for modification of the Master Bond Ordinance with the consent of a majority of outstanding principal amount of each class of Airport Revenue Bonds Outstanding; and

WHEREAS, the consent to this Fourth Supplemental Bond Ordinance is being solicited initially from the Prior Credit Issuers and the 2003RF Credit Issuer, and in the event such consents are not received, the bondholders of the 1997 Ordinance Bonds, the Series 2000 Bonds and the Series 2003RF Bonds will be notified of this Fourth Supplemental Bond Ordinance, and such bondholders will have the opportunity to consent to this Fourth Supplemental Bond Ordinance, all in accordance with Section 1002 of the Master Bond Ordinance; and

WHEREAS, the Fourth Supplemental Bond Ordinance will become effective only upon the City's receipt of the consent to this Fourth Supplemental Bond Ordinance of either (a) the Prior Credit Issuers and the 2003RF Credit Issuer or (b) more than 50 percent of the principal amount of each class of all Airport Revenue Bonds Outstanding as of the date of issuance of the Series 2003RF Bonds (the "Required Consent").

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Atlanta, as follows:

ARTICLE I.
GENERAL

Section 1.1. Fourth Supplemental Bond Ordinance.

This Fourth Supplemental Bond Ordinance is adopted pursuant to and in accordance with Sections 1001 and 1002 of the Master Bond Ordinance. All of the terms and provisions of this Fourth Supplemental Bond Ordinance shall be deemed to be a part of the terms and provisions of the Master Bond Ordinance, the First Supplemental Bond Ordinance, the Second Supplemental Bond Ordinance and the Third Supplemental Bond Ordinance for all purposes, and the Master

Bond Ordinance, the First Supplemental Bond Ordinance, the Second Supplemental Bond Ordinance, the Third Supplemental Bond Ordinance and this Fourth Supplemental Bond Ordinance shall be read, taken and construed as one and the same instrument. All terms as defined in the Master Bond Ordinance shall have the same meaning herein, unless the context otherwise indicates.

ARTICLE II.
AMENDED PROVISIONS

Section 2.1. Amendment of Definitions.

The definitions of "Forecast Period" and "Maximum Annual Debt Service Requirement" contained in the Master Bond Ordinance are deleted in their entirety and the following are substituted in lieu thereof:

"Forecast Period" means a period of two consecutive Fiscal Years commencing with the first full Fiscal Year beginning after the later of (i) the date on which any proposed series of Additional Bonds is to be issued or (ii) the date on which a substantial portion of the Project(s) to be financed with the proceeds of any proposed series of Additional Bonds is, in the judgment of the Airport Manager after consultation with the program manager for the Project(s), expected to be placed in continuous service, commercial operation or beneficial use.

"Maximum Annual Debt Service Requirement" means the largest aggregate Debt Service Requirement of Bonds secured by the applicable category of Revenues during any Sinking Fund Year beginning after the date of calculation.

ARTICLE III.
MISCELLANEOUS

Section 3.1. Binding Contract.

This Fourth Supplemental Bond Ordinance shall constitute a contract binding the City and, as such, the Mayor is signing this contract on behalf of the City, and the Municipal Clerk is authenticating the same.

Section 3.2. Conflicting Ordinances.

Any and all ordinances or resolutions or parts of ordinances or resolutions, in conflict with this Fourth Supplemental Bond Ordinance are to the extent of such conflict hereby repealed, and this Fourth Supplemental Bond Ordinance shall be in full force and effect from the later of the date of the issuance and delivery of the Series 2003RF Bonds or the receipt by the City of the Required Consent.

Adopted June __, 2003.

CITY OF ATLANTA

By:_____
Mayor

AUTHENTICATED:

_____
Municipal Clerk

AO 895986.6

CERTIFICATION

GEORGIA, FULTON COUNTY

I, Rhonda Johnson, Municipal Clerk of the City of Atlanta, **DO HEREBY CERTIFY** that the foregoing pages constitute a true and correct copy of the Fourth Supplemental Bond Ordinance adopted by the City Council of the City of Atlanta at an open public meeting duly called and lawfully assembled at 1 p.m. on June 2, 2003, authorizing the amendment of the Amended and Restated Master Bond Ordinance, the original of such Fourth Supplemental Bond Ordinance being duly recorded in the Minute Book of the City, which Minute Book is in my custody and control.

WITNESS my hand and the official seal of the City of Atlanta this the ____ day of June, 2003.

_____
Municipal Clerk
City of Atlanta

(S E A L)