

Exhibit A

CITY OF LANSING, BY AND THROUGH THE BOARD OF WATER AND LIGHT OF THE
CITY OF LANSING, MICHIGAN
EIGHTH SUPPLEMENTAL REVENUE BOND RESOLUTION AUTHORIZING
WATER SUPPLY, STEAM AND ELECTRIC
UTILITY SYSTEM REVENUE REFUNDING BONDS
OF THE CITY OF LANSING, MICHIGAN

Section 1. Supplemental Resolution. This Eighth Supplemental Revenue Bond Resolution is supplemental to, and is adopted in accordance with Section 23(a)(i) of, the Bond Resolution.

Section 2. Definitions. Unless the context indicates that another meaning is intended, the following words and terms used in this Eighth Supplemental Revenue Bond Resolution shall have the following meanings, and any other words and terms which are defined in Act 94 or in the Bond Resolution shall have the meanings as therein defined:

(i) "Award of Sale of Series 2003A Bonds" means the award of sale of the Series 2003A Bonds, as authorized in Section 9 herein.

(ii) "Bond Resolution" means the Amended And Restated Bond Resolution adopted by the Board on October 24, 1989, as supplemented and amended from time to time.

(iii) "Junior Lien Bonds" means the Series 1999B Bonds and any additional junior lien bonds issued pursuant to the Bond Resolution.

(iv) "Insurance Policy" means the insurance policy issued by the Insurer guaranteeing the scheduled payment of principal of and interest on the Insured Bonds when due.

(v) "Insured Bonds" means the Series 2003A Bonds, if any, designated as Insured Bonds in the Award of Sale of Series 2003A Bonds.

(vi) "Insurer" means Financial Security Assurance Inc., a New York stock insurance company, or any successor thereto or assignee thereof.

(vii) "Series 1989A Bonds" means the Water Supply And Electric Utility System Revenue Bonds, Series 1989A issued pursuant to the Bond Resolution.

(viii) "Series 1989B Bonds" means the Water Supply And Electric Utility System Revenue Bonds, Series 1989B issued pursuant to the Bond Resolution.

(ix) "Series 1994A Bonds" means the Water Supply And Electric Utility System Revenue Bonds, Series 1994A issued pursuant to the Bond Resolution.

(x) "Series 1994B Bonds" means the Water Supply And Electric Utility System Revenue Bonds, Series 1994B issued pursuant to the Bond Resolution.

(xi) "Series 1999A Bonds" means the Water Supply, Steam And Electric Utility System Revenue Bonds, Series 1999A issued pursuant to the Bond Resolution.

(xii) "Series 1999B Bonds" means the Water Supply, Steam And Electric Utility System Subordinate Lien Revenue Bonds, Series 1999B (Federally Taxable) issued pursuant to the Bond Resolution.

(xiii) "Series 2001A Bonds" means the Water Supply, Steam and Electric Utility System Revenue Bonds, Series 2001A issued pursuant to the Bond Resolution.

(xiv) "Series 2002A Bonds" means the Water Supply, Steam and Electric Utility System Revenue Bonds, Series 2002A issued pursuant to the Bond Resolution.

(xv) "Series 2002B Bonds" means the Water Supply, Steam and Electric Utility System Revenue Refunding Bonds, Series 2002B issued pursuant to the Bond Resolution.

(xvi) "Series 2003A Bonds" means the Water Supply, Steam and Electric Utility System Revenue Refunding Bonds, Series 2003A authorized by this Eighth Supplemental Bond Resolution.

Section 3. Authorization of Series 2003A Bonds. To pay the cost of refunding a portion of the outstanding Series 1999A Bonds and Series 2001A Bonds, including making a deposit to a reserve fund and payment of legal, financial and other expenses of the issuance of the Series 2003A Bonds, the City, by and through the Board, shall borrow a sum not in excess of Forty Million Dollars (\$40,000,000), as finally determined in the Award of Sale of Series 2003A Bonds, pursuant to the provisions of Act 94, Public Acts of Michigan, 1933, as amended. The Board previously determined it was necessary for the public health, safety and welfare of the City to undertake the projects financed with the Series 1999A Bonds and the Series 2001A Bonds. The refunding satisfies a public purpose and will enable the Board to reduce the annual debt service payments in order to keep certain chilled water rates competitive. The estimated remaining useful live of the projects financed with the Bonds to be Refunded (defined below) is at least 30 years.

Section 4. Bond Details, Parameters and Security. The Series 2003A Bonds shall be designated "Water Supply, Steam And Electric Utility System Revenue Refunding Bonds, Series 2003A," shall be of equal standing in priority of lien on the Net Revenues of the System with the Series 1989A Bonds, the Series 1989B Bonds, the Series 1994A Bonds, the Series 1994B Bonds, the Series 1999A Bonds, the Series 2001A Bonds, the Series 2002A Bonds, the Series 2002B Bonds and any other Additional Bonds, shall be senior in priority of lien to any Junior Lien Bonds issued hereunder, including, but not limited to the Series 1999B Bonds, and shall be payable solely out of Net Revenues and any other moneys pledged under the Bond Resolution and shall not be a general obligation of the City or the Board. Series 2003A Bonds shall be issued in denominations of \$5,000 or any integral multiples of

\$5,000 not exceeding the amount of the Series 2003A Bonds maturing on the same date and shall be numbered in consecutive order of authentication from 1 upwards. The Series 2003A Bonds shall be issued as fully registered bonds without coupons and shall have an original issuance date of their dated date, or such other date as the Board shall approve in the Award of Sale of Series 2003A Bonds.

The Series 2003A Bonds shall bear interest at a rate or rates to be determined in the Award of Sale of Series 2003A Bonds, not exceeding seven percent (7%) per annum, and shall mature no later than July 1, 2027. Interest shall be payable commencing on January 1, 2004 and on each July 1 and January 1 thereafter, or such other dates specified in the Award of Sale of Series 2003A Bonds, by check drawn on the Transfer Agent and mailed to each Registered Owner at the registered address, as shown on the registration books of the City, by the Board of Water and Light, maintained by the Transfer Agent. Interest on the Series 2003A Bonds shall be payable to each Registered Owner as of the 15th day of the month prior to the date on which the interest payment is due. Interest on the Series 2003A Bonds shall be computed on the basis of a 360-day year consisting of twelve 30-day months. The principal of the Series 2003A Bonds shall be payable at the principal office of the Transfer Agent upon presentation and surrender thereof; provided, however, if part of an Outstanding Series 2003A Bond registered in the name of a securities depository company as part of a book-entry system is selected for redemption, the securities depository company may retain the Series 2003A Bond and make an appropriate notation on the Series 2003A Bond indicating the date and amount of the reduction in the principal amount of the Series 2003A Bond resulting from the partial redemption, however, in the case of the final payment of the remaining principal amount of the Series 2003A Bond, the Series 2003A Bond shall be presented and surrendered to the Transfer Agent as a condition of payment. The aggregate principal amount of the Series 2003A Bonds, the amount of each maturity and the designation of serial and term bonds, if any, shall be as finally determined in the Award of Sale of Series 2003A Bonds.

The City's obligation to fund the Bond Reserve Account as required herein may be satisfied, in whole or in part, by delivery to the Transfer Agent of a letter of credit, surety bond or similar arrangement (the "Bond Reserve Account Guaranty") representing the irrevocable obligation of the issuer of the Bond Reserve Account Guaranty to pay to the Transfer Agent upon request made by the Transfer Agent an amount up to the stated amount thereof for application to the Series 2003A Bonds, and other Senior Lien Bonds issued under the Bond Resolution, together with written evidence from any Rating Agency rating the Series 2003A Bonds, in each case to the effect that such rating agency has reviewed the proposed Bond Reserve Account Guaranty and that the issuance of the Bond Reserve Account Guaranty or, if a Bond Reserve Account Guaranty is then in effect (in whole or in part) with respect to the Bond Reserve Account, the substitution of the proposed Bond Reserve Account Guaranty for the Bond Reserve Account Guaranty then in effect, will not by itself, result in a reduction or withdrawal of its ratings on the Series 2003A Bonds. Such Bond Reserve Account Guaranty shall be available to pay Senior Lien Bonds (and not Junior Lien Bonds), including any Additional Bonds issued on a parity therewith, in accordance with its terms. Upon acceptance of a Bond Reserve Account Guaranty, any moneys representing proceeds of the Series 2003A Bonds held in the Bond Reserve Account shall be transferred to the Bond Redemption Fund and used to purchase or redeem outstanding Series 2003A Bonds and the Transfer Agent shall return any previously held

Bond Reserve Account Guaranty to the issuer thereof for cancellation; provided that after such transfer or return, there shall remain in the Bond Reserve Account moneys or Bond Reserve Account Guaranties equal to the Bond Reserve Account Requirement. If a Bond Reserve Account Guaranty is delivered contemporaneously with the delivery of the Series 2003A Bonds, the form of guaranty shall be acceptable to the Insurer and no additional written confirmation from the Rating Agencies, other than their initial rating letters on the Series 2003A Bonds, shall be required. In the event amounts held in the Bond Reserve Account are required to be utilized in accordance with the Bond Resolution, cash or securities held in the Bond Reserve Account shall be utilized first before drawing on a Bond Reserve Account Guaranty.

Upon the issuance of the Series 2003A Bonds, the Board shall designate the Series 1999A Bonds and the Series 2001A Bonds to be refunded ("Bonds to be Refunded") in the Award of Sale of Series 2003A Bonds and the Board shall give irrevocable instructions to the Transfer Agent to redeem such Bonds to be Refunded on the earliest practicable call date designated by the Board's Chief Financial Officer and to give notice of such redemption in the manner and at the time required by the Bond Resolution.

The General Manager and Chief Financial Officer are severally authorized to enter into an escrow deposit agreement substantially in the form on file with the Board and to purchase United States Treasuries -- State and Local Government Series or United States open market securities necessary to carry out the refunding of the Bonds to be Refunded, and to amend or modify the maturities, interest rates and amounts of such securities or request early redemption as may be necessary to comply with the Bond Resolution or to carry out the refunding. National City Bank of Michigan/Illinois is named attorney-in-fact to enter into any subscriptions necessary to purchase the foregoing securities in order to carry out such refunding.

The Series 2003A Bonds shall be subject to redemption as provided in the Award of Sale of Series 2003A Bonds.

Section 5. Series 2003A Bond Proceeds. From the proceeds of the sale of the Series 2003A Bonds, there shall be immediately deposited in (a) the Redemption Fund an amount equal to the accrued interest and premium, if any, received on delivery of the Series 2003A Bonds and the City, by its Board of Water and Light, shall receive a credit equal to the amount so deposited against the amount required to be deposited in the Redemption Fund for payment of the next maturing interest and (b) the Bond Reserve Account, the amount, if any, required by the Bond Resolution. The remaining proceeds of the Series 2003A Bonds shall be used, together with other available funds, to pay the costs of refunding the Bonds to be Refunded and to pay the costs of issuing the Series 2003A Bonds.

Section 6. Book-Entry System - Series 2003A Bonds. Initially, one fully-registered Series 2003A Bond for each maturity, in the aggregate amount of such maturity, will be issued in the name of Cede & Co., as nominee of The Depository Trust Company, for participation in the book-entry transfer system of The Depository Trust Company. In the event the City decides to discontinue participation in the book-entry transfer system of The Depository Trust Company (or a successor securities depository), the City shall notify the Transfer Agent and The

Depository Trust Company, in writing, and thereafter the City shall execute and the Transfer Agent shall authenticate and deliver Series 2003A Bonds requested by the bondholders or to a successor securities depository. In the event The Depository Trust Company discontinues providing services as a securities depository for the Series 2003A Bonds and the City does not designate a successor securities depository, the City shall execute and the Transfer Agent shall authenticate and deliver Series 2003A Bonds to the bondholders.

Section 7. Bond Form. The Series 2003A Bonds shall be in substantially the following form:

[SERIES 2003A BONDS]

UNITED STATES OF AMERICA

STATE OF MICHIGAN

CITY OF LANSING

WATER SUPPLY, STEAM AND ELECTRIC UTILITY SYSTEM
REVENUE REFUNDING BONDS, SERIES 2003A

<u>Interest Rate</u> <u>Per Annum</u>	<u>Maturity</u> <u>Date</u>	<u>Date of</u> <u>Original Issuance</u>	<u>CUSIP</u>
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%

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The CITY OF LANSING, State of Michigan (the "City"), for value received, promises to pay the Principal Amount to the Registered Owner on the Maturity Date with interest thereon from the Date of Original Issue, or such later date to which interest has been paid, until paid at the Interest Rate Per Annum, payable on January 1, 2004, and on each July 1 and January 1 thereafter until the obligation of the City to pay the Principal Amount is satisfied. Principal of this Bond is payable at the principal office of National City Bank of Michigan/Illinois, or such other transfer agent as the City may hereinafter designate by notice mailed to the registered owner not less than 60 days prior to any interest payment date (the "Transfer Agent"). Interest on this Bond is payable to the registered owner of this Bond as of the 15th day of the month next preceding the payment date as shown on the registration books of the City kept by the Transfer Agent by check or draft mailed to the registered owner at the registered address. The revenues of the facilities of the City for the supply and distribution of water and the generation and distribution of electricity, steam and heat (the "System") after provision has been made for reasonable and necessary expenses of operation, maintenance and administration of the System (the "Net Revenues"), are irrevocably pledged and a statutory lien thereon has been created to secure the payment of the principal of and interest on this Bond, when due; however, the pledge of Net Revenues and the statutory lien are on a parity with the pledge of Net Revenues and statutory lien in favor of the City of Lansing's Water Supply and Electric Utility System Revenue Bonds, Series 1989A, its Water Supply and Electric Utility System Revenue Bonds, Series 1989B, its Water Supply and Electric Utility System Revenue Bonds, Series 1994A, its Water Supply and Electric Utility System Revenue Bonds, Series 1994B, its Water Supply, Steam and Electric Utility System Revenue Bonds, Series 1999A, its Water Supply, Steam and

Electric Utility Revenue Bonds, Series 2001A, its Water Supply, Steam and Electric Utility System Revenue Bonds, Series 2002A, its Water Supply, Steam and Electric Utility System Revenue Refunding Bonds, Series 2002B and any Additional Bonds (as defined below) which may be issued by the City, and senior in priority of lien to its Water Supply, Steam and Electric Utility Revenue Bonds, Series 1999B (Taxable Series) and any additional junior lien bonds issued pursuant to the Resolution (defined below). Interest on this Bond shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

This Bond is one of a series of bonds of like tenor, except as to denomination, rate of interest, date of maturity and prior redemption, aggregating the principal sum of \$ _____, issued pursuant to a Bond Resolution adopted by the Board of Water and Light of the City (the "Board") on October 24, 1989, as amended and supplemented from time to time, including by an Eighth Supplemental Revenue Bond Resolution adopted by the Board on _____, 2003 (collectively, the "Bond Resolution"), and under and in full compliance with the Constitution and statutes of the State of Michigan, including specifically Act 94, Public Acts of Michigan, 1933, as amended, for the purpose of refunding prior bonds of the City issued in 1999 and 2001, the proceeds of which were used for remodeling, updating and extending the life of the System, making a deposit to a bond reserve account, if necessary, and paying the costs of issuing the bonds.

For a complete statement of the revenues from which and the conditions under which this Bond is payable, a statement of the conditions under which additional bonds ("Additional Bonds") of equal standing may hereafter be issued, the rights and limitations on the owners of the bonds and the general covenants and provisions pursuant to which this Bond is issued, reference is made to the Bond Resolution.

Bonds of this series maturing prior to July 1, _____, are not subject to redemption prior to their respective dates of maturity. Bonds of this series maturing on and after July 1, _____, are subject to redemption prior to maturity, at the option of the Board, at any time on and after July 1, _____, in whole or in part, in the amount selected by the Board, in order of maturities selected by the Board and within a maturity by lot, at the redemption price of par, plus accrued interest to the date of redemption.

Notice of the call of Bonds for redemption shall be mailed to the registered owner not less than 30 days prior to the date fixed for redemption at the address shown on the registration books of the City. Failure to receive such notice shall not affect the validity of the proceedings for redemption. Bonds called for redemption shall not bear interest after the date fixed for redemption, provided funds are on hand with the Transfer Agent to redeem the bonds called for redemption.

This Bond is a self-liquidating bond and is not a general obligation of the City or the Board and does not constitute an indebtedness of the City or the Board within any constitutional, statutory or charter limitation, but is payable, both as to principal and interest, solely from the Net Revenues of the System.

The Board has covenanted and agreed, and covenants and agrees, to fix and maintain at all times while any bonds payable from the Net Revenues of the System shall be outstanding, such rates for service furnished by the System as shall be sufficient to provide for payment of the principal of and interest on the bonds of this issue and any other bonds payable from the Net Revenues as and when the same shall become due and payable, to provide for the payment of expenses of administration and operation and such expenses for maintenance of the System as are necessary to preserve the same in good repair and working order, and to provide for such other expenditures and funds for the System as are required by the Bond Resolution.

This Bond is transferable only upon the registration books of the City kept by the Transfer Agent by the Registered Owner hereof in person, or by his or her attorney duly authorized in writing, with a written instrument of transfer satisfactory to the Transfer Agent duly executed by the Registered Owner or his or her attorney duly authorized in writing, and thereupon a new registered bond or bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the Bond Resolution and upon the payment of the charges, if any, therein prescribed. The City shall not be required to register the transfer of or exchange any Bond selected for redemption in whole or in part, except the unredeemed portion of bonds being redeemed in part.

It is certified and recited that all acts, conditions and things required by law precedent to and in the issuance of this Bond and the series of bonds of which this is one have been done and performed in regular and due time and form as required by law.

This Bond is not valid or obligatory for any purpose until the Certificate of Authentication on this Bond has been executed by the Transfer Agent.

IN WITNESS WHEREOF, the City of Lansing, State of Michigan, by and through its Board of Water and Light, has caused this Bond to be executed with the facsimile signatures of its Chairman and its Corporate Secretary and the corporate seal of the City to be printed on this Bond.

CITY OF LANSING, BY AND THROUGH THE
BOARD OF WATER AND LIGHT OF THE CITY
OF LANSING, MICHIGAN

By: Diane R. Royal
Chairperson

By: Mary E. Sova
Corporate Secretary
(Seal)

Certificate of Authentication

This Bond is one of the bonds described in the within-mentioned Bond Resolution.

NATIONAL CITY BANK OF MICHIGAN/ILLINOIS,
Transfer Agent

By: _____
Authorized Representative

Date of Authentication:

[Statement of Insurance
to be included with respect to the Insured Bonds only]

ASSIGNMENT

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

(Please print or typewrite name and address of transferee)

the within bond and all rights thereunder, and irrevocably constitutes and appoints _____ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed: _____

NOTICE: The signature(s) to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, with-out alteration or enlargement or any change whatsoever.

Signature(s) must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guaranty program. The Transfer Agent will not effect transfer of this Bond unless the information concerning the transferee requested below is provided.

Name and Address: _____

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

(Include information for all joint owners if the bond is held by joint account)

(Insert number for first named transferee if held by joint account)

Section 8. Notice of Sale. The Series 2003A Bonds shall be sold at a public sale pursuant to a Notice of Sale published in a publication to be selected by the Chief Financial Officer for the Board in substantially the following form:

OFFICIAL NOTICE OF SALE

[\$ _____]

CITY OF LANSING, BY AND THROUGH THE
BOARD OF WATER AND LIGHT OF THE CITY OF LANSING

WATER SUPPLY, STEAM AND ELECTRIC UTILITY SYSTEM
REVENUE REFUNDING BONDS, SERIES 2003A

SEALED BIDS for the purchase of the above bonds will be received by the undersigned at the Corporate Secretary's office, Board of Water and Light of the City of Lansing, 1232 Haco Drive, Lansing, Michigan, on the ____ day of _____, 2003, until _____ o'clock, a.m., Eastern Time, at which time and place the bids will be publicly opened and read.

IN THE ALTERNATIVE: Sealed bids will also be received on the same date and until the same time by an agent of the undersigned at the office of the Municipal Advisory Council of Michigan, 1445 First National Building, Detroit, Michigan 48226, where they will be publicly opened and read. Bids opened at Detroit, Michigan, will be read first. Bidders may choose either location to present bids and good faith checks, but may not present bids at both locations.

BOND DETAILS: The bonds will be fully registered bonds without coupons and, when issued, will be registered in the name of and held by Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the bonds. Purchases of beneficial interests in the bonds will be made in book-entry form, in denominations of \$5,000 each or any integral multiple thereof. The bonds will have an original issuance date of _____ 1, 2003, and will bear interest from the date of original issuance payable on January 1, 2004 and semiannually thereafter. The principal of and interest on the bonds will be paid by National City Bank of Michigan/Illinois, as Transfer Agent. So long as DTC or its nominee, Cede & Co., is the registered owner of the bonds, such payments will be made directly to DTC or such nominee. Disbursement of such payments to the DTC Participants is the responsibility of DTC, and disbursements of such payments to the beneficial owners is the responsibility of the DTC Participants and Indirect Participants.

The bonds will mature on the first day of July as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2004	\$	2016	\$
2005		2017	
2006		2018	
2007		2019	
2008		2020	
2009		2021	
2010		2022	
2011		2023	
2012		2024	
2013		2025	
2014		2026	
2015			

PRIOR REDEMPTION: Bonds maturing on and after July 1, are subject to redemption prior to maturity in whole or in part, on or after July 1, _____, in such order as the Board shall determine, and by lot within a maturity, in integral multiples of \$5,000, at par, without premium, plus accrued interest to the redemption date.

Not less than 30 days' notice of redemption shall be given by mail to the registered holder at the registered address. Bonds or portions of bonds called for redemption shall not bear interest after the redemption date, provided funds are on hand with the Transfer Agent to redeem the same.

INTEREST RATE AND BIDDING DETAILS: The bonds shall bear interest at a rate or rates not exceeding 7% per annum, to be fixed by the bids therefor, expressed in multiples of 1/8 or 1/20 of 1%, or both. The interest on any one bond shall be at one rate only and all bonds maturing in any one year must carry the same interest rate. The difference between the highest and lowest interest rate on the bonds shall not exceed one and [two (2)] percentage points. No proposal for the purchase of less than all of the bonds or at a price less than [99.3%] of their par value will be considered. The rates bid must be in non-descending order.

TRANSFER AGENT: The bonds shall be payable as to principal in lawful money in the United States upon surrender thereof at National City Bank of Michigan/Illinois, the Transfer Agent. Interest shall be paid to the registered owner of each bond as shown on the registration books at the close of business on the 15th day of the calendar month preceding the month in which the interest payment is due. Interest shall be paid when due by check or draft drawn upon and mailed by the Transfer Agent to the registered owner at the registered address. The City of Lansing may from time to time as required designate a successor Transfer Agent.

PURPOSE AND SECURITY: The bonds are issued under the provisions of Act 94, Public Acts of Michigan, 1933, as amended, and a bond resolution adopted by the Board of Water and Light of the City of Lansing (the "Board") on October 24, 1989, as supplemented and amended from time to time (together, the "Bond Resolution"), for the purpose of refunding certain prior bonds of the City issued in 1999 and 2001, the proceeds of which were used for acquiring, constructing and extending the chilled water facilities and distribution system of the City of Lansing, Michigan, funding a bond reserve account, if necessary, and paying issuance costs for the bonds.

The bonds, except to the extent payable from bond proceeds, are payable solely from the net revenues of the water supply and distribution and electric, heat and steam generating and distribution systems (the "System") of the City of Lansing and any additions thereto, and a statutory first lien on the net revenues of the System has been established by the Bond Resolution. The Board has covenanted and agreed to fix and maintain at all times while any of such bonds shall be outstanding such rates for service furnished by the System as shall be sufficient to provide for payment of the necessary expenses of operation, maintenance and administration of the System, of the principal and interest on all of said bonds when due, and to provide for such other expenditures and funds for the System as are required by the Bond Resolution.

Payment of the principal and interest on the bonds from the net revenues of the System and the statutory lien on the Net Revenues of the System to secure payment of the bonds are of equal standing and on a parity with payment of the principal of and interest on its Series 1989A Bonds, Series 1989B Bonds, Series 1994A Bonds, Series 1994B Bonds, Series 1999A Bonds, the Series 2001A Bonds, the Series 2002A Bonds, the Series 2002B Bonds and any other additional bonds issued under the Bond Resolution and is senior in priority of lien to its Series 1999B Bonds and any other junior lien bonds issued under the Bond Resolution.

ADDITIONAL BONDS: For the terms and conditions upon which additional bonds of equal standing as to revenues of the System may be issued, reference is made to the Bond Resolution.

GOOD FAITH: A certified or cashier's check drawn upon an incorporated bank or trust company or a financial surety bond in the amount of \$ _____, payable to the order of the Chief Financial Officer of the Board of Water and Light is required for each bid as a guarantee of good faith on the part of the bidder, to be forfeited as liquidated damages if such bid is accepted and the bidder fails to take up and pay for the bonds. If a check is used, it must accompany the bid. If a financial surety bond is used, it must be from an insurance company licensed to issue such a bond in the State of Michigan and such bond must be submitted to the Chief Financial Officer of the Board of Water and Light or its Financial Advisor prior to the opening of the bids. The financial surety bond must identify each bidder whose deposit is guaranteed by such financial surety bond. If the bonds are awarded to a bidder utilizing a financial surety bond, then that bidder (the "Purchaser") is required to submit its deposit to the Board of Water and Light or its Financial Consultant in the form of a cashier's check (or wire transfer such amount as instructed by the Chief Financial Officer of the Board of Water and Light or its Financial Consultant) not later than noon, Eastern Time, on the next business day following the award. If such deposit is not received by that time, the financial surety bond may be drawn upon by the Board of Water and Light to satisfy the good faith deposit requirement. The good faith deposit will be applied to the purchase price of the bonds. In the event the Purchaser fails to honor its

accepted bid, the good faith deposit will be retained by the Board of Water and Light. No interest shall be allowed on the good faith deposit and checks of the unsuccessful bidders will be returned to each bidder's representative in person or by mail. The good faith check of the successful bidder will be immediately cashed and payment for the balance of the purchase price of the bonds shall be made at the closing.

The rights and remedies of the bondholders may be affected by bankruptcy laws or other creditors' rights legislation now existing or hereafter enacted.

AWARD OF BONDS: The bonds will be awarded to the bidder whose bid produces the lowest true interest cost to the City. True interest cost shall be computed by determining the annual interest rate (compounded semiannually) necessary to discount the debt service payments on the Bonds from the payment dates thereof to _____ 1, 2003 and to the bid price.

LEGAL OPINION: Bids shall be conditioned upon the approving opinion of Dickinson Wright PLLC, attorneys of Lansing, Michigan, the original of which will be furnished without expense to the purchaser of the bonds at the delivery thereof. The fees of Dickinson Wright PLLC for services rendered in connection with such approving opinion are expected to be paid from bond proceeds. Except to the extent necessary to issue its approving opinion as to the validity of the bonds, Dickinson Wright PLLC has made no inquiry as to any financial information, statements or material contained in any financial documents, statements or materials that have been or may be furnished in connection with the authorization, issuance or marketing of the bonds, and accordingly will not express any opinion with respect to the accuracy or completeness of any such financial information, statements or materials.

TAX MATTERS: The approving opinion of bond counsel will include an opinion to the effect that under existing law, the interest on the bonds (a) is excluded from gross income for federal income tax purposes, (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such opinion will note that certain corporations must take into account interest on the bonds in determining adjusted current earnings for the purpose of computing such alternative minimum tax. The opinion set forth in clause (a) above will be subject to the condition that the City of Lansing comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the bonds in order that interest thereon be (or continue to be) excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause the interest on the bonds to be included in gross income retroactive to the date of issuance of the bonds. The City of Lansing, through its Board of Water and Light, has covenanted to comply with all such requirements. Bond counsel will express no opinion regarding other federal tax consequences arising with respect to the bonds.

The City of Lansing has not designated the bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

The successful bidder will be required, as a condition of delivery of the bonds, to certify the "issue price" of the bonds within the meaning of Section 1273 of the Code. The form of an acceptable certificate will be provided by bond counsel.

In addition, the approving opinion of bond counsel will include an opinion to the effect that under existing law, the bonds and the interest thereon are exempt from all taxation in the State of Michigan except estate and inheritance taxes and taxes on gains realized from the sale, payment or other disposition thereof.

CUSIP: CUSIP numbers will be imprinted on all bonds of this issue at the issuer's expense. An improperly printed number will not constitute a basis for the Purchaser to refuse to accept delivery.

DELIVERY OF BONDS: The City of Lansing will furnish bonds ready for execution at its expense. Bonds will be delivered without expense to the Purchaser at the offices of DTC in New York, New York. The usual closing documents including a certificate that no litigation is pending affecting the issuance of the bonds, will be delivered at the time of the delivery of the bonds. If the bonds are not tendered for delivery by twelve o'clock noon, Eastern Standard Time, on the 45th day following the day of sale, or the first business day thereafter if the 45th day is not a business day, the successful bidder may on that day, or any time thereafter until delivery of the bonds, withdraw its proposal by serving notice of cancellation, in writing, on the undersigned, in which event the City of Lansing shall promptly return the good faith deposit. Payment for the bonds shall be made in Federal Reserve Funds. Accrued interest to the date of delivery of the bonds shall be paid by the Purchaser at the time of delivery.

OFFICIAL STATEMENT: A copy of the Official Statement relating to the bonds may be obtained by contacting the Chief Financial Officer of the Board of Water and Light at the address referred to below. The Official Statement is in a form deemed final by the Issuer for purposes of paragraph (b)(1) of SEC Rule 15c2-12 (the "Rule"), but is subject to revision, amendment and completion in a final Official Statement.

After the award of the bonds, the Issuer will provide on a timely basis a sufficient number of copies of a final Official Statement, as that term is defined in paragraph (e)(3) of the Rule, at the expense of the City (and such additional copies of the final Official Statement as reasonably requested by, and at the expense of, the successful bidder or bidders) to enable the successful bidder or bidders to comply with paragraph (b)(4) of the Rule and the rules of the Municipal Securities Rulemaking Board. Requests for such additional copies of the final Official Statement shall be made to the Chief Financial Officer, Board of Water and Light, 1232 Haco Drive, Lansing, Michigan 48901 - telephone: 517-702-6790.

FINANCIAL CONSULTANT: Further information with respect to said bonds may be obtained from Speer Financial, Inc., One North LaSalle Street, Suite 4100, Chicago, Illinois 60602 - Telephone: (312) 346-3700.

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

ENVELOPES containing the bids should be plainly marked "Proposal for Bonds."

City of Lansing, by and through
the Board of Water and Light of
the City of Lansing

By: _____
Dana W. Tousley,
Chief Financial Officer,
Board of Water and Light
of the City of Lansing

Section 9. Public Sale. The Series 2003A Bonds shall be sold at a public sale in accordance with the Notice of Sale described above. The Chief Financial Officer for the Board or the General Manager for the Board is authorized to fix the date, time and place of sale of the Series 2003A Bonds. The Chairperson of the Board or any Commissioner of the Board and the Chief Financial Officer for the Board or the General Manager for the Board are authorized on behalf of the Board to execute an Award of Sale of Series 2003A Bonds to: (a) approve the specific interest rates, dated dates, maturity dates and amounts, redemption dates, amounts and prices and the purchase price for the Series 2003A Bonds, (b) designate which of the Series 2003A Bonds will be serial bonds and term bonds, (c) determine the amounts to be deposited into the specific funds and accounts established under the Bond Resolution, and (d) award the Series 2003A Bonds to the bidder whose bid produces the lowest interest cost to the Board as provided in, and subject to, the official Notice of Sale and the parameters contained herein.

Section 10. Tax Status. The City, by and through its Board, covenants to comply with all requirements of the Internal Revenue Code of 1986, as amended, necessary to assure that the interest on the Series 2003A Bonds will be and will remain excludable from gross income for federal income tax purposes.

Section 11. Preliminary Official Statement. The preparation and distribution of a preliminary official statement in substantially the form presented at this meeting is approved, with such changes as the Chairperson or any Commissioner and the General Manager and Chief Financial Officer of the Board may, in consultation with the Staff Attorney and Bond Counsel, determine to be necessary or appropriate.

Section 12. Other Staff Action. The Board ratifies and confirms actions taken and filings made by Staff necessary to effectuate the sale of the Series 2003A Bonds, including any filings with the Department of Treasury. The Chairperson, any Commissioner, the General Manager and the Chief Financial Officer of the Board are severally authorized to execute such certificates and other documents and to take such other actions or make such other filings as may be necessary or convenient to effectuate the proper sale, execution and delivery of the Series 2003A Bonds.

Section 13. Bond Insurance. The Insured Bonds, if any, designated in the Award of Sale of Series 2003A Bonds shall be insured by the Insurer.

Section 14. The Insurance Policy. The provisions of this Section 14 shall apply if the Insurer provides an Insurance Policy with respect to any Series 2003A Bond and such Insurance Policy is in full force and effect:

- (a) Insurer Consent to Deposit of Bond Reserve Account Guaranty. The prior written consent of the Insurer shall be a condition precedent to the deposit of any Bond Reserve Account Guaranty or other credit instrument provided in lieu of a cash deposit into the Bond Reserve Account. Such consent shall not be required if (i) the Bond Reserve Account Guaranty is to be provided by an existing insurer of the Board's outstanding Bonds; and (ii) the provision of the Bond Reserve

Account Guaranty will not result in a downgrade of the ratings on the Board's outstanding Bonds.

- (b) Insurer as Owner. The Insurer shall be deemed to be the sole holder or Bondholder (Registered Owner) of the Insured Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of the Insured Bonds are entitled to take pursuant to the Bond Resolution pertaining to defaults and remedies.
- (c) Insurer as Third-Party Beneficiary. To the extent the Bond Resolution confers upon or gives or grants to the Insurer any right, remedy or claim under or by reason of the Bond Resolution, the Insurer is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy, or claim conferred, given or granted hereunder.
- (d) Insurer Consent to Modifications or Amendments. No modification or amendment to the Bond Resolution may become effective except upon obtaining the prior written consent of the Insurer. Copies of any modification or amendment to the Bond Resolution shall be sent to Standard & Poor's Credit Market Services and Moody's Investors Service, Inc. at least 10 days prior to the effective date thereof. The consent requirement contained in this subsection shall not apply to supplemental resolutions adopted by the Board with respect to the issuance of Additional Bonds hereunder.
- (e) Insurer's Contractual Rights. The rights granted to the Insurer under the Bond Resolution to request, consent to or direct any action are rights granted to the Insurer in consideration of its issuance of the Insurance Policy. Any exercise by the Insurer of such rights is merely an exercise of the Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit or on behalf of the holders of the Insured Bonds nor does such action evidence any position of the Insurer, positive or negative, as to whether consent by the holders of the Insured Bonds is required in addition to consent of the Insurer.
- (f) Defeasance. Only (1) cash, (2) non-callable direct obligations of the United States of America ("Treasuries"), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) pre-refunded municipal obligations rated "AAA" and "Aaa" by S&P and Moody's, respectively or (5) securities eligible for "AAA" defeasance under then existing criteria of S & P or any combination thereof, shall be authorized to be used to effect defeasance of the Insured Bonds, unless the Insurer otherwise approves.

To accomplish defeasance of the Insured Bonds, the Board shall cause to be delivered (i) a report of an independent firm of nationally recognized certified

public accountants or such other accountant as shall be acceptable to the Insurer ("Accountant") verifying the sufficiency of the escrow established to pay the Insured Bonds in full on the maturity or redemption date ("Verification"), (ii) an Escrow Deposit Agreement (which shall be acceptable in form and substance to the Insurer), and (iii) an opinion of nationally recognized bond counsel to the effect that the Insured Bonds to be defeased are no longer "Outstanding" under the Bond Resolution; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Board, the Transfer Agent and the Insurer. The Insurer shall be provided with final drafts of the above-referenced documentation not less than five business days prior to the funding of the escrow.

- (g) Insured Bonds Outstanding. Insured Bonds shall be deemed "Outstanding" under the Bond Resolution unless and until they are in fact paid and retired or the above defeasance criteria are met.

Amounts paid by the Insurer under the Insurance Policy shall not be deemed paid for purposes of the Bond Resolution and shall remain Outstanding and continue to be due and owing until paid by the Board in accordance with the Bond Resolution. The Bond Resolution shall not be discharged unless all amounts due or to become due to the Insurer have been paid in full or duly provided for.

- (h) Reimbursement of Insurer. The Board shall pay or reimburse the Insurer any and all charges, fees, costs and expenses which the Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in the Bond Resolution; (ii) the pursuit of any remedies under the Bond Resolution or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Bond Resolution whether or not executed or completed, (iv) the violation by the Board of any law, rule or regulation, or any judgment, order or decree applicable to it or (v) any litigation or other dispute in connection with the Bond Resolution or the transactions contemplated thereby, other than amounts resulting from the failure of the Insurer to honor its obligations under the Insurance Policy.
- (i) Payment of Insurer. The Insurer shall be entitled to pay principal or interest on the Insured Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Board (as such terms are defined in the Insurance Policy) and any amounts due on the Insured Bonds in accordance with the Bond Resolution, whether or not the Insurer has received a Notice of Nonpayment (as such terms are defined in the Insurance Policy) or a claim upon the Insurance Policy.
- (j) Notice to Insurer. The notice address of the Insurer is: Financial Security Assurance Inc., 350 Park Avenue, New York, New York 10022-6022, Attention: Managing Director – Surveillance, Re: Policy No. [insert number], Telephone: (212) 826-0100; Telecopier: (212) 339-3556. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

- (k) Information to be Given to Insurer. The Insurer shall be provided with the following information:
- (i) Annual audited financial statements within 150 days after the end of the Board's fiscal year (together with a certification of the Board that it is not aware of any default or Event of Default under the Bond Resolution), and the Board's annual budget within 30 days after the approval thereof together with such other information, data or reports as the Insurer shall reasonably request from time to time;
 - (ii) Notice of any draw upon the Bond Reserve Account within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Reserve Requirement and (ii) withdrawals in connection with a refunding of Insured Bonds;
 - (iii) Notice of any default known to the Transfer Agent within five Business Days after knowledge thereof;
 - (iv) Prior notice of the advance refunding or redemption of any of the Insured Bonds, including the principal amount, maturities and CUSIP numbers thereof;
 - (v) Notice of the resignation or removal of the Transfer Agent, Paying Agent and Bond Registrar and the appointment of, and acceptance of duties by, any successor thereto;
 - (vi) Notice of the commencement of any proceeding by or against the Board or the City commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding");
 - (vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Insured Bonds;
 - (viii) A full original transcript of all proceedings relating to the execution of any amendment or supplement to the Bond Resolution; and
 - (ix) All reports, notices and correspondence to be delivered to Registered Owners under the terms of the Bond Resolution.

- (l) Restriction on Additional Bonds. Notwithstanding satisfaction of other conditions to the issuance of Additional Bonds contained in the Bond Resolution, no such issuance may occur (i) should any Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) have occurred and be continuing unless such default shall be cured upon such issuance and (ii) unless the Bond Reserve Account is fully funded at its requirement (including the new issue) upon the issuance of such Additional Bonds, in either case, unless otherwise permitted by the Insurer.
- (m) Transfer Agent Considerations. In determining whether any amendment, consent or other action to be taken, or any failure to act, under the Bond Resolution would adversely affect the security for the Insured Bonds or the rights of the holders of Insured Bonds, the Transfer Agent shall consider the effect of any such amendment, consent, action or inaction as if there were no Insurance Policy.
- (n) Non-Impairment. No contract shall be entered into nor any action taken by which the rights of the Insurer or security for or sources of payment of the Insured Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the Insurer.
- (o) Refunding Bonds. If the proceeds of the Insured Bonds are used to refund Outstanding Bonds of the Board, there shall be delivered an opinion of Bond Counsel addressed to the Insurer (or a reliance letter relating thereto) or a certificate of discharge of the trustee for the Refunded Bonds to the effect that, upon the making of the required deposit to the escrow, the Refunded Bonds will be defeased. If the Insured Bonds are refunded, at least three business days prior to the proposed date for delivery of the Policy with respect to the refunding bonds, the Insurer shall receive (i) a verification letter, of which the Insurer shall be an addressee, by an independent firm of certified public accountants which is either nationally recognized or otherwise acceptable to the Insurer, of the adequacy of the escrow established to provide for the payment of the Insured Bonds in accordance with the terms and provisions of the Escrow Deposit Agreement, and (ii) the form of an opinion of Bond Counsel addressed to the Insurer (or a reliance letter relating thereto) to the effect that the Escrow Deposit Agreement is a valid and binding obligation of the parties thereto enforceable in accordance with its terms (such Escrow Deposit Agreement to provide that it may be amended only with the Insurer's consent). An executed copy of each of such opinion and reliance letter, if applicable, shall be forwarded to the Insurer prior to delivery of the Insured Bonds.

Section 15. Conflicting Resolutions. All resolutions or orders, or parts thereof, in conflict with the provisions of this Eighth Supplemental Revenue Bond Resolution are repealed.

Section 16. Severability and Paragraph Headings. If any section, paragraph, clause or provision of this Eighth Supplemental Revenue Bond Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any other provisions of this Eighth Supplemental Revenue Bond Resolution. The paragraph headings in this Eighth

Supplemental Revenue Bond Resolution are furnished for convenience of reference only and shall not be considered to be a part of this Eighth Supplemental Revenue Bond Resolution.

Section 17. Publication and Recordation. This Eighth Supplemental Revenue Bond Resolution shall be published in full in The Lansing State Journal, a newspaper of general circulation in the City of Lansing qualified under State law to publish legal notices, promptly after its adoption, and shall be recorded in the minutes of the Board and such recording authenticated by the signatures of the Chairperson and the Corporate Secretary of the Board.

Section 18. Effective Date. This Eighth Supplemental Revenue Bond Resolution shall be effective immediately upon its adoption.

Adopted and signed on the 12th day of August, 2003.

/s/ Diane R. Royal
Chairperson

/s/ Mary E. Sova
Corporate Secretary

ADOPTED: IN FAVOR Commissioners Ronald C. Callen, Nancy W. Duncan, Tim Haggart, Ifield P. Joseph, Connie Marin, Diane R. Royal, and Robin M. Smith.

AGAINST None

ABSTAIN None

ABSENT Commissioner Nancy Wonch

STATE OF MICHIGAN)
) ss:
COUNTY OF INGHAM)

I, the undersigned, the Corporate Secretary of the Board of Water and Light of the City of Lansing, certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Water and Light of the City of Lansing at a Special Meeting held on August 12, 2003, the original of which is on file in my office. I further certify that notice of the meeting was given in accordance with the provisions of the Open Meetings Act.

Mary E. Sova, Corporate Secretary
Board of Water and Light of the
City of Lansing