

UNITED STATES OF AMERICA  
STATE OF WEST VIRGINIA  
UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT  
SEWER REVENUE BONDS, SERIES 1999  
(WEST VIRGINIA INFRASTRUCTURE FUND)

No. R-1

\$5,768,297

KNOW ALL MEN BY THESE PRESENTS: That UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT, a public corporation and political subdivision of the State of West Virginia in Kanawha County of said State (the "Issuer"), for value received, hereby promises to pay, solely from the special funds provided therefor, as hereinafter set forth, to the West Virginia Water Development Authority (the "Authority") or registered assigns the sum of FIVE MILLION SEVEN HUNDRED SIXTY EIGHT THOUSAND TWO HUNDRED NINETY SEVEN DOLLARS (\$5,768,297), or such lesser amount as shall have been advanced to the Issuer hereunder and not previously repaid, as set forth in the "Record of Advances" attached as EXHIBIT A hereto and incorporated herein by reference, in quarterly installments on March 1, June 1, September 1 and December 1 of each year, commencing June 1, 2001, as set forth on the "Schedule of Annual Debt Service" attached as EXHIBIT B hereto and incorporated herein by reference.

This Bond shall bear no interest. Principal installments of this Bond are payable in any coin or currency which, on the respective dates of payment of such installments, is legal tender for the payment of public and private debts under the laws of the United States of America, at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia (the "Paying Agent").

This Bond may be redeemed prior to its stated date of maturity in whole or in part, but only with the express written consent of the Authority and the West Virginia Infrastructure and Jobs Development Council (the "Council"), and upon the terms and conditions prescribed by, and otherwise in compliance with, the Loan Agreement by and between the Issuer and the Authority, on behalf of the Council, dated October 21, 1999.

This Bond is issued (i) to pay a portion of the costs of acquisition and construction of a new public sewerage collection system for the Issuer (the "Project"); (ii) to fund the reserve account for the Series 1999 Bonds; and (iii) to pay certain costs of issuance of the Bonds of this Series (the "Bonds") and related costs. The Project and any further additions, betterments or improvements thereto are herein called the "System." This Bond is issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly Chapter 16, Article 13A and Chapter 31, Article 15A of the West Virginia Code of 1931, as amended (the "Act"), and a Bond

Resolution duly adopted by the Issuer on September 28, 1999, and a Supplemental Resolution duly adopted by the Issuer on September 28, 1999 (collectively, the "Bond Legislation"), and is subject to all the terms and conditions thereof. The Bond Legislation provides for the issuance of additional bonds under certain conditions, and such bonds would be entitled to be paid and secured equally and ratably from and by the funds and revenues and other security provided for the Bonds under the Bond Legislation.

THE ISSUER ALSO HAS OUTSTANDING ITS LONDON PUBLIC SERVICE DISTRICT SEWER SYSTEM DESIGN NOTES, SERIES 1997, AND ITS PAINT CREEK PUBLIC SERVICE DISTRICT SEWER SYSTEM DESIGN NOTES, SERIES 1997, BOTH ISSUED ON AUGUST 18, 1997, IN THE AGGREGATE PRINCIPAL AMOUNTS OF \$119,064 AND \$145,000, RESPECTIVELY (COLLECTIVELY, THE "PRIOR NOTES"), WHICH THE ISSUER ASSUMED UPON ITS CREATION. THE PRIOR NOTES ARE NOT SECURED BY THE NET REVENUES OF THE SYSTEM.

This Bond is payable only from and secured by a pledge of the Net Revenues (as defined in the Bond Legislation) to be derived from the operation of the System, and from moneys in the reserve account created under the Bond Legislation for the Bonds (the "Series 1999 Bonds Reserve Account") and unexpended proceeds of the Bonds. Such Net Revenues shall be sufficient to pay the principal of and interest, if any, on all bonds which may be issued pursuant to the Act and shall be set aside as a special fund hereby pledged for such purpose. This Bond does not constitute a corporate indebtedness of the Issuer within the meaning of any constitutional or statutory provisions or limitations, nor shall the Issuer be obligated to pay the same, except from said special fund provided from the Net Revenues, the moneys in the Series 1999 Bonds Reserve Account and unexpended proceeds of the Bonds. Pursuant to the Bond Legislation, the Issuer has covenanted and agreed to establish and maintain just and equitable rates and charges for the use of the System and the services rendered thereby, which shall be sufficient, together with other revenues of the System, to provide for the reasonable expenses of operation, repair and maintenance of the System, and to leave a balance each year equal to at least 115% of the maximum amount payable in any year for principal of and interest on the Bonds and all other obligations secured by a lien on or payable from such revenues on a parity with the Bonds; provided however, that so long as there exists in the Series 1999 Bonds Reserve Account an amount at least equal to the maximum amount of principal and interest, if any, which will become due on the Bonds in the then current or any succeeding year, and in the respective reserve accounts established for any other obligations outstanding on a parity with the Bonds, such percentage may be reduced to 110%. The Issuer has entered into certain further covenants with the registered owners of the Bonds for the terms of which reference is made to the Bond Legislation. Remedies provided the registered owners of the Bonds are exclusively as provided in the Bond Legislation, to which reference is here made for a detailed description thereof.

Subject to the registration requirements set forth herein, this Bond is transferable, as provided in the Bond Legislation, only upon the books of One Valley Bank,

National Association, Charleston, West Virginia, as registrar (the "Registrar"), by the registered owner, or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or its attorney duly authorized in writing.

Subject to the registration requirements set forth herein, this Bond, under the provision of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

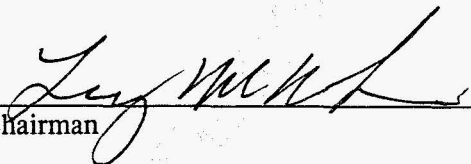
All money received from the sale of this Bond, after reimbursement and repayment of all amounts advanced for preliminary expenses as provided by law and the Bond Legislation, shall be applied solely to payment of the costs of the Project and costs of issuance hereof described in the Bond Legislation, and there shall be and hereby is created and granted a lien upon such moneys, until so applied, in favor of the registered owner of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and at the issuance of this Bond do exist, have happened, and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other obligations of the Issuer, does not exceed any limit prescribed by the Constitution or statutes of the State of West Virginia and that a sufficient amount of the Net Revenues of the System has been pledged to and will be set aside into said special fund by the Issuer for the prompt payment of the principal of this Bond.

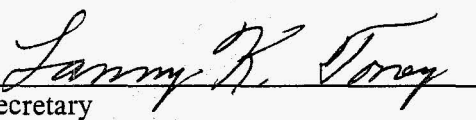
All provisions of the Bond Legislation, resolutions and statutes under which this Bond is issued shall be deemed to be a part of the contract evidenced by this Bond to the same extent as if written fully herein.

IN WITNESS WHEREOF, UPPER KANAWHA VALLEY PUBLIC SERVICE DISTRICT has caused this Bond to be signed by its Chairman and its corporate seal to be hereunto affixed and attested by its Secretary, and has caused this Bond to be dated October 21, 1999.

[SEAL]

  
Chairman

ATTEST:

  
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of the Series 1999 Bonds described in the within-mentioned Bond Legislation and has been duly registered in the name of the registered owner set forth above, as of the date set forth below.

Date: October 21, 1999

ONE VALLEY BANK, NATIONAL  
ASSOCIATION, as Registrar

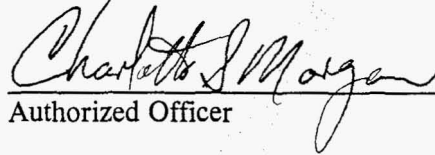
  
Authorized Officer

EXHIBIT A

RECORD OF ADVANCES

AMOUNT		DATE		AMOUNT		DATE	
(1)	\$444,541	10/21/99	(19)	\$			
(2)	\$		(20)	\$			
(3)	\$		(21)	\$			
(4)	\$		(22)	\$			
(5)	\$		(23)	\$			
(6)	\$		(24)	\$			
(7)	\$		(25)	\$			
(8)	\$		(26)	\$			
(9)	\$		(27)	\$			
(10)	\$		(28)	\$			
(11)	\$		(29)	\$			
(12)	\$		(30)	\$			
(13)	\$		(31)	\$			
(14)	\$		(32)	\$			
(15)	\$		(33)	\$			
(16)	\$		(34)	\$			
(17)	\$		(35)	\$			
(18)	\$		(36)	\$			

TOTAL                      \$ \_\_\_\_\_

EXHIBIT B

SCHEDULE OF ANNUAL DEBT SERVICE

SEE ATTACHED

# Upper Kanawha Valley Public Service District (West Virginia)

Infrastructure Loan of \$5,768,297

40 Years, 0% Interest Rate

Closing Date: October 21, 1999

## DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
12/01/1999	-	-	-
3/01/2000	-	-	-
6/01/2000	-	-	-
9/01/2000	-	-	-
12/01/2000	-	-	-
3/01/2001	-	-	-
6/01/2001	37,457.00	-	37,457.00
9/01/2001	37,457.00	-	37,457.00
12/01/2001	37,457.00	-	37,457.00
3/01/2002	37,457.00	-	37,457.00
6/01/2002	37,457.00	-	37,457.00
9/01/2002	37,457.00	-	37,457.00
12/01/2002	37,457.00	-	37,457.00
3/01/2003	37,457.00	-	37,457.00
6/01/2003	37,457.00	-	37,457.00
9/01/2003	37,457.00	-	37,457.00
12/01/2003	37,457.00	-	37,457.00
3/01/2004	37,457.00	-	37,457.00
6/01/2004	37,457.00	-	37,457.00
9/01/2004	37,457.00	-	37,457.00
12/01/2004	37,457.00	-	37,457.00
3/01/2005	37,457.00	-	37,457.00
6/01/2005	37,457.00	-	37,457.00
9/01/2005	37,457.00	-	37,457.00
12/01/2005	37,457.00	-	37,457.00
3/01/2006	37,457.00	-	37,457.00
6/01/2006	37,457.00	-	37,457.00
9/01/2006	37,457.00	-	37,457.00
12/01/2006	37,457.00	-	37,457.00
3/01/2007	37,457.00	-	37,457.00
6/01/2007	37,457.00	-	37,457.00
9/01/2007	37,457.00	-	37,457.00
12/01/2007	37,457.00	-	37,457.00
3/01/2008	37,457.00	-	37,457.00
6/01/2008	37,457.00	-	37,457.00
9/01/2008	37,457.00	-	37,457.00
12/01/2008	37,457.00	-	37,457.00
3/01/2009	37,457.00	-	37,457.00
6/01/2009	37,457.00	-	37,457.00
9/01/2009	37,457.00	-	37,457.00
12/01/2009	37,457.00	-	37,457.00
3/01/2010	37,457.00	-	37,457.00
6/01/2010	37,457.00	-	37,457.00
9/01/2010	37,457.00	-	37,457.00
12/01/2010	37,457.00	-	37,457.00
3/01/2011	37,457.00	-	37,457.00
6/01/2011	37,457.00	-	37,457.00



**Upper Kanawha Valley Public Service District (West Virginia)**

*Infrastructure Loan of \$5,768,297*

*40 Years, 0% Interest Rate*

**DEBT SERVICE SCHEDULE**

Date	Principal	Coupon	Total P+I
9/01/2011	37,457.00	-	37,457.00
12/01/2011	37,457.00	-	37,457.00
3/01/2012	37,457.00	-	37,457.00
6/01/2012	37,457.00	-	37,457.00
9/01/2012	37,457.00	-	37,457.00
12/01/2012	37,457.00	-	37,457.00
3/01/2013	37,457.00	-	37,457.00
6/01/2013	37,457.00	-	37,457.00
9/01/2013	37,457.00	-	37,457.00
12/01/2013	37,457.00	-	37,457.00
3/01/2014	37,457.00	-	37,457.00
6/01/2014	37,457.00	-	37,457.00
9/01/2014	37,457.00	-	37,457.00
12/01/2014	37,457.00	-	37,457.00
3/01/2015	37,457.00	-	37,457.00
6/01/2015	37,457.00	-	37,457.00
9/01/2015	37,457.00	-	37,457.00
12/01/2015	37,457.00	-	37,457.00
3/01/2016	37,457.00	-	37,457.00
6/01/2016	37,457.00	-	37,457.00
9/01/2016	37,457.00	-	37,457.00
12/01/2016	37,457.00	-	37,457.00
3/01/2017	37,457.00	-	37,457.00
6/01/2017	37,457.00	-	37,457.00
9/01/2017	37,457.00	-	37,457.00
12/01/2017	37,457.00	-	37,457.00
3/01/2018	37,457.00	-	37,457.00
6/01/2018	37,457.00	-	37,457.00
9/01/2018	37,457.00	-	37,457.00
12/01/2018	37,457.00	-	37,457.00
3/01/2019	37,457.00	-	37,457.00
6/01/2019	37,457.00	-	37,457.00
9/01/2019	37,456.00	-	37,456.00
12/01/2019	37,456.00	-	37,456.00
3/01/2020	37,456.00	-	37,456.00
6/01/2020	37,456.00	-	37,456.00
9/01/2020	37,456.00	-	37,456.00
12/01/2020	37,456.00	-	37,456.00
3/01/2021	37,456.00	-	37,456.00
6/01/2021	37,456.00	-	37,456.00
9/01/2021	37,456.00	-	37,456.00
12/01/2021	37,456.00	-	37,456.00
3/01/2022	37,456.00	-	37,456.00
6/01/2022	37,456.00	-	37,456.00
9/01/2022	37,456.00	-	37,456.00
12/01/2022	37,456.00	-	37,456.00
3/01/2023	37,456.00	-	37,456.00

# Upper Kanawha Valley Public Service District (West Virginia)

Infrastructure Loan of \$5,768,297

40 Years, 0% Interest Rate

## DEBT SERVICE SCHEDULE

Date	Principal	Coupon	Total P+I
6/01/2023	37,456.00	-	37,456.00
9/01/2023	37,456.00	-	37,456.00
12/01/2023	37,456.00	-	37,456.00
3/01/2024	37,456.00	-	37,456.00
6/01/2024	37,456.00	-	37,456.00
9/01/2024	37,456.00	-	37,456.00
12/01/2024	37,456.00	-	37,456.00
3/01/2025	37,456.00	-	37,456.00
6/01/2025	37,456.00	-	37,456.00
9/01/2025	37,456.00	-	37,456.00
12/01/2025	37,456.00	-	37,456.00
3/01/2026	37,456.00	-	37,456.00
6/01/2026	37,456.00	-	37,456.00
9/01/2026	37,456.00	-	37,456.00
12/01/2026	37,456.00	-	37,456.00
3/01/2027	37,456.00	-	37,456.00
6/01/2027	37,456.00	-	37,456.00
9/01/2027	37,456.00	-	37,456.00
12/01/2027	37,456.00	-	37,456.00
3/01/2028	37,456.00	-	37,456.00
6/01/2028	37,456.00	-	37,456.00
9/01/2028	37,456.00	-	37,456.00
12/01/2028	37,456.00	-	37,456.00
3/01/2029	37,456.00	-	37,456.00
6/01/2029	37,456.00	-	37,456.00
9/01/2029	37,456.00	-	37,456.00
12/01/2029	37,456.00	-	37,456.00
3/01/2030	37,456.00	-	37,456.00
6/01/2030	37,456.00	-	37,456.00
9/01/2030	37,456.00	-	37,456.00
12/01/2030	37,456.00	-	37,456.00
3/01/2031	37,456.00	-	37,456.00
6/01/2031	37,456.00	-	37,456.00
9/01/2031	37,456.00	-	37,456.00
12/01/2031	37,456.00	-	37,456.00
3/01/2032	37,456.00	-	37,456.00
6/01/2032	37,456.00	-	37,456.00
9/01/2032	37,456.00	-	37,456.00
12/01/2032	37,456.00	-	37,456.00
3/01/2033	37,456.00	-	37,456.00
6/01/2033	37,456.00	-	37,456.00
9/01/2033	37,456.00	-	37,456.00
12/01/2033	37,456.00	-	37,456.00
3/01/2034	37,456.00	-	37,456.00
6/01/2034	37,456.00	-	37,456.00
9/01/2034	37,456.00	-	37,456.00
12/01/2034	37,456.00	-	37,456.00

**Upper Kanawha Valley Public Service District (West Virginia)**

*Infrastructure Loan of \$5,768,297*

*40 Years, 0% Interest Rate*

**DEBT SERVICE SCHEDULE**

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Total P+I</b>
3/01/2035	37,456.00	-	37,456.00
6/01/2035	37,456.00	-	37,456.00
9/01/2035	37,456.00	-	37,456.00
12/01/2035	37,456.00	-	37,456.00
3/01/2036	37,456.00	-	37,456.00
6/01/2036	37,456.00	-	37,456.00
9/01/2036	37,456.00	-	37,456.00
12/01/2036	37,456.00	-	37,456.00
3/01/2037	37,456.00	-	37,456.00
6/01/2037	37,456.00	-	37,456.00
9/01/2037	37,456.00	-	37,456.00
12/01/2037	37,456.00	-	37,456.00
3/01/2038	37,456.00	-	37,456.00
6/01/2038	37,456.00	-	37,456.00
9/01/2038	37,456.00	-	37,456.00
12/01/2038	37,456.00	-	37,456.00
3/01/2039	37,456.00	-	37,456.00
6/01/2039	37,456.00	-	37,456.00
9/01/2039	37,456.00	-	37,456.00
<b>Total</b>	<b>5,768,297.00</b>	<b>-</b>	<b>5,768,297.00</b>

ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto  
\_\_\_\_\_  
the within Bond and does hereby irrevocably constitute and appoint  
\_\_\_\_\_, Attorney to transfer the said Bond  
on the books kept for registration of the within Bond of the said Issuer with full power of  
substitution in the premises.

Dated: \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
In the presence of:

\_\_\_\_\_

10/19/99  
924750/99001