

(2) Until the sale and delivery of the Bonds, the District shall not have any obligation to pay such Segment Price or such costs of such Plans and Specifications. Neither the District nor the Municipality shall be liable to the Owners (or any contractor or assigns under any Acquisition Project Construction Contract) for payment of any Segment Price or for the costs of such Plans and Specifications except to the extent available, unrestricted proceeds of the sale of the Bonds (and, if applicable, cash collections, if any, from the Assessments) are available for such purpose, and no representation or warranty is given that the Bonds can be sold or that sufficient, available, unrestricted proceeds from the sale of the Bonds shall be available to pay such Segment Price or such costs of such Plans and Specifications.

ARTICLE VI
MATTERS RELATING TO THE ASSESSMENT BONDS AND
THE GENERAL OBLIGATION BONDS AND
OTHER OBLIGATIONS OF THE DISTRICT

Section 6.1. (a) Upon dates established by the District Manager in his discretion at the request of the Owners, the District Board shall, from time to time, take all such reasonable action necessary for the District to issue and sell, pursuant to the provisions of the Act, an applicable amount of the General Obligation Bonds in an amount sufficient to repay advances for or to pay directly from the available, unrestricted proceeds thereof the total of all amounts due for the purposes of any Construction Contract for the Infrastructure and the Segment Prices for the Acquisition Infrastructure and costs of the Plans and Specifications for the Infrastructure to be acquired, established or reasonably expected to be established pursuant hereto plus all relevant issuance costs related thereto (except for such amounts due in those respects with regard to the Work which shall be provided for pursuant to Section 6.3). Upon a written request of the Owners and after approval by the District Board prior to construction bidding therefor, this Agreement shall be amended upon terms determined by the District Board to provide for the issuance and sale of additional special assessment lien bonds of the District, the proceeds of the sale of which shall be applied to repay such advances or to pay such amounts instead of from the proceeds of the sale of the General Obligation Bonds. To the extent the District is not otherwise prohibited from agreeing pursuant to applicable law, until such time as the Owners hold fee title to less than fifteen percent (15%) of the total acreage of the Property, the District shall not undertake the issuance of any of the General Obligation Bonds to finance costs of any public infrastructure other than the Infrastructure without written approval of the Owners. The District may undertake the financing of the Infrastructure if necessary in connection with development of the Property if the District Board then determines reasonably that the same is necessary.

(b) If the Assessment Bonds or the General Obligation Bonds, as applicable, are not issued or if the available, unrestricted proceeds of the sale of the Assessment Bonds or the General Obligation Bonds are insufficient to pay any or all of the amounts due described in Section 5.1(b) or all of the Segment Prices for the Acquisition Infrastructure and costs of the Plans and Specifications for the Infrastructure to be acquired, there shall be no recourse against the District or the Municipality for, and neither the District nor the Municipality shall have liability with respect to, such amounts so due or the Segment Prices for the Acquisition Infrastructure, except from the available, unrestricted proceeds of the sale of the Assessment Bonds or the General Obligation Bonds, if any and as applicable.

Section 6.2. (a) The District shall, subject to the other conditions of this Agreement, issue, in one series, the Assessment Bonds and, in one or more series in principal amounts to be determined by the District Board, the General Obligation Bonds. The District shall not issue the Assessment Bonds or any series of the General Obligation Bonds unless the Assessment Bonds or the corresponding series of the General Obligation Bonds, as applicable, shall receive one of the four highest investment-grade ratings by a nationally recognized bond rating agency or shall be sold in other than a