
REMARKETING AGREEMENT

dated July 8, 2009

by and between the

NAPA SANITATION DISTRICT

and

BARCLAYS CAPITAL

Relating to
\$ _____
NAPA SANITATION DISTRICT
Adjustable Rate Refunding Revenue
Certificates of Participation, Series 2009A
(2001 Refunding Project)

REMARKETING AGREEMENT

This REMARKETING AGREEMENT, dated July 8, 2009 (this "Remarketing Agreement"), is by and between the NAPA SANITATION DISTRICT (the "District") and BARCLAYS CAPITAL (the "Remarketing Agent").

WITNESSETH:

WHEREAS, the District has caused the execution and delivery of its \$_____ Adjustable Rate Refunding Revenue Certificates of Participation, Series 2009A (2001 Refunding Project) (the "Certificates") pursuant to the Trust Agreement, dated as of July 1, 2009 (the "Trust Agreement"), by and among the District, the Napa Sanitation District Public Financing Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee");

WHEREAS, Wells Fargo Bank, National Association (the "Bank") has delivered an irrevocable letter of credit (the "Letter of Credit") to the Trustee for the benefit of the registered owners of the Certificates (the "Owners") in accordance with the terms of the Trust Agreement and pursuant to the Reimbursement Agreement, dated as of July 1, 2009 (the "Reimbursement Agreement"), by and between the District and the Bank;

WHEREAS, the Certificates and the Trust Agreement provide for optional and mandatory tenders for purchase of the Certificates by the Owners, all in accordance with the terms of the Certificates and the Trust Agreement;

WHEREAS, the Trust Agreement provides for the appointment of a remarketing agent to perform certain duties, including the remarketing of any Certificates tendered or deemed tendered by the Owners thereof for purchase; and

WHEREAS, the Remarketing Agent has agreed to accept the duties and responsibilities of the Remarketing Agent with respect to the Certificates under the Trust Agreement and this Remarketing Agreement;

NOW, THEREFORE, for and in consideration of the mutual covenants made herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. *Definitions.* Unless otherwise defined herein, all capitalized terms shall have the meanings ascribed to them in the Trust Agreement.

Section 2. *Appointment of Remarketing Agent.* Subject to the terms and conditions contained herein, the District hereby appoints Barclays Capital Inc. as exclusive Remarketing Agent for the Certificates (including, without limitation, any remarketing of the Certificates in connection with the conversion of the Certificates from one Mode to another or to the Long-Term Interest Rate Mode or the Bond Interest Term Rate Mode), and the Remarketing Agent hereby accepts such appointment.

Section 3. *Responsibilities of Remarketing Agent.*

(a) Subject to the terms and conditions set forth in this Remarketing Agreement, the Remarketing Agent agrees to perform the duties of Remarketing Agent set forth in the Trust Agreement and in this Remarketing Agreement. It is understood that in undertaking to

perform such duties, and in the performance thereof, it is the intention of the parties that the Remarketing Agent will act solely as an agent and not as a principal, except as expressly provided in Section 12 hereof. The duties of the Remarketing Agent shall include the following:

(i) **Determination of Interest Rates.** The Remarketing Agent shall determine the interest rates on, and Interest Periods for, the Certificates in the manner and at the times specified therefor in the Trust Agreement.

(ii) **Remarketing of Certificates.**

(A) The Remarketing Agent shall use its best efforts to remarket the applicable Certificates tendered or deemed tendered under the terms and conditions provided for in the Trust Agreement.

(B) Prior to any remarketing of Certificates in connection with a conversion of the Certificates from one Mode to another or to the Long-Term Interest Rate Mode or the Bond Interest Term Rate Mode, the District and the Remarketing Agent shall enter into a mutually agreeable contract for the purchase by the Remarketing Agent of such Certificates for reoffering to the public or for a "best efforts" remarketing by the Remarketing Agent of such Certificates (a "Remarketing Contract"). The Remarketing Contract shall contain usual and customary terms and conditions, which shall be substantially similar to the terms and conditions contained in the [insert name of original bond purchase contract], as modified to reflect the facts and circumstances then in existence, and shall provide for a mutually agreeable fee to the Remarketing Agent in connection with such remarketing.

(iii) **Furnishing of Disclosure Material.** The District shall timely furnish to the Remarketing Agent at the District's expense the disclosure materials contemplated by this Remarketing Agreement, and the Remarketing Agent shall, in turn, furnish such materials to potential purchasers of the Certificates.

(iv) **Other Duties.** The Remarketing Agent shall perform such other duties as are specifically set forth in this Remarketing Agreement and the Trust Agreement for the Remarketing Agent.

(b) Notwithstanding anything to the contrary contained herein, the Remarketing Agent:

(i) will suspend its remarketing efforts upon the receipt of notice of the occurrence of an event of default under the Certificates, the Trust Agreement, the Letter of Credit or the Reimbursement Agreement; and

(ii) may, in its sole discretion, suspend its remarketing efforts with respect to the Certificates immediately upon the occurrence of any of the following events, which suspension will continue so long as, in the Remarketing Agent's reasonable judgment, such event continues to exist as to the Certificates:

(A) suspension or material limitation in trading in securities generally on the New York Stock Exchange;

(B) a general moratorium on commercial banking activities in New York is declared by either federal or New York State authorities;

(C) the engagement by the United States in hostilities if the effect of such engagement, in the Remarketing Agent's judgment, makes it impractical or inadvisable to proceed with the solicitation of offers to purchase the Certificates;

(D) legislation shall be introduced by committee, by amendment or otherwise, in, or be enacted by, the House of Representatives or the Senate of the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the United States Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall be made or proposed, to the effect that the offering or sale of obligations of the general character of the Certificates, as contemplated hereby, is or would be in violation of any provision of the Securities Act of 1933, as amended (the "Securities Act") as then in effect, or the Securities Exchange Act of 1934, as amended (the "Exchange Act") as then in effect, or with the purpose or effect of otherwise prohibiting the offering or sale of obligations of the general character of the Certificates, or the Certificates themselves, as contemplated hereby;

(E) any event shall occur or information shall become known, which, in the Remarketing Agent's reasonable opinion, makes untrue, incorrect or misleading in any material respect any statement or information contained in any disclosure documents provided to the Remarketing Agent in connection with the performance of its duties hereunder, whether provided pursuant to Section 5 hereof or otherwise, or causes such documents to contain an untrue, incorrect or misleading statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading;

(F) any governmental authority shall impose, as to the Certificates, or obligations of the general character of the Certificates, any material restrictions not now in force, or increase materially those now in force;

(G) any of the representations and warranties of the District made hereunder shall not have been true and correct on the date made;

(H) the District fails to observe any of the covenants or agreements made herein;

(I) any of the rating agencies then rating the Certificates or the Bank shall either (i) downgrade the ratings assigned to either the Certificates or the Bank so that such Certificates are not "Eligible Certificates" as defined under Rule 2a 7 of the Investment Company Act of 1940, as amended or (ii) suspend or withdraw the then current ratings assigned to either the Certificates or the Bank; or

(J) an actual or imminent default or a moratorium in respect of payment of any U.S. Treasury bills, bonds or notes the effect of which in the Remarketing Agent's judgment makes it impractical to market the Certificates or to enforce contracts for the sale of the Certificates.

Section 4. *Resignation and Removal of Remarketing Agent.* The Remarketing Agent may at any time resign and be discharged of its duties and obligations hereunder upon providing the District, the Trustee and the Bank with thirty (30) days' prior written notice. The Remarketing

Agent may be removed at any time, at the direction of the District upon thirty (30) days' prior written notice to the Remarketing Agent, the Trustee and the Bank. Upon removal or resignation of the Remarketing Agent, the District shall promptly cause the Trustee to give notice thereof by mail to all Owners and to any rating agency which has assigned a rating to the Certificates. The Remarketing Agent shall assign and deliver this Remarketing Agreement to its successor.

Section 5. *Furnishing of Disclosure Materials.*

(a) The District agrees to furnish the Remarketing Agent with as many copies as the Remarketing Agent may reasonably request of the Preliminary Official Statement of the District relating to the Certificates, dated _____, 2009 (the "Preliminary Official Statement"), and of the Official Statement of the District relating to the Certificates, dated _____, 2009 (the "Official Statement"), and such other information with respect to the District and the Certificates as the Remarketing Agent shall reasonably request from time to time.

(b) The District agrees to cooperate with the Remarketing Agent in the preparation from time-to-time of a new official statement, reoffering document or other disclosure material for the Certificates in the event the Remarketing Agent determines that the preparation and distribution of such official statement, reoffering document or other disclosure material is necessary or desirable in connection with remarketing the Certificates and to furnish or to cause to be furnished to the Remarketing Agent as many copies of such new official statement or other reoffering materials as the Remarketing Agent shall request.

(c) If, at any time during the term of this Remarketing Agreement, any event shall occur or facts become known to either party that might affect the correctness or completeness of any statement of a material fact contained in the Official Statement, reoffering document or other disclosure material, such party shall promptly notify the other in writing of the circumstances and details of such event. The District agrees to promptly furnish to the Remarketing Agent a copy of each filing or notice made to anyone (whether in connection with the Certificates or not) pursuant to any undertaking or other agreement of the District made under any provision of Rule 15c2-12 promulgated by the Certificates and Exchange Commission.

(d) In connection with the remarketing of the Certificates as a result of, or in anticipation of (i) the occurrence of the conversion of the Certificates to a different Mode or to the Long-Term Interest Rate Mode or the Bond Interest Term Rate Mode, (ii) the occurrence of a material adverse change in the financial condition of the District, including, but not limited to, a change in the long-term and short-term credit ratings of the District, (iii) the delivery of a [name of alternate facility], or (iv) one of the events mentioned in (c) above, the District shall prepare or cause to be prepared at its expense any disclosure documents that in the reasonable opinion of the Remarketing Agent or the District are necessary or desirable.

(e) In order to comply with the requirements of Rule 15c2-12 as promulgated by the Certificates and Exchange Commission (as amended, "Rule 15c2-12"), in the event the Remarketing Agent is asked to remarket Certificates in one or more of the following circumstances:

(i) where the Certificates are to be converted from the Daily Interest Rate Mode, the Weekly Interest Rate Mode or the ARS Interest Rate Mode to the Long-Term Interest Rate Mode or the Bond Interest Term Rate Mode; or

(ii) where the authorized denomination of the Certificates will be reduced (because of a change in Mode or otherwise) from \$100,000 to less than \$100,000; or

(iii) where the Certificates are otherwise not exempt from the requirements of Rule 15c2-12 (as they are on the date hereof by virtue of being in the Daily Interest Rate Mode, the Weekly Interest Rate Mode or the ARS Interest Rate Mode and in minimum authorized denominations of \$100,000); then

(A) the District, at the expense of the District, shall provide the Remarketing Agent, prior to the date the Remarketing Agent is to bid for, offer or sell any Certificates or remarket any Certificates, a reoffering statement the District deems final as of its date (exclusive of pricing and other sales information permitted to be excluded by Rule 15c2-12);

(B) if a preliminary reoffering statement or other disclosure document is prepared, the District, at the expense of District, shall provide the Remarketing Agent with such number of copies thereof as the Remarketing Agent may need to supply at least one copy thereof to each potential customer who requests it;

(C) the District, at the expense of the District, shall provide the Remarketing Agent within seven (7) Business Days after the date upon which the interest rate on the Certificates is determined or by the time "money confirmations" are to be sent to customers, whichever is earlier, with a number of copies of the final reoffering statement or disclosure document adequate to supply at least one copy of such final reoffering statement or disclosure document to any customer or any potential customer for a period commencing on the date such final reoffering statement or disclosure document is available and extending for a period of ninety (90) days after the end of the initial offering period with respect to the Certificates in the Long-Term Interest Rate Mode or the Bond Interest Term Rate Mode or with the denomination of less than \$100,000. During such period, the District agrees to update the final reoffering statement or disclosure document in the same way as provided in paragraph 3(b) above. The District hereby agrees to cooperate fully with the Remarketing Agent in the preparation of such disclosure documents. All costs incurred in connection with the preparation of such disclosure documents and the printing and shipping of such disclosure documents shall be borne by the District; and

(D) where then required by Rule 15c2-12, the District agrees to adopt a continuing disclosure undertaking complying with paragraph (b)(5) of Rule 15c2-12 which will become effective prior to any such remarketing.

(f) Notwithstanding anything to the contrary contained herein, the District may, to the extent permitted by law, include, through incorporation by reference in any disclosure material furnished pursuant to this Section, such relevant reports, official statements, continuing disclosure statements and other documents as are filed with the Certificates and Exchange Commission, any nationally recognized municipal securities information repository recognized by said Commission, any state information depository or the Municipal Certificates Rulemaking Board.

Section 6. *Indemnification and Contribution.*

(a) The District will indemnify and hold harmless the Remarketing Agent and each of its directors, officers and employees and each person who controls the Remarketing Agent within the meaning of Section 15 of the Securities Act, against any and all losses, claims, damages or liabilities, joint or several, to which any such indemnified party may become subject under any statute or at law or in equity or otherwise, and will reimburse any such

indemnified party for any legal or other expenses incurred by it in connection with investigating any claims against it and defending any actions, insofar as such losses, claims, damages, liabilities or actions arise out of or are based upon (i) an allegation or determination that the Certificates should have been registered under the Securities Act, or (ii) any untrue statement or alleged untrue statement of a material fact contained in any disclosure documents furnished pursuant to Section 5 hereof or the omission or alleged omission to state therein a material fact necessary to make the statements therein not misleading, but the District will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon any such untrue statement or alleged untrue statement or omission or alleged omission made in the document in reliance upon and in conformity with written information furnished to the District by the Remarketing Agent specifically for use in connection with the preparation of the documents. This indemnity agreement will not limit any other liability to any such indemnified party the District otherwise may have; provided that in no event will the District be obligated for double indemnification.

(b) An indemnified party shall, promptly after receipt of notice of the commencement of any action against such indemnified party in respect of which indemnification may be sought against an indemnifying party, notify the indemnifying party in writing of the commencement of the action. Failure of the indemnified party to give such notice will not relieve the indemnifying party from any liability it may have to such indemnified party. If such an action is brought against an indemnified party and such indemnified party notifies the indemnifying party of its commencement, the indemnifying party may, or if so requested by such indemnified party will, participate in or assume its defense, with counsel reasonably satisfactory to the indemnified party and, after notice from the indemnifying party to such indemnified party of an election to assume the defense, the indemnifying party will not be liable to the indemnified party under this Section for any legal or other expenses subsequently incurred by the indemnified party in connection with the defense other than reasonable costs of investigation. Until the indemnifying party assumes the defense of any such action at the request of such indemnified party, the indemnified party may participate at its own expense in the defense of such action. If the indemnifying party does not retain counsel to take charge of the defense or if the indemnified party reasonably concludes that there may be defenses available to it different from or in addition to those available to the indemnifying party (in which case the indemnifying party will not have the right to assume the defense of such action on behalf of such indemnified party), legal and other expenses reasonably incurred by the indemnified party shall be borne by the indemnifying party. Any obligation under this Section of an indemnifying party to reimburse an indemnified party for expenses shall be payable in reasonable amounts and at reasonable periodic intervals not more often than monthly as required by the indemnified party, but if the indemnified party is later determined not to be entitled to indemnification under this Section or otherwise, the indemnified party will promptly return any moneys paid pursuant to this sentence. No party will be liable with respect to any settlement effected without its consent.

(c) In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in Section 6(a) hereof is due in accordance with its terms but, for any reason, is held by a court to be unavailable on grounds of policy or otherwise, the District and the Remarketing Agent will contribute to the total losses, claims, damages and liabilities (including legal or other expenses of investigation or defense) to which the District and the Remarketing Agent may be subject in such proportion so that the Remarketing Agent is responsible for that portion represented by the percentage that the fee to be paid to the Remarketing Agent pursuant to Section 7 hereof bears to the principal amount of the Certificates under this Remarketing Agreement and the District is responsible for the balance. In no case, however, will the Remarketing Agent be responsible for any amount in excess of the fee applicable to the Certificates remarketed by the Remarketing Agent under this Remarketing Agreement and no person guilty of fraudulent misrepresentation (within the meaning of

Section 11(f) of the Securities Act) will be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this paragraph, each person who controls the Remarketing Agent within the meaning of the Securities Act shall have the same rights to contribution as the Remarketing Agent, and each person who controls the District within the meaning of the Securities Act and each officer and each director of the District will have the same rights to contribution as the District, subject to the foregoing sentence. Any party entitled to contribution will, promptly after receipt of notice of commencement of any action, suit or proceeding against such party in respect of which a claim for contribution may be made against another party or parties under this paragraph, notify each party from whom contribution may be sought, but the failure to give such notice will not relieve the party from whom contribution may be sought from any obligation it may have to the party entitled to contribution.

Section 7. *Fees and Expenses.* For the Remarketing Agent's services under this Remarketing Agreement and the Trust Agreement, the District will pay the Remarketing Agent a fee of _____ per annum of the weighted average of the principal amount of Certificates outstanding during each three month period. The District will pay the fee quarterly in arrears on each February 1, May 1, August 1 and November 1, commencing August 1, 2009. When Certificates are remarketed in connection with the conversion of the interest rate to a different Mode or to the Long-Term Interest Rate Mode or the Bond Interest Term Rate Mode, the District and the Remarketing Agent will agree on a fee specifically for such remarketing.

The District will pay all expenses of delivering remarketed Certificates and reimburse the Remarketing Agent for all direct, out-of-pocket expenses incurred by it as Remarketing Agent, including reasonable counsel fees and disbursements.

Section 8. *Representations, Warranties, Covenants and Agreements of the Remarketing Agent.* The Remarketing Agent, by its acceptance hereof, represents, warrants and covenants and agrees with the District as follows:

(a) the Remarketing Agent is a member of the National Association of Certificates Dealers, having a capitalization of at least \$15,000,000, and otherwise meets the requirements for the Remarketing Agent set forth in the Trust Agreement;

(b) the Remarketing Agent has been duly incorporated, is validly existing and is in good standing under the laws of the State of Delaware, and is authorized by law to perform all the duties and obligations imposed upon it as Remarketing Agent by this Remarketing Agreement and the Trust Agreement; and

(c) the Remarketing Agent has full power and authority to take all actions required or permitted to be taken by the Remarketing Agent by or under, and to perform and observe the covenants and agreements on its part contained in, this Remarketing Agreement and the Trust Agreement.

Section 9. *Representations, Warranties, Covenants and Agreements of the District.* The District, by its acceptance hereof, represents, warrants, covenants, and agrees with the Remarketing Agent that:

(a) it is a county sanitation district organized and existing under the constitution and laws of the State of California;

(b) it has full power and authority to take all actions required or permitted to be taken by the District by or under, and to perform and observe the covenants and agreements on its

part contained in, this Remarketing Agreement and any other instrument or agreement relating thereto to which the District is a party;

(c) it has, on or before the date hereof, duly taken all action necessary to be taken by it prior to such date to authorize (i) the execution, delivery and performance of this Remarketing Agreement, the Trust Agreement, the Reimbursement Agreement and any other instrument or agreement to which the District is a party and which has been or will be executed in connection with the transactions contemplated by the foregoing documents; and (ii) the carrying out, giving effect to, consummation and performance of the transactions and obligations contemplated by the foregoing agreements and by the current disclosure material relating to the Certificates;

(d) it will provide the Remarketing Agent, at the address noted in Section 14 hereof, (i) within 45 days of the end of each of its first three fiscal quarters, with copies of its quarterly financial statements, and (ii) within 120 days of the end of each fiscal year, with a copy of its annual audited financial statements for that fiscal year; and

(e) it will promptly notify the Remarketing Agent by Electronic Means of any material adverse changes that may affect the remarketing of the Certificates or any fact or circumstance which may constitute, or with the passage of time will constitute, an event of default under the Certificates, the Trust Agreement [, the Letter of Credit] or the Reimbursement Agreement.

(f) all disclosure material, including, without limitation, preliminary and final official statements, reoffering documents, and supplements, amendments and updates to any thereof, furnished by the District and used by the Remarketing Agent (including amendments, supplements and replacements thereof), until such time as they shall have been subsequently amended, updated or replaced, shall not contain any untrue, incorrect or misleading statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

Section 10. *Term of Agreement.* This Agreement shall become effective on the date hereof and shall continue in full force and effect until the payment in full of the Certificates or the earlier conversion of all Certificates to the Long-Term Interest Rate Mode or the Bond Interest Term Rate Mode, subject to the right of suspension and termination as provided herein

Section 11. *Governing Law.* This Remarketing Agreement shall be governed by and construed in accordance with the laws of the State of New York, except that the obligation of the District shall be governed by and construed in accordance with the laws of the State of California.

Section 12. *Dealing in Certificates by the Remarketing Agent; No Obligation to Purchase Certificates.*

(a) The Remarketing Agent, in its individual capacity, may in good faith buy, sell, own, hold and deal in any of the Certificates, including, without limitation, any Certificates offered and sold by the Remarketing Agent pursuant to this Remarketing Agreement, and may join in any action which any Owner may be entitled to take with like effect as if it did not act in any capacity hereunder. The Remarketing Agent, in its individual capacity, either as principal or agent, may also engage in or be interested in any financial or other transaction with the District and may act as depository, or agent for any committee or body of Owners secured hereby or other obligations of the District as freely as if it did not act in any capacity hereunder.

(b) Nothing in this Remarketing Agreement shall be deemed to constitute the Remarketing Agent an underwriter of the Certificates or to obligate the Remarketing Agreement to purchase any Certificates at any time.

Section 13. *Intention of Parties.* It is the express intention of the parties hereto that any purchase, sale or transfer of any Certificates, as herein provided, shall not constitute or be construed to be the extinguishment of any Certificates or the indebtedness represented thereby or the reissuance of any Certificates.

Section 14. *Miscellaneous.* Except as otherwise specifically provided in this Remarketing Agreement, all notices, demands and formal actions under this Remarketing Agreement shall be in writing and either (i) hand-delivered, (ii) sent by electronic means, or (iii) mailed by registered or certified mail, return receipt requested, postage prepaid, to:

If to the Remarketing Agent: Barclays Capital
745 Seventh Avenue, 7th Floor
New York, NY 10019
Attention: Municipal Bond Department
Short Term Products Manager
Phone: (212) 528-1011

With a copy to: Mr. Kenneth Gambone
Barclays Capital
745 Seventh Avenue, 19th Floor
New York, New York 10019
Phone: (212) 526-2093
Fax: (646) 758-1905
Email: kgambone@barclayscapital.com

If to the District: Napa Sanitation District
935 Hartle Court
Napa, California 94559
Attention: General Manager
Phone: (707) 258-6000
Fax: (707) 258-6048
E-mail: mabramson@napasan.com

If to the Trustee: The Bank of New York Mellon Trust Company, N.A.
700 South Flower Street, Suite 500
Los Angeles, California 90017
Phone: (213) 630-6407
Fax: (213) 630-6480
E-mail: fanny.chen@bnymellon.com

If to the Bank: Wells Fargo Bank, National Association
707 Wilshire Boulevard 11th Floor
MAC E2818-114
Los Angeles, California 90017
Attention: Corporate Loan Administration
Phone: (213) 614-2420
Fax: (213) 614-3555
E-mail: zimmejd@wellsfargo.com

With a copy to:

Wells Fargo Bank, National Association
550 California Street, 10th Floor
San Francisco, California 94104
Phone: (415) 602-9610
Fax: (415) 646-8767
E-mail: shelleyr@wellsfargo.com

Each party hereto may, by notice given under this Remarketing Agreement to the other parties described above, designate other addresses to which subsequent notices, requests, reports or other communications shall be directed.

(b) This Agreement shall inure to the benefit of and be binding only upon the parties hereto and their respective successors and assigns. The terms "successors" and "assigns" shall not include any purchaser of any of the Certificates merely because of such purchase. Neither the Bank nor any Owner or other third party shall have any rights or privileges hereunder.

(c) All of the representations and warranties of the District and the Remarketing Agent in this Remarketing Agreement shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of the Remarketing Agent or the District, (ii) the offering and sale of and any payment for any Certificates hereunder, or (iii) suspension, termination or cancellation of this Remarketing Agreement.

(d) This Agreement and each provision hereof may be amended, changed, waived, discharged or terminated only by an instrument in writing signed by the parties hereto.

(e) Nothing herein shall be construed to make any party an employee of the other or to establish any fiduciary relationship between the parties except as expressly provided herein.

(f) If any provision of this Remarketing Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable for any reason, such circumstances shall not have the effect of rendering any other provision or provisions of this Remarketing Agreement invalid, inoperative or unenforceable to any extent whatsoever.

(g) This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

(h) This Remarketing Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

IN WITNESS WHEREOF, the parties hereto have executed this Remarketing Agreement as of the date first above written.

NAPA SANITATION DISTRICT,
CALIFORNIA

By _____
Name _____
Title _____

BARCLAYS CAPITAL INC.

By _____
Kenneth G. Gambone
Senior Vice President