

**BONDHOLDER CONSENT
to Amendment to Ordinance,
Second Supplemental Indenture, and
Change in Obligor
with respect to
Detroit Water and Sewerage Department
Sewage Disposal System Revenue Bonds**

City of Detroit (the “City”)
Detroit Water and Sewerage Department
735 Randolph Street
Detroit, MI 48226
wheatley@dwsd.org

U.S. Bank National Association, as Trustee
535 Griswold Street, Suite 550
Detroit, MI 48226
cts.specfinance@usbank.com

Citigroup Global Markets Inc.,
as Consent Solicitation Manager
Mike Leffler
390 Greenwich Street
New York, NY 10013
mike.leffler@citi.com

Re: Consents to Changes to Certain Bond Financing Documents

Ladies and Gentlemen:

Description of Consents

The undersigned hereby consents (collectively, the “Consents”) to:

- (i) the Amendment to Ordinance attached as Exhibit A (the “Amendment to Ordinance”);
- (ii) the Second Supplemental Indenture attached as Exhibit B (the “Second Supplemental Indenture”); and
- (iii) the obligor on the Bonds For Which Consents Are Being Delivered (as defined below) being changed from the City to the Great Lakes Water Authority on the Effective Date (as defined below), and in connection with such change in obligor the release and discharge of the City and the Detroit Water and Sewerage Department from all obligations and liabilities under the Bonds For Which Consents Are Being Delivered, and the release from all obligations of U.S. Bank National Association, as the trustee therefor, in connection with such bonds, all as described under “Change in Obligor” below.

The Consents apply for the aggregate principal amount of each series of Bonds indicated in the table set forth below entitled “Description of the Bonds For Which Consents Are Being

Delivered” (which Bonds are referred to herein as the “Bonds For Which Consents Are Being Delivered”).

Change in Obligor

As described in the Consent Solicitation Disclosure Statement dated November 12, 2015 (the “Consent Solicitation Disclosure Statement”), the City and the Great Lakes Water Authority (the “GLWA”) have entered a Regional Sewage Disposal System Lease dated June 12, 2015 (the “Lease”), the term of which commences on the Effective Date (as defined in the Lease, the “Effective Date”), and the Lease sets forth certain conditions precedent to the Effective Date.

The Lease provides that, as of the Effective Date, the GLWA will assume all of the City’s obligations under the outstanding Detroit Water and Sewerage Department (the “DWSD”) bonds for the DWSD sewage disposal system, including all the obligations to make payments of principal of and interest on the DWSD sewage disposal system bonds, which payments shall be payable solely from the Net Revenues (as defined in the Lease, the “Net Revenues”) of the sewage disposal system, and shall not constitute a full faith and credit obligation of the GLWA. Accordingly, on and after the Effective Date of the Lease, the GLWA will be contractually obligated to make debt service payments on the Bonds For Which Consents Are Being Delivered from the Net Revenues. Additional contractual obligations of the GLWA under the Lease with respect to the DWSD sewage disposal system are described in the Consent Solicitation Disclosure Statement.

The undersigned hereby consents and agrees to the change in obligor on the Bonds For Which Consents Are Being Delivered from the City to the GLWA on the Effective Date, and accordingly the GLWA shall become the successor obligor to the City and the DWSD for the Bonds For Which Consents Are Being Delivered. As the successor obligor, the GLWA shall assume, as of the Effective Date, all obligations and responsibilities of the City and the DWSD under the Bonds For Which Consents Are Being Delivered, including the obligation to make debt service payments on the Bonds For Which Consents Are Being Delivered from the Net Revenues. Furthermore, the undersigned agrees that the obligations and liabilities of the City and the DWSD under the Bonds For Which Consents Are Being Delivered, and the obligations of U.S. Bank National Association as trustee for such bonds, shall be released and discharged as of the Effective Date.

Representation and Warranties of the Bondholder

The undersigned further:

1. Represents and warrants that the undersigned was, as of November 10, 2015, and is, as of the date hereof, the beneficial owner of the Bonds For Which Consents Are Being Delivered, and has full power and authority to deliver these Consents with respect to the Bonds For Which Consents Are Being Delivered.
2. Acknowledges and agrees that delivery of the Consents by the undersigned will constitute a binding agreement of the undersigned, its successors and assigns, and any future holders of the Bonds For Which Consents Are Being Delivered.

3. Acknowledges receipt of the Consent Solicitation Letter dated November 12, 2015 from the DWSD (the “Consent Solicitation Letter”), the terms and conditions of which are incorporated herein by reference, the Form of Amendment to Ordinance attached as Exhibit A, the Form of Second Supplemental Indenture attached as Exhibit B, and the Consent Solicitation Disclosure Statement.

4. Represents that it has performed its own investigation and due diligence regarding these Consents, the Amendment to Ordinance, the Second Supplemental Indenture and the Change in Obligor described above, and that the undersigned has sufficient knowledge and experience in financial, legal and business matters to review and evaluate the merits of these Consents and the other material referenced herein.

Effective Date for Consents

These Consents shall be valid as of the date set forth in the signature block below (and if not dated then as of the date received by Citigroup Global Markets Inc., as the Consent Solicitation Manager) and shall become irrevocable on such date (the “51% Consent Date”) that DWSD certifies to U.S. Bank National Association, as Trustee (the “Trustee”) that consents to the Amendment to Ordinance and consents to the Second Supplemental Indenture have been received by the holders of not less than 51% in principal amount of the securities outstanding under the Bond Ordinance (as defined in the Consent Solicitation Disclosure Statement). As described in the Consent Solicitation Letter, the DWSD has agreed to post on the Municipal Securities Rulemaking Board’s EMMA website notice following the occurrence of the 51% Consent Date.

Prior to the 51% Consent Date, the undersigned may withdraw Consents that have been submitted by providing written notification of withdrawal of the Consents to DWSD, the Consent Solicitation Manager, and to the Trustee, each at the email address listed above for such party.

Description of the Bonds For Which Consents Are Being Delivered

| Name and Address of <u>Beneficial Owner</u> | Bond Series <u>Designation</u> | <u>CUSIP Number</u> | Aggregate Principal Amount as to Which Consents are <u>Delivered</u> |
|--|-----------------------------------|---------------------|---|
| | | | |
| | | | |
| | | | |
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Delivery of Consents by Beneficial Owner

The undersigned hereby delivers its Consents to (i) the Amendment to Ordinance attached as Exhibit A, (ii) the Second Supplemental Indenture attached as Exhibit B, and (iii) the Obligor on the Bonds For Which Consents Are Being Delivered being changed from the City of Detroit to the Great Lake Water Authority as of the Effective Date and as described under “Change in Obligor” above, and the obligations and liabilities of the City and the DWSD under the Bonds For Which Consents Are Being Delivered, and the obligations of U.S. Bank National Association as trustee for such bonds, being released and discharged as of the Effective Date, as described under “Change in Obligor” above.

The undersigned further directs the DTC Participant that holds the Bonds For Which Consents Are Being Delivered to complete the DTC Participant Consent Form attached as Schedule 1 and email this Bondholder Consent Form and the DTC Participant Consent Form to mike.leffler@citi.com and cts.specfinance@usbank.com.

Holder: _____

By: _____

Name (please print): _____

Capacity: _____

Dated: _____

Address: _____

(Must be signed by or on behalf of the beneficial owner of the Bonds For Which Consents Are Being Delivered. If signature is by trustee, executor, administrator, guardian, attorney-in-fact, officer of corporation or other acting in a fiduciary or representative capacity, please set forth the full title.)

NOTARY:

_____)
_____)ss
_____)

The foregoing was acknowledged before me this ____ day of _____, 2015 by _____, the _____ of _____.

Notary Public, State of _____,
County of _____
My Commission Expires:

Schedule 1

DTC Participant Consent Form

DELIVERY INSTRUCTIONS

U. S. Bank National Association, as Trustee
Attn: cts.specfinance@usbank.com

Citigroup Global Markets Inc., as Consent Solicitation Manager
Attn: Mike Leffler mike.leffler@citi.com

For information please email cts.specfinance@usbank.com or mike.leffler@citi.com

COMPLETE THIS TABLE

DTC Participant Name:

DTC Participant Number:

DESCRIPTION OF BONDS AS TO WHICH CONSENTS ARE GIVEN

| CUSIP | Aggregate Principal Amount of Bonds | Principal Amount with respect to which Consents are given (Complete only if Consents relate to less than entire aggregate principal amount) |
|-------|--|---|
| | | |
| | | |
| | | |

IMPORTANT - SIGNATURE PAGE

An authorized DTC Participant must execute this Consent Form exactly as its name appears on DTC's position listing as of the Record Date. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer or a corporation or other person acting in a fiduciary or representative capacity, such person should so indicate when signing and must submit proper evidence satisfactory to the Company of such person's authority so to act.

Dated _____

Sign Here X _____

Name of DTC Participant _____
(Please Print)

Area Code & Telephone No. _____

Email Address _____

SIGNATURE GUARANTEE

(Apply Medallion Signature Guarantee Stamp Here)

Exhibit A

Form of
Amendment to Ordinance

**Amendment to Ordinance
Dated _____, 2015**

**Relating to City of Detroit, Michigan
Department of Water and Sewerage
Sewage Disposal System Revenue and Revenue Refunding Bonds**

An Ordinance to Amend Ordinance No. 27-86 as Amended and Supplemented by Ordinance No. 7-87, Ordinance No. 38-92, Ordinance No. 3-93, Ordinance No. 31-95, Ordinance No. 16-97, Ordinance No. 24-97, Ordinance No 36-99, all as Amended and Restated by Ordinance No. 18-01 of the City of Detroit and further Amended and Supplemented by Amendment to Ordinance dated August 27, 2014.

WHEREAS, the City of Detroit, Michigan (the “City”), pursuant to Ordinance No. 18-01 adopted by its City Council on October 18, 2001 (the “Council”), which amended and restated certain prior Ordinances (the “Ordinance”) has heretofore issued several series of its Sewage Disposal System Revenue Bonds and Sewage Disposal System Revenue Refunding Bonds; and

WHEREAS, Article 7, Chapter 12, of the 2012 Detroit City Charter (the “Charter”) creates, pursuant to federal court order, the Water and Sewerage Department (the “Department”) which is part of the City and is “headed by a seven (7) member board known as the Board of Water Commissioners [(the “DWSD Board”)] [who are] be appointed by and serve at the pleasure of the Mayor...;” and

WHEREAS, as of June 1, 2012, the City, the Department and U.S. Bank National Association, as Trustee, (the “Trustee”) entered into a Trust Indenture relating to the outstanding secured obligations of the Detroit Water and Sewerage Department (Sewage Disposal System) (the “Indenture”); and

WHEREAS, on September 9, 2014, representatives of the City, the State of Michigan, and the counties of Oakland, Wayne and Macomb, Michigan, entered into a Memorandum of Understanding Regarding the Formation of the Great Lakes Water Authority (the “MOU”); and

WHEREAS, the MOU contemplates the formation of GLWA as a regional authority, lease of the System, except the Detroit Local Sewer Facilities (each as defined herein) by the City to GLWA, and assumption by GLWA of all outstanding DWSD bonds; and

WHEREAS, the City and the Department have determined that it is in the best interest of the City and the Department to amend the Ordinance so as to include certain provisions permitting the implementation of the MOU subject to certain conditions described herein; and

WHEREAS, Section 23A of the Ordinance provides, with respect to any amendment to the Ordinance, that no Holders of a Priority of Securities shall be “materially adversely affected” for the purposes of an amendment to the Ordinance, so long as such amendment does not change any coverage percentage established for such Priority of Securities or is not an amendment that requires the Consent of the Holders of such Security under Section 23B of the Ordinance; and

WHEREAS, Section 23A of the Ordinance provides that a confirmation of the rating of the Securities held by Holders affected by any amendment of or supplement to the Ordinance shall be conclusive evidence that such Holders were not materially adversely affected by such amendment or supplement; and

WHEREAS Section 23B of the Ordinance provides that “With the consent of the Holders of not less than 51% in principal amount of Securities then Outstanding, the City may from time to time and at any time amend this Ordinance in any manner,” further providing that no such amendment may “(1) reduce the aforesaid percentage of Holders of Securities required to consent to an amendment to this Ordinance without the consent of the Holders of all Securities then Outstanding or (2) without the consent of the Holder of each Security affected thereby, (i) extend the fixed maturity of such Security or reduce the rate of interest thereon or extend the time of payment of interest, or reduce the amount of the principal or redemption premium thereof, or reduce or extend the time for payment of any premium payable on the redemption thereof, or (ii) change the Priority of such Security or deprive such Holder of the right to payment of such Security from Pledged Assets;” and

WHEREAS, the City and the Department, have obtained the consent of the Holders of not less than 51% in principal amount of Securities currently Outstanding to this Amendment to Ordinance; and

WHEREAS, the City and the Department determine that it is in the best interests of the City and Holders to amend the Ordinance as set forth herein; and

NOW, THEREFORE, THE CITY AND THE DEPARTMENT, ORDAIN:

Section 1. Amendments and Supplements to the Ordinance.

Amendments and Supplements to Definitions in Section 1 of the Ordinance. The following definitions are added to the Section 1 or amended and restated in Section 1 of the Ordinance:

“**City**” means the City of Detroit, County of Wayne, State of Michigan or, upon consummation of a Permitted GLWA Transaction, GLWA. [modified language underlined for ease of review]

“**Detroit Local Sewer Facilities**” means that portion of the System that provides sewer service directly to Retail Customers.

“**Effective Date**” shall be the date on which a Permitted GLWA Transaction becomes effective.

“**GLWA**” means the Great Lakes Water Authority, as assignee, assumer and successor to the City under this Ordinance.

“**GLWA Lease Conditions**” means the conditions precedent to a Permitted GLWA Transaction that are set forth in the Lease.

“**GLWA Transaction Conditions**” means (a) satisfaction of the GLWA Lease Conditions, (b) effectiveness of the Master Bond Ordinance in accordance with its terms as a complete amendment and restatement of the Ordinance and the Indenture and (c) confirmation of the assignment and assumption of all Revenues, Outstanding Securities, including Credit Enhancement thereon and Ancillary Obligations thereto, and, as applicable, undertakings made by the City under Rule 15c2-12 of the Securities and Exchange Commission with respect to Outstanding Securities.

“**GLWA Transaction Compliance Certification**” means a certificate, in substantially the same form attached hereto as Exhibit A, executed by both an authorized officer of the City and an authorized officer of GLWA, certifying that the GLWA Transaction Conditions have all been satisfied.

“**Indenture**” means the Trust Indenture among the City, the Department and U.S. Bank National Association, as trustee, dated as of June 1, 2012, as amended and supplemented from time to time.

“**Lease**” means the Lease executed between the City and GLWA on June 12, 2015, as amended and supplemented from time to time.

“**Leased Sewer Facilities**” means that portion of the System that provides sewer service to the wholesale customers thereof and Retail Customers up to the point of connection to the Detroit Local Sewer Facilities.

“**Master Bond Ordinance**” means the Master Bond Ordinance No. 2015-02 adopted by GLWA on October 7, 2015, effective on the Effective Date, as amended and supplemented from time to time.

“**Permitted GLWA Transaction**” means a transaction or series of transactions, executed with a simultaneous Effective Date, pursuant to which (a) the City of Detroit leases all of the System, other than the Detroit Local Sewer Facilities, to GLWA for a period of not less than forty years, (b) the City of Detroit assigns to GLWA and GLWA assumes and becomes successor to, all of the City of Detroit’s Outstanding Securities and obligations under the Ordinance, (c) the City of Detroit and GLWA enter into a Water and Sewer Services Agreement and a Shared Services Agreement or similar document providing for the operation and maintenance of the System and the Detroit Local Sewer Facilities, *provided* such transaction or series of transactions meets the GLWA Transaction Conditions.

“**Retail Customers**” means those customers located within and outside the City that receive sewer service directly from the Detroit Local Sewer Facilities.

“**Revenues**” shall have the meaning set forth in the Ordinance and for the avoidance of doubt shall, upon consummation of a Permitted GLWA Transaction, include Revenues from the System, *including*, Retail Revenues as defined in the Master Bond Ordinance.

“**System**” shall have the meaning set forth in the Ordinance, and for the avoidance of doubt shall, upon consummation of a Permitted GLWA Transaction, include the Leased Sewer Facilities and the Detroit Local Sewer Facilities.

Amendment to Section 19(a) of the Ordinance. Section 19(a) of the Ordinance is amended and restated as follows:

The City is the lawful owner of the System; the System is free from any and all liens and encumbrances; and the City has good, right and lawful authority to encumber and pledge the Pledged Assets as herein encumbered and pledged provided, however, that upon consummation of a Permitted GLWA Transaction, GLWA shall be the lawful lessee of the Leased Sewer Facilities and the City of Detroit shall be the lawful owner of the Detroit Local Sewer Facilities, the System shall be free from any and all liens and encumbrances other than as may be permitted or established as part of a Permitted GLWA Transaction, and GLWA shall have good right and lawful authority to encumber and pledge the Pledged Assets as herein encumbered and pledged. [modified language underlined for ease of review]

Amendment to Section 19(d) of the Ordinance. The first sentence of Section 19(d) of the Ordinance is amended and restated as follows:

The City will not sell, lease or dispose of the System or any substantial part thereof until all Outstanding Securities have been paid in full as to both principal and interest except that the City of Detroit may lease all or a substantial part of the System to GLWA as part of a Permitted GLWA Transaction, so long as the GLWA Transaction Conditions are satisfied and a GLWA Transaction Compliance Certification is provided to the Trustee. [modified language underlined for ease of review]

Amendment to Section 23A of the Ordinance. Section 23A of the Ordinance is amended to add the following subsection (d):

(d) This Ordinance may be further amended or supplemented, without further consent of the Holders of Securities, by the Master Bond Ordinance simultaneously with consummation of a Permitted GLWA Transaction, so long as (a) GLWA becomes the assignee, assumer and successor to the City of its obligations under this Ordinance, and

(b) the GLWA Transaction Conditions are satisfied and a GLWA Transaction Compliance Certification is provided to the Trustee.

Section 2. Severability; Paragraph Headings; and Conflict.

If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any other provision of this Ordinance. The paragraph headings in this Ordinance are furnished for convenience of reference only and shall not be considered to be part of this Ordinance.

Section 3. Publication and Recordation.

This Ordinance shall be published in full in a newspaper of general circulation in the City qualified under State Law to publish legal notices, promptly after its adoption.

Section 4. Effective Date.

This Ordinance shall be effective immediately.

Exhibit B

Form of

Second Supplemental Indenture

SECOND SUPPLEMENTAL INDENTURE

Dated as of _____ 1, 2015

to the

TRUST INDENTURE

By and Among

THE CITY OF DETROIT,

DETROIT WATER AND SEWERAGE DEPARTMENT

and

U.S. BANK NATIONAL ASSOCIATION

as Trustee

**RELATING TO THE OUTSTANDING SECURED OBLIGATIONS
OF THE DETROIT WATER AND SEWERAGE DEPARTMENT
(SEWAGE DISPOSAL SYSTEM)**

Dated as of June 1, 2012

**SECOND SUPPLEMENTAL INDENTURE
TO THE
TRUST INDENTURE**

This Second Supplemental Indenture (this “*Second Supplemental Indenture*”) supplements the Trust Indenture dated as of June 1, 2012 as previously supplemented as of September 1, 2014 (as supplemented, the “*Indenture*”), is dated as of _____ 1, 2015, effective _____, 2015 (the “*Effective Date*”), and is entered into by and among the City of Detroit Water and Sewerage Department, an enterprise agency of the City of Detroit, Michigan (the “*Department*”), the City of Detroit, Michigan, (the “*City*”) and U.S. Bank National Association, as trustee (the “*Trustee*”).

WHEREAS, pursuant to Act 94, Public Acts of Michigan, 1933, as amended (the “*Act*”), the City, the Department and the Trustee have previously entered into the Indenture; and

WHEREAS, the City and the Department have outstanding bonds that have been issued under the Indenture and the Ordinance (as defined in the Indenture) (all such outstanding bonds are collectively referred to as the “*Outstanding Sewage Disposal System Revenue Bonds*”); and

WHEREAS, on September 9, 2014, representatives of the City, the State of Michigan, and the counties of Oakland, Wayne and Macomb, Michigan, entered into a Memorandum of Understanding Regarding the Formation of the Great Lakes Water Authority (the “*MOU*”); and

WHEREAS, the MOU contemplates the formation of Great Lakes Water Authority (“*GLWA*”) as a regional authority, lease of the System (except the Detroit local system infrastructure) by the City to GLWA, and assumption by GLWA of all Outstanding Sewage Disposal System Revenue Bonds; and

WHEREAS, the City and the Department have determined that it is in the best interest of the City and the Department to amend the Ordinance so as to include certain provisions permitting the implementation of the MOU subject to certain conditions described in the Amendment to Ordinance; and

WHEREAS, the City and the Department, upon receipt of the requisite consents of Holders of not less than 51% of Outstanding Sewage Disposal System Revenue Bonds under Section 23B of the Ordinance, are amending the Ordinance (as detailed in the Amendment to Ordinance attached hereto as Exhibit A (the “*Amendment to Ordinance*”)) to add certain provisions thereto which (i) provide for the lease of the Regional Sewer System (as defined in the Ordinance) to GLWA, (ii) provide for the assumption by GLWA of all debt obligations of the Department and the City under the Ordinance, and (iii) provide for the further amendment and restatement of the Ordinance and the Indenture by GLWA pursuant to a Master Bond Ordinance No. 2015-02 adopted by GLWA on October 7, 2015 and effective in accordance with the terms thereof (the “*Master Bond Ordinance*”); and

WHEREAS, the GLWA Transaction Conditions defined in the Amendment to Ordinance condition transfer to the GLWA on a number of items, including effectiveness of the Master

Bond Ordinance which (i) retains a third party trustee, initially U.S. Bank National Association, as trustee of the pledged assets and trust estate, (ii) pledges the pledged assets to the Trustee for the payment of the securities under the Master Bond Ordinance pursuant to pledge language substantially the same as that set forth in the Ordinance, and (iii) retains the same flow of funds generally established in Section 2.03 of the Indenture; and

WHEREAS, accordingly, the City, the Department and GLWA have concluded that upon consummation of a Permitted GLWA Transaction (one which complies with the GLWA Transaction Conditions), the Master Bond Ordinance will become effective, amending and restating both the Ordinance and the Indenture;

WHEREAS, the City, the Department and the Trustee desire to enter into this Second Supplemental Indenture to supplement certain provisions of the Indenture to permit, subject to certain conditions set forth herein, the consummation of a Permitted GLWA Transaction (one which complies with the GLWA Transaction Conditions); and

WHEREAS, Section 7.02 of the Indenture authorizes indentures or indentures supplemental to the Indenture and not inconsistent with the provisions of the Ordinance (as defined in the Indenture) for one or more purposes, upon receipt of the consent of the Holders (as defined in the Indenture) of not less than a majority in aggregate principal amount of the Outstanding Securities (as defined in the Indenture) affected thereby;

WHEREAS, the consent of the Holders of not less than 51% of the Outstanding Sewage Disposal System Bonds under Section 7.02 of the Indenture to the provisions of this Second Supplemental Indenture have been obtained;

WHEREAS, the consent of all Financial Facilities (as defined in the Indenture) to the amendments to the Ordinance and the provisions of this Second Supplemental Indenture have been obtained;

WHEREAS, the supplements made by this Second Supplemental Indenture are supplements authorized by Section 7.02 of the Indenture;

NOW, THEREFORE, by this Second Supplemental Indenture, the City and the Department have agreed and covenanted and hereby agree and covenant with the Trustee, the Holders of the Outstanding Sewage Disposal System Revenue Bonds under the Indenture and any future Holders of the Outstanding Sewage Disposal System Revenue Bonds under the Indenture as follows:

SHORT TITLE, DEFINITIONS AND AUTHORITY

Short Title. This document shall be known as and may be designated by the short title “Second Supplemental Indenture.”

Definitions. All words and phrases defined in Article I of the Indenture shall have the same meaning in this Second Supplemental Indenture, except as otherwise amended or defined in this Second Supplemental Indenture.

Authority. This Second Supplemental Indenture is adopted pursuant to the provisions of the Act, the Indenture, and the resolution of the Board of Water Commissioners of the Department adopted November 4, 2015.

SUPPLEMENT TO THE INDENTURE

Supplement to Article VII of the Indenture. From and after the Effective Date, the following Section 7.04 is added to the Indenture:

Section 7.04 Replacement of Indenture with Master Bond Ordinance.

This Indenture may be amended and restated and incorporated into the Master Bond Ordinance, without further consent of the Holders of Securities, by the GLWA simultaneously with consummation of a Permitted GLWA Transaction, so long as (a) GLWA becomes the assignee, assumer and successor to the City of its obligations under the Indenture, and (b) the GLWA Transaction Conditions are satisfied and a GLWA Transaction Compliance Certification is provided to the Trustee.

GENERAL PROVISIONS

Second Supplemental Indenture Construed with Indenture. All of the provisions of this Second Supplemental Indenture shall be deemed to be construed as part of the Indenture to the same extent as if fully set forth therein.

Execution in Counterparts. This Second Supplemental Indenture may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same instrument.

Severability. If any section, paragraph, clause or provision of this Second Supplemental Indenture shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Second Supplemental Indenture.

Governing Law. This Second Supplemental Indenture shall be construed in accordance with the laws of the State of Michigan.

IN WITNESS WHEREOF, the authorized officers of the Department, the City and the Trustee have executed this Second Supplemental Indenture as of the date first written above.

DETROIT WATER AND SEWERAGE
DEPARTMENT

By: _____
Sue F. McCormick
Its: Director

CITY OF DETROIT

By: _____
John Naglick, Jr.
Its: Chief Deputy CFO/
Finance Director

U.S. BANK NATIONAL ASSOCIATION

By: _____
Susan T. Brown
Its: Senior Vice President

**EXHIBIT A
TO
SECOND SUPPLEMENTAL INDENTURE**

AMENDMENT TO ORDINANCE

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