

INVESTMENT REPURCHASE AGREEMENT

THIS INVESTMENT REPURCHASE AGREEMENT (the "Agreement") dated as of April 25, 1996 is entered into by and between **WESTDEUTSCHE LANDESBANK GIROZENTRALE** ("Seller"), acting through its New York Branch, **NORWEST BANK, N.A.**, as Custodian (the "Custodian"), and **MERCANTILE BANK OF ST. LOUIS NATIONAL ASSOCIATION** ("Buyer"), as trustee, under that Bond Indenture dated as of April 1, 1996 (the "Indenture") between the State Environmental Improvement and Energy Resources Authority (the "Issuer") and Buyer providing for the issuance of \$4,545,000 principal amount of the Issuer's Water Pollution Control Revenue Bonds (State Revolving Fund Program - Multiple Participant Series) Series 1996B (the "Bonds"), and as Master Trustee (as defined in the Indenture). Capitalized terms used herein and not otherwise defined shall have the meaning provided in Section 2 hereof.

WITNESSETH:

WHEREAS, the Indenture establishes various trust funds and accounts for the receipt and disbursement of moneys, all as more fully set forth in the Indenture;

WHEREAS, pursuant to the Indenture, the Issuer has directed Buyer to invest certain moneys received by Buyer under the Indenture with Seller pursuant to the terms and provisions of this Agreement;

WHEREAS, Seller is willing, on the terms and conditions set forth in this Agreement, to enter into the repurchase transaction described herein and accept the investment of certain moneys held by Buyer under the Indenture in the funds and accounts (individually a "Fund" and, collectively, the "Funds") identified in Exhibit A hereto; and

WHEREAS, the Custodian is willing to act as custodian of the Securities for the Buyer as provided herein.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants herein set forth, Seller, Custodian and Buyer hereby agree as follows:

SECTION 1. APPLICABILITY

On April 25, 1996 ("Purchase Date"), Seller agrees to transfer to Custodian, as agent for the Buyer, Securities having a Market Value not less than the Valuation Amount, pursuant to Custodian's Delivery instructions set forth in Annex I hereto, against the transfer of US \$4,433,867.63 by Buyer to Seller by wire transfer in immediately available funds to the Seller's account with Bank of New York, New York, New York (ABA #021000018, Account No. IOC 111-569/WLB designating such funds as "Westdeutsche Landesbank Girozentrale, as Seller under Investment Repurchase Agreement dated as of April 25, 1996, Reference State Environmental Improvement and Energy Resources Authority Series 1996B," and such amounts shall be allocated to the Funds as provided in Exhibit A hereto. Seller further agrees to repurchase from Buyer and Buyer further agrees to cause the Custodian to transfer and sell to Seller all or a portion of the Securities on the applicable Repurchase Dates against the transfer of the applicable Repurchase Price by Seller, as provided herein. The Seller's delivery instructions are: Bank

of New York, ABA #: 021000018, For the Account of: Westdeutsche Landesbank Girozentrale, New York Branch. Account: IOC 111-569/WLB. Ref.: EI ERA, SRF96B. The Seller further agrees to make payments of Price Differential applicable to each Fund to Buyer on the Price Differential Payment Dates specified in Exhibit A hereto. Buyer further agrees to make payments of Income, or cause the Custodian to make payments of Income, to the Seller as provided in Section 4 hereof. This transaction shall be referred to herein as a "Transaction" and shall be governed by this Agreement, including any supplemental terms or conditions contained in Annex I hereto, unless otherwise agreed in writing.

The Securities shall, during the term of this Agreement, have a Market Value of not less than Valuation Amount. The Securities shall be marked to market weekly (on Wednesday, or if not a Business Day, the next succeeding Business Day, of each week) by the Custodian or its agent. In the event the Market Value of the Securities falls below the Valuation Amount, the Custodian shall immediately notify the Buyer and the Seller of the deficiency and the Seller shall deliver to the Custodian within two (2) Business Days of the Seller's receipt of such notice such additional Securities as may be necessary to cause the Market Value of the Securities held by the Custodian pursuant to this Agreement to be not less than the Valuation Amount.

The Buyer may repurchase from Seller Securities (or any portion thereof) previously repurchased by Seller with funds held in the Reserve Fund (the "Repurchased Securities") upon two (2) Business Days prior written notice to the Seller and the Seller hereby agrees to sell the Repurchased Securities to Buyer and transfer such Securities to the Custodian with a simultaneous agreement by Seller to repurchase from Buyer and by Buyer to cause the Custodian to transfer to Seller the Repurchased Securities (which transaction shall be referred to as the "Secondary Transaction" and shall be effected upon the same terms and conditions as the Transaction); provided, however, that the Secondary Transaction shall be effected within thirty-six (36) months after the Repurchase Date on which Seller repurchased the Securities constituting the Repurchased Securities from the Buyer; and further, provided that, after giving effect to the Secondary Transaction, the aggregate Purchase Price allocated to the Reserve Fund shall not exceed \$3,181,500.00.

The Buyer may purchase from Seller additional Securities ("Additional Securities") upon two (2) Business Day's prior written notice to the Seller and the Seller hereby agrees to sell Additional Securities to Buyer with a simultaneous agreement by Seller to repurchase from Buyer and Buyer to transfer to Seller such Additional Securities (which transaction shall be referred to as a "Secondary Transaction" and shall be effected upon the same terms and conditions as the Transaction) and Seller shall allocate the Purchase Price paid for such Additional Securities to the Debt Service Fund or the Reserve Fund or both, provided, however, that the total amount of the Purchase Price held in the Debt Service Fund at any one time shall not exceed \$368,200.00, and the total amount of the Purchase Price held in the Reserve Fund (by reason of the provisions of this or the preceding paragraph) at any one time shall not exceed \$3,181,500.00. The Buyer shall, within thirty (30) days following each Early Repurchase Date for the Construction Loan Fund, purchase Additional Securities, the Purchase Price for which shall be allocated to the Reserve Fund in an amount equal to 70% of the Repurchase Price paid by Seller on such Early Repurchase Date relating to the Construction Loan Fund.

SECTION 2. DEFINITIONS

"*Act of Insolvency*" shall mean, with respect to any party, (i) the commencement by such party as debtor of any case or proceeding under any bankruptcy, insolvency, reorganization, liquidation, dissolution or similar law, or such party seeking the appointment of a receiver, trustee, custodian or similar official for such party or any substantial part of its property, (ii) the commencement of any such

case or proceeding against such party, or seeking such an appointment by any other party, or the filing against a party of an application for a protective decree under the provisions of the Securities Investor Protection Act of 1970, which (1) is consented to or not timely contested by such party, (2) results in the entry of an order for relief, such an appointment, the issuance of such a protective decree or the entry of an order having similar effect, or (3) is not dismissed within fifteen (15) days, (iii) the making by a party of a general assignment for the benefit of creditors, or (iv) the admission in writing by a party of such party's inability to pay such party's debts as they become due.

"Business Day" shall mean any day other than a Saturday, Sunday or other day on which commercial banks are required or authorized to be closed in New York, New York, or the State of Missouri or, with respect to establishing Repurchase Dates and any other date on which Securities are to be transferred hereunder, Minneapolis, Minnesota (or the principal office of any successor Custodian).

"Early Repurchase Date" shall have the meaning, with respect to each Fund, assigned in Exhibit A with respect to each Fund.

"Income" shall mean all amounts payable on or with respect to the Securities, including, all principal, interest, dividends or other distributions made with respect thereto.

"Market Value" shall mean, with respect to the Securities as of any date, the price for such Securities on such date obtained from a generally recognized source agreed to by the parties or the most recent closing bid quotation from such a source, plus accrued income to the extent not included therein (other than any income credited or transferred to, or applied to the obligations of, Seller pursuant to Section 4 hereof) as of such date (unless contrary to market practice for such Securities).

"Price Differential" shall mean, as of any date, the aggregate amount obtained by daily application of the Pricing Rate applicable to the amount allocated to each Fund, as specified in Exhibit A hereto, to the Purchase Price allocated to such Fund, computed on the basis of a 360-day year consisting of twelve 30-day months and, for each computation period, shall commence on (but exclude) the first day of such period and end on (and include) the last day of such period, and shall be compounded semiannually on the Business Day preceding each January 1 and July 1.

"Pricing Rate" shall mean the per annum rate of interest specified for each Fund in Exhibit A hereto.

"Prime Rate" shall mean the prime rate of U.S. money center commercial banks as published in *The Wall Street Journal*.

"Purchase Date" shall mean April 25, 1996.

"Purchase Price" shall mean, on any date, the aggregate price at which Securities (including that paid for any Repurchased Securities or any Additional Securities) have been sold from time to time on or prior to such date by the Seller to the Buyer pursuant to this Agreement, together with all amounts accrued thereon at the Price Differential which have not yet been paid to the Buyer, *less* the aggregate Repurchase Price at which Securities have been repurchased from time to time on or prior to such date by the Seller from the Buyer pursuant to Sections 3 or 11 hereof. The amount of Purchase Price on the Purchase Date shall equal \$4,433,867.63.

"**Repurchase Date**" shall mean, as the context may require, (i) with respect to each portion of Securities specified in Annex I to this Agreement, each of the dates specified therefor in Annex I of this Agreement, or (ii) an Early Repurchase Date; provided, however, that the final Repurchase Date with respect to each Fund shall be the date specified in Exhibit A hereto.

"**Repurchase Price**" shall mean the price at which all or a portion of the Securities are to be transferred from Buyer to Seller upon a Repurchase Date, which will be determined as the sum of the pro rata portion of the Purchase Price allocable to the Securities to be transferred on such Repurchase Date exclusive of Price Differential.

"**Securities**" shall mean securities of the types described in Exhibit B hereto.

"**Valuation Amount**" shall mean an amount equal to the Purchase Price multiplied by the applicable Valuation Percentage(s).

"**Valuation Percentage**" shall mean, with respect to each Security, the applicable valuation percentages as specified on Exhibit B hereto.

SECTION 3. INITIATION; REPURCHASES AND TERMINATION

(a) On the Purchase Date and on the date of any Secondary Transaction, the Seller shall transfer the Securities, Repurchased Securities or Additional Securities, as applicable, to the Custodian as agent of the Buyer against the transfer of the Purchase Price to the account of Seller described in Section 1 hereof.

(b) On each Repurchase Date, (i) the Seller shall repurchase all or a portion of the Securities as specified in the notice from the Buyer to the Seller described in Section 3(c) hereof by transferring the applicable Repurchase Price to the account of the Buyer set forth in Annex I and (ii) the Custodian shall transfer to the Seller the Securities (or portion thereof) specified in such notice.

(c) Repurchases may only be made in accordance with the purposes set forth therefor in the Indenture and as set forth in Exhibit A; however, repurchases must be made with seven (7) days prior written notice in connection with any refunding or redemption of the Bonds, or two (2) Business Days prior written notice in order to preserve the tax-exempt status of the Bonds but, otherwise not for reinvestment purposes. Any notice of an early repurchase shall be in writing delivered to the Seller and the Custodian and shall specify the purpose to which proceeds from such early repurchase of the Securities (or any portion thereof) shall be applied, the Repurchase Price, the Repurchase Date and the Fund or Funds from which the Repurchase Price shall be paid.

(d) In the event the Buyer elects to terminate this Transaction in accordance with the terms hereof, such election shall be made by Buyer in written notice to the Seller and the Custodian, in the form specified in Section 3(c) hereof, delivered to Seller at least two (2) Business Days prior to the requested Early Repurchase Date. On the date specified in such notice, termination of the Transaction will be effected by transfer to Seller or its agent of all Securities not previously repurchased and any Income received by Buyer or Custodian against the transfer of the applicable Repurchase Price to the account of Buyer set forth in Annex I.

(e) The Issuer's reasonably anticipated dates for repurchasing the Securities and the Repurchase Price to be paid on such date for funds held in the Construction Loan Fund is set forth in Exhibit C hereto.

(f) Repurchases shall be made with the funds held in the Reserve Fund on the Repurchase Dates and at the Repurchase Prices specified with respect to such Fund in Exhibit A hereto. The Buyer (based solely upon representations made by the Public Entities (as defined in the Indenture) as to the Public Entities' construction requirements) represents that it will make repurchases from the Reserve Fund in the amounts and on the dates specified in Exhibit E, except if necessary to make a debt service payment.

SECTION 4. INCOME PAYMENTS

If the Transaction's term extends over an Income payment date on the Securities subject to the Transaction, the Buyer or the Custodian, whichever receives any Income, shall, on the date such Income is received, transfer to or credit to the account of Seller specified in Section 1 hereof an amount equal to such Income payment or payments with respect to the Securities subject to the Transaction.

SECTION 5. SECURITY INTEREST

Although the parties intend that the Transaction hereunder be a sale and purchase and not a loan, in the event the Transaction is deemed to be a loan, Seller hereby grants and pledges to Buyer as security for the performance by Seller of its obligations under this Agreement a security interest in all of the Securities hereunder and all proceeds thereof.

SECTION 6. PAYMENT AND TRANSFER

All transfers of funds hereunder shall be in immediately available funds. All Securities transferred by one party hereto to the other party (a) shall be in suitable form for transfer or shall be accompanied by duly executed instruments of transfer or assignment in blank and such other documentation as the party receiving possession may reasonably request, (b) shall be transferred on the book-entry system of a Federal Reserve Bank, (c) shall be transferred delivery versus payment, or (d) shall be transferred by any other method mutually acceptable to Seller and Buyer. As used herein with respect to Securities, "transfer" is intended to have the same meaning as when used in Section 8-313 of the New York Uniform Commercial Code or, where applicable, in any federal regulation governing transfers of the Securities. The Custodian shall transfer the Securities in the manner described in Exhibit D hereto.

SECTION 7. SEGREGATION OF PURCHASED SECURITIES

All Securities in the possession of Custodian shall be segregated from other securities in its possession and shall be identified as subject to this Agreement. Segregation may be accomplished by appropriate identification on the books and records of the holder, including a financial intermediary or a clearing corporation. Title to all Securities shall pass to Buyer (or to the Custodian as agent for the Buyer) and shall revert to Seller upon each Repurchase Date with respect to that portion of the Securities repurchased on such Repurchase Date; provided, however, that Buyer and Custodian shall be precluded from engaging in repurchase transactions with the Securities or otherwise pledging or hypothecating the Securities, and, in any event, neither Buyer nor Custodian shall be relieved of its obligations to transfer

Securities to Seller pursuant to Section 3 or 10 hereof, or of Buyer's or Custodian's obligation to credit or pay Income to Seller pursuant to Section 4 hereof.

SECTION 8. WITHDRAWALS AND SUBSTITUTION

(a) The Seller may, from time to time by delivery of written notice to the Buyer and Custodian, withdraw Securities held by the Custodian so long as immediately after such withdrawal the Market Value of the Securities held by Custodian shall be equal to or greater than the Valuation Amount. Such notice shall state the Securities to be withdrawn, the date of withdrawal and the Market Value of the Securities held by Custodian following such withdrawal. Upon receipt of such notice, the Custodian shall deliver the Securities identified in such notice as provided in Section 6 hereof so long as the Market Value of all Securities held by Custodian pursuant to the terms hereof after such transfer to the Seller is equal to or greater than the Valuation Amount.

(b) Seller may substitute other Securities ("Substitute Securities") for any Securities. Such Substitute Securities shall be limited to securities meeting the description of Securities set forth in Exhibit B hereto. Such substitution shall be made by delivery of written notice from the Seller to the Buyer stating the Securities being substituted for, the Substitute Securities, the date of substitution and the Market Value of all Securities and Substitute Securities held by Custodian after such substitution and delivery of such Substitute Securities. Upon receipt of such notice and Substitute Securities, the Custodian shall deliver the Securities being substituted for to the Seller as provided in Section 6 hereof so long as the Market Value of all Securities and Substitute Securities held by Custodian pursuant to the terms hereof after such transfer to the Seller is equal to or greater than the Valuation Amount. After substitution, the Substitute Securities shall be deemed to be Securities hereunder.

SECTION 9. REPRESENTATIONS

Each of Buyer, Custodian and Seller represents and warrants to the other that (a) it is duly authorized to execute and deliver this Agreement, to enter into the Transaction contemplated hereunder and to perform its obligations hereunder and has taken all necessary action to authorize such execution, delivery and performance, (b) it will engage in such Transaction as principal, (c) the person signing this Agreement on its behalf is duly authorized to do so on its behalf, (d) it has obtained all authorizations of any governmental body required in connection with this Agreement and the Transaction hereunder and such authorizations are in full force and effect and (e) the execution, delivery and performance of this Agreement and the Transaction hereunder will not violate any law, ordinance, charter, by-law or rule applicable to it or any agreement by which it is bound or by which any of its assets are affected. The Seller hereby represents and warrants that, (i) on the Purchase Date, its long-term and short-term senior unsecured debt obligations will be rated "Aa1" / "P1", respectively, by Moody's Investors Service ("Moody's") and (ii) the Securities delivered to the Custodian hereunder shall be free and clear of all liens and encumbrances other than those created hereunder. On the Purchase Date, Buyer, Custodian and Seller shall each be deemed to repeat all the foregoing representations made by it.

SECTION 10. EVENTS OF DEFAULT AND REMEDIES

10.1. Seller Event of Default. Upon the occurrence of any of the following events:

(a) the Seller fails to repurchase any Securities upon the applicable Repurchase Date, and such failure continues for one (1) Business Day following receipt by the Seller of written notice thereof from the Buyer;

(b) the Seller fails to pay any Price Differential due and owing on any Price Differential Payment Date as set forth herein, and such failure continues for one (1) Business Day following receipt by the Seller of written notice thereof from the Buyer;

(c) the Seller fails to deliver Securities at the times and in the amounts required by the second paragraph of Section 1 hereof;

(d) an Act of Insolvency occurs with respect to the Seller;

(e) the Seller fails to perform any of its other obligations under this Agreement, and such failure continues for thirty (30) days following receipt by the Seller of written notice thereof from the Buyer or the Custodian; or

(f) any representation or warranty of the Seller contained herein proves to have been false in some material respect when made;

then the Buyer may, at its option, exercise any or all of the following remedies:

(i) Declare an immediate Repurchase Date for all remaining Securities held hereunder, and the Seller shall be obligated immediately to repurchase all such Purchased Securities at a Repurchase Price equal to the amount of the Purchase Price plus any accrued but unpaid Price Differential;

(ii) Sell any or all Securities and apply the proceeds thereof (and any Income) to the aggregate unpaid Repurchase Price owing by the Seller and return any excess, if any, to the Seller. Any such sale shall be in a recognized market conducted in a commercially reasonable manner at such price or prices as the Buyer may reasonably deem satisfactory. The Buyer may, in lieu of so selling all or a portion of such Purchased Securities, elect to give the Seller credit for such Securities in an amount equal to the prevailing prices therefor in a recognized market against such aggregate unpaid Repurchase Price; or

(iii) Exercise such other rights or remedies which may be available to it at law or in equity.

If upon the occurrence of a Seller Event of Default the Buyer elects to declare an immediate Repurchase Date for all of the Securities and, upon receipt of such Repurchase Price, the Buyer is able to reinvest such funds (and any additional funds which would have been delivered to the Seller pursuant to this Agreement) at yields not less than the Price Differential for each Fund and the terms and conditions and creditworthiness of which investment are substantially identical to this Agreement, the Buyer shall terminate this Agreement by delivery of the notice described in Section 3(d) hereof. If upon the occurrence of a Seller Event of Default the Buyer declares an immediate Repurchase Date for all of the Securities and upon receipt of such Repurchase Price is not able to reinvest such amounts in a manner as described in the preceding sentence, the Buyer shall invest such Funds (and any additional funds which would have been delivered to the Seller pursuant to this Agreement) at the written direction of the Issuer upon the best terms and conditions which it may obtain through the exercise of reasonable efforts, in

which case the Seller shall pay to the Buyer on the termination date such present valued amount as the Issuer shall in good faith determine as shall be sufficient to provide, together with amounts payable under such substitute investment, the anticipated future cash flow payments of each fund under this Agreement plus any reasonable increased costs and fees incurred by the Buyer and the Issuer in connection with such substitution.

10.2. Buyer Event of Default. Upon the occurrence of any of the following events:

(a) the Buyer shall fail to instruct the Custodian to deliver Securities or Income as required hereunder or shall instruct the Custodian not to deliver Securities or Income to the Seller in contravention of the terms hereof and any such failure or contravention continues for one (1) Business Day following receipt by the Buyer and the Custodian of written notice thereof from the Seller;

(b) an Act of Insolvency occurs with respect to the Issuer or the Buyer and, as the result of which, the Custodian is prohibited from delivering Securities or Income to the Seller at the times provided herein and which continues for thirty (30) days after receipt by the Buyer of written notice thereof from the Seller;

(c) the Buyer fails to perform any of its obligations under this Agreement, and such failure continues for thirty (30) days following receipt by the Buyer of written notice thereof from the Seller; or

(d) any representation or warranty of the Buyer contained herein proves to have been false in some material respect when made;

then, upon the occurrence of an event described in 10.2(a) or (b), the Seller may, at its option, exercise any or all of the following remedies:

(i) Declare an immediate Repurchase Date for all remaining Securities held hereunder, and the Buyer shall be obligated to cause the Custodian immediately to transfer all Securities to the Seller for a Repurchase Price equal to the amount of the Purchase Price plus any accrued but unpaid Price Differential then held by the Seller;

(ii) Require that the Buyer or the Custodian immediately deliver to the Seller all Income held by the Buyer or the Custodian, as the case may be;

(iii) Purchase additional Securities ("Replacement Securities") of the same class and amount as the Securities that were not transferred to it as required hereunder. Such purchases may be made in any recognized market at such prices as the Seller may reasonably deem satisfactory. The Buyer shall be liable to the Seller for any excess of the price paid for such Replacement Securities (which price shall include accrued interest) by the Seller over the Repurchase Price which would have been applicable to the Purchased Securities if properly transferred. The Seller may, in lieu of so purchasing Replacement Securities, be deemed to have purchased Replacement Securities at the price therefor obtained from any recognized market on such date as the Seller may deem reasonably satisfactory; or

(iv) Refuse to sell any additional Securities to the Buyer pursuant to the provisions of the last two (2) paragraphs of Section 1 hereof.

In addition, upon the occurrence of any of the events described in 10.2(a) through (d), the Seller may exercise such other rights or remedies which may be available to it at law or in equity.

Notwithstanding any provisions of Section 10.2 to the contrary, upon the occurrence of the events described in Section 10.2(b), the Seller's recourse to the Buyer shall be limited to the "Trust Estate" as defined in the Indenture.

Notwithstanding the provisions of Section 10.1 or 10.2 above, if the Custodian fails to comply with the terms hereof, the Buyer or the Seller may pursue any remedy available at law or in equity against Custodian, including the termination of the Custodian as custodian hereunder but neither Buyer nor Seller shall have the right to pursue any other remedy described under this Agreement.

SECTION 11. NOTICES AND OTHER COMMUNICATIONS

Unless another address is specified in writing by the respective party to whom any notice or other communication is to be given hereunder, all such notices or communications shall be in writing or confirmed in writing and delivered at their respective addresses set forth in Annex I attached hereto and may be given by facsimile transmission. All notices hereunder shall be effective upon their receipt.

SECTION 12. ENTIRE AGREEMENT; SEVERABILITY

This Agreement shall supersede any existing agreements between the parties containing general terms and conditions for repurchase transactions. Each provision and agreement herein shall be treated as separate and independent from any other provision or agreement herein and shall be enforceable notwithstanding the unenforceability of any such other provision or agreement.

SECTION 13. SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors, assigns and beneficiaries. Notwithstanding the foregoing, this Agreement, and the obligations arising out of this Agreement or any part hereof, shall not be sold, pledged, assigned or otherwise transferred by the Seller, Custodian or the Buyer without the prior written consent of the other party hereto and any such attempted sale, pledge, assignment or transfer shall be void *ab initio*; provided, however, that any successor to the Buyer as trustee under the Indenture shall be considered a successor in interest to the Buyer with respect to this Agreement without the necessity of obtaining the prior written consent of the Seller.

SECTION 14. GOVERNING LAW

THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAW PRINCIPLES THEREOF.

SECTION 15. AMENDMENTS AND WAIVERS

No express or implied waiver of any Event of Default by either party shall constitute a waiver of any other Event of Default and no exercise of any remedy hereunder by any party shall constitute a waiver of its right to exercise any other remedy hereunder. No amendment, modification or waiver of

any provision of this Agreement and no consent by any party to a departure here from shall be effective unless and until such shall be in writing and duly executed by both of the parties hereto.

SECTION 16. INTENT

(a) The parties recognize that the Transaction is a "repurchase agreement" as that term is defined in Section 101 of Title 11 of the United States Code, as amended (except insofar as the type of Securities subject to the Transaction or the term of such Transaction would render such definition inapplicable), and a "securities contract" as that term is defined in Section 741 of Title 11 of the United States Code, as amended.

(b) It is understood that either party's right to liquidate Securities delivered to it in connection with the Transaction hereunder or to exercise any other remedies pursuant to Section 11 hereof, is a contractual right to liquidate such Transaction as described in Sections 555 and 559 of Title 11 of the United States Code, as amended.

SECTION 17. DISCLOSURE RELATING TO CERTAIN FEDERAL PROTECTIONS

The parties acknowledge that they have been advised that:

(a) if one of the parties is a broker or dealer registered with the Securities and Exchange Commission ("SEC") under Section 15 of the Securities Exchange Act of 1934 ("1934 Act"), the Securities Investor Protection Corporation has taken the position that the provisions of the Securities Investor Protection Act of 1970 ("SIPA") do not protect the other party with respect to the Transaction hereunder;

(b) if one of the parties is a government securities broker or a government securities dealer registered with the SEC under Section 15C of the 1934 Act, SIPA will not provide protection to the other party with respect to the Transaction hereunder; and

(c) if one of the parties is a financial institution, funds held by the financial institution pursuant to the Transaction hereunder are not a deposit and therefore are not insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, as applicable.

SECTION 18. DOWNGRADE

If the rating assigned by Moody's to the Seller's long-term senior unsecured debt obligations during the term of this Agreement falls below "Aa2" or is withdrawn or suspended, the Buyer shall either (1) direct the Seller to transfer to the Custodian additional Securities having a Market Value which, when added to the Market Value of the Securities then held by the Seller is sufficient to satisfy the requirements of Moody's and S&P necessary to qualify this Agreement for a rating of "Aa2" assuming a non-investment grade issuer, and the Seller shall so deliver such Securities within ten (10) days of Seller's receipt of written notice of such direction, or (2) provide written notice to the Seller to immediately terminate the Transaction in accordance with the procedures for termination set forth in Section 3(d) hereof.

In the event this Agreement is terminated as provided in (2) above, the Buyer is not able to reinvest such funds (and any additional funds which would have been delivered to the Seller pursuant to

this Agreement) at yields not less than the Price Differential for each Fund and pursuant to an investment, the terms, conditions and creditworthiness of which are substantially identical to this Agreement, the Buyer shall invest such funds (and any additional funds which would have been delivered to the Seller pursuant to this Agreement) upon the best terms and conditions which it may obtain through the exercise of reasonable efforts, in which case the Seller shall pay to the Buyer on the termination date such present valued amount as the Issuer shall in good faith determine as shall be sufficient to provide, together with amounts payable under such substitute investment, the anticipated future cash flow payments of each Fund under this Agreement plus any reasonable increased costs and fees incurred by the Buyer and the Issuer in connection with such substitution.

SECTION 19. COUNTERPARTS

This Agreement may be executed in two or more counterparts and each such counterpart shall be deemed to be an original.

SECTION 20. NOTICE TO SELLER OF REFUNDING

In the event of a partial or complete refunding of the Bonds, the Buyer shall provide written notice thereof to Seller on or prior to the date on which notice thereof is given to the owners of any of the Bonds.

SECTION 21. CONSENT TO JURISDICTION AND VENUE, ETC.

The Buyer, the Custodian and the Seller irrevocably (a) agree that any suit, action or other legal proceeding arising out of or relating to this Agreement may be brought in a court of record in the State of New York or in the Courts of the United States of America located in such state, (b) consent to the jurisdiction of each such court in any such suit, action or proceeding and (c) waive any objection which it may have to the laying of venue of any such suit, action or proceeding in any of such courts and any claim that any such suit, action or proceeding has been brought in an inconvenient forum. The Buyer, the Custodian and the Seller also irrevocably consent to the service of any and all process in any such action or proceeding by mailing of copies of such process to the Buyer, the Custodian or the Seller, as applicable, at its respective address provided in Exhibit A attached hereto. The Buyer, the Custodian and the Seller agree that a final judgment in any such suit, action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. All mailings under this Section 21 shall be by certified mail, return receipt requested.

SECTION 22. ROLE OF CUSTODIAN

The Custodian is acting solely as custodian of the Securities for the Buyer hereunder in accordance with the terms hereof. The Custodian is a member bank of the Federal Reserve System. The Custodian shall mark its records to show that all Securities delivered to it pursuant to this Agreement are held by it as agent for the Buyer. Upon receipt of any such Securities, the Custodian shall deliver to the Buyer a confirmation as described in Section 336 of the Minnesota Uniform Commercial Code. The Custodian may be removed at any time by written notice from the Buyer (with or without cause). A replacement Custodian may be appointed by the Buyer, with the prior written consent of the Seller, which consent shall not be unreasonably withheld. Upon such removal or if for any reason the Custodian ceases to or is unable to act as Custodian hereunder, the Custodian shall deliver all Securities and any Income held by Custodian to the Buyer or to a successor Custodian. If no successor Custodian is so appointed, Buyer shall be the Custodian hereunder. The reasonable fees and expenses of the Custodian (of the Buyer

acting as Custodian) shall be borne by the Seller. In addition, the Custodian represents, warrants, and covenants to those matters set forth in Exhibit D.

SECTION 23. MONTHLY REPORTS

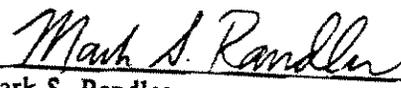
The Seller shall provide (i) monthly account statements for each of the Construction Loan Fund, Debt Service Fund and Reserve Fund (all accounting for the Debt Service Fund shall separately account for principal and interest) to the Issuer and the Buyer by the 10th day of the succeeding month, (ii) a quarterly investment earnings accrual report for each Fund to the Issuer and the Buyer no later than the 15th day following the end of such quarter, (iii) at the request of the Buyer, within five (5) Business Days of the receipt of such request (such request to be made no more frequently than once a month), projected investment earnings on each Fund other than the Construction Loan Fund (based on then current balances) for each Interest Payment Date to and including maturity of the Bonds, (iv) no later than July 20 of each year, to the Buyer and the Issuer, a summary of all transactions by Fund for the one (1) year period ending on the next preceding June 30, the first such report due July 20, 1996 for the period of April 25, 1996 through June 30, 1996, and (v) monthly statement of collateral substitutions.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date and year first written above.

WESTDEUTSCHE LANDESBANK
GIROZENTRALE, as Seller

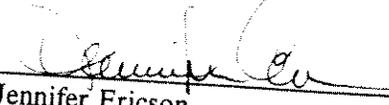
By 
Thomas D. McCaffery
Managing Director

By 
Mark S. Randles
Vice President

[Signatures continued on following page]

[Signature page to Investment Repurchase Agreement]

MERCANTILE BANK OF ST. LOUIS
NATIONAL ASSOCIATION, as Trustee
and Master Trustee, as Buyer

By 
Jennifer Ericson
Assistant Vice President

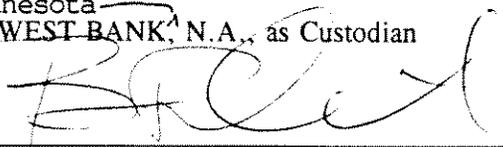
NORWEST BANK, N.A., as Custodian

By _____
Name _____
Title _____

[Signature page to Investment Repurchase Agreement]

MERCANTILE BANK OF ST. LOUIS
NATIONAL ASSOCIATION, as Trustee
and Master Trustee, as Buyer

By _____
Jennifer Ericson
Assistant Vice President

^{BRE}
Minnesota
NORWEST BANK, N.A., as Custodian
By 
Name _____
Title **Brian P. [unclear]** at _____
Vice President

ANNEX I

Seller's Address: Westdeutsche Landesbank Girozentrale
New York Branch
1211 Avenue of the Americas
New York, NY 10036
Attention: Mr. Mark S. Randles
Telephone No.: (212) 852-6045
Telecopy No.: (212) 852-6369

Buyer's Address: Mercantile Bank of St. Louis National Association
721 Locust Street, 17th Floor
St. Louis, MO 63101
Attention: Ms. Jennifer Ericson
Telephone No.: (314) 425-3895
Telecopy No.: (314) 425-3872

Custodian's Address: Norwest Bank Minnesota, N.A.
6th and Marquette
Minneapolis, MN 55479-0069
Attention: Mr. Brian Crevoiserat, Vice President
Telephone No.: (612) 667-8400
Telecopy No.: (612) 667-6075

Buyer's Wire Instructions: Mercantile Bank of St. Louis N.A.
ABA No. 081 000 210
Acct: 476740-142
Attn: Jennifer Ericson
Ref: EI ERA, SRF96B

Custodian's Delivery
Instructions: Norwest Bank, Minnesota, N.A.
NWMPLS/Trust
ABA No.: 091000019
Acct. No.: 1818-7
Credit To: 13144433
Ref.: EI ERA, SRF96B

Buyer's Delivery
Instructions: Merc STL/TRUST 03
ABA No. 081 000 210

Issuer's Address:

State Environmental Improvement and
Energy Resources Authority
325 Jefferson Street
P.O. Box 744
Jefferson City, MO 65101
Attention: Ms. Debbie Schnedler
Telephone No.: (314) 751-4919
Telecopy No.: (314) 635-3486

Description of Securities:

See Exhibit B.

Price Differential
Payment Dates:

See Exhibit A as to each Fund.

Pricing Rate Calculation
Basis:

See Exhibit A as to each Fund.

Repurchase Dates:

See Exhibit A as to each Fund.

EXHIBIT A

Name of Bonds: \$4,545,000 State Environmental Improvement and Energy Resources Authority (State of Missouri) Water Pollution Control Revenue Bonds (State Revolving Fund Program - Multiple Participant Series) Series 1996B

Fund: **Construction Loan Fund**

Initial Principal Amount: \$4,417,743.30

Early Repurchase Dates: The 10th or the 25th day of each month, or, if any such is not a Business Day, the next succeeding Business Day, if the Seller has received at least two (2) Business Days prior written notice from Buyer in the form described in Section 3(c) hereof demanding that Seller repurchase all or a portion of the Securities.

Pricing Rate: 9.52% per annum

Price Differential Payment Dates: The Business Day before each January 1 and July 1 commencing on the Business Day preceding January 1, 1997.

Pricing Rate Calculation Basis: A 360-day year consisting of twelve 30-day months.

Repurchase Dates: None other than Early Repurchase Dates and the Final Repurchase Date.

Final Repurchase Date:	<u>Repurchase Date</u>	<u>Portion of Securities to be Repurchased</u>
	Earlier of the date on which the Seller repurchases all Securities then held in this Fund and April 25, 1999	All Securities then held by Buyer in this Fund pursuant to this Agreement.

An Anticipated Repurchase Schedule is set forth in Exhibit C hereto.

Fund: **Debt Service Fund** (including the Debt Service Fund and the Repayment Fund).

Initial Principal Amount: \$16,124.33

Early Repurchase Dates: The Business Day preceding each January 1 and July 1 if the Seller has received at least two (2) Business Days prior written notice from Buyer in the form described in Section 3(c) hereof demanding that Seller repurchase all or a portion of the Securities.

Pricing Rate: 6.45% per annum

Price Differential Payment Dates: The Business Day before each January 1 and July 1 commencing on the Business Day preceding January 1, 1997.

Pricing Rate Calculation Basis: A 360-day year consisting of twelve 30-day months.

Repurchase Dates: None other than Early Repurchase Dates and the Final Repurchase Date and as otherwise provided in Section 3(c).

Final Repurchase Date:	<u>Repurchase Date</u>	<u>Portion of Securities to be Repurchased</u>
	January 1, 2017	All Securities purchased by the Buyer with amounts held in this Fund and then held by Buyer pursuant to this Agreement.

Fund: **Reserve Fund** (including the Reserve Fund under the Indenture and the Dedicated Reserve Fund under the Master Trust Agreement (as defined in the Indenture)).

Initial Principal Amount: \$0.00

Early Repurchase Dates: Each Business Day specified in a written notice received by the Seller from Buyer in the form described in Section 3(c) hereof demanding that Seller repurchase all or a portion of the Securities, which date shall be no earlier than one (1) Business Day after Seller's receipt of such notice.

Pricing Rate: 5.571% per annum

Price Differential Payment Dates: The Business Day before each January 1 and July 1 commencing on the Business Day preceding January 1, 1997.

Pricing Rate

Calculation Basis:

A 360-day year consisting of twelve 30-day months.

Final Repurchase

Date:

Repurchase Date

Portion of Securities to be Repurchased

January 1, 2017

All Securities purchased by the Buyer with amounts held in this Fund and then held by Buyer pursuant to this Agreement.

EXHIBIT B

<u>Securities</u>	<u>Required Percentage</u>
1. U.S. Treasury Securities (including obligations issued or held in book-entry form on the books of the Department of the Treasury)	As provided below
2. Securities/Certificates of the following federal agencies (subject to the Assumptions below):	
Government National Mortgage Association (GNMA)	As provided below
Federal Home Loan Mortgage Corporation (FHLMC)	As provided below
Federal National Mortgage Association (FNMA)	As provided below
3. Cash	100%

The Securities described in 1 and 2 above shall have the following Required Percentage:

<u>Required Percentage</u>				
U.S. Treasury Securities				
<u>1 year or less</u>	5 years or less but more than <u>1 year</u>	10 years or less but more than <u>5 years</u>	15 years or less but more than <u>10 years</u>	30 years or less but more than <u>15 years</u>
103%	111%	112%	114%	120%

<u>Required Percentage</u>	
<u>GNMAs</u>	<u>FNMA's/FHLMC's</u>
123%	130%

Assumptions

- a. U.S. Treasury Securities either mature in less than one year or pay interest periodically and pay principal at maturity or call.
- b. GNMA Certificates are guaranteed by GNMA for the full and timely payment of principal and interest; evidence fractional undivided interests in pools of level payment, fixed, variable or adjustable rate, fully amortizing mortgage loans (not backed by pools of graduated payment mortgages) that are secured by first liens on one-to-four family residences.
- c. FNMA Certificates are guaranteed by FNMA for the full and timely payment of principal and interest; evidence fractional undivided interests in pools of level payment, fixed, variable or adjustable rate, fully amortizing mortgage loans that are secured by first liens on one-to-four family residences.
- d. FHLMC Certificates are guaranteed by FHLMC for the timely payment of interest and ultimate payment of principal; evidence fractional undivided interests in or participation interests in pools of level payment, fixed, variable or adjustable rate, fully amortizing mortgage loans that are secured by first liens on one-to-four family residences.
- e. Collateral shall not include stripped mortgage securities which are purchased at prices exceeding their principal amounts or structured notes.

EXHIBIT C

State Environmental Improvement and Energy Resources Authority
(State of Missouri)
Water Pollution Control Revenue Bonds
(State Revolving Fund Program - Multiple Participant Series)
Series 1996B

Construction Loan Fund: Anticipated Repurchase Schedule

Initial Deposit: \$4,417,743.30

<u>Repurchase Date</u>	<u>Construction Draw</u>
April 1996	\$ 0.00
May 1996	132,113.30
June 1996	233,076.00
July 1996	381,770.00
August 1996	558,937.00
September 1996	641,792.00
October 1996	630,336.00
November 1996	561,046.00
December 1996	457,019.00
January 1997	327,971.00
February 1997	245,115.00
March 1997	165,711.00
April 1997	82,857.00
May 1997	0.00
June 1997	0.00
July 1997	0.00
August 1997	0.00
September 1997	0.00
October 1997	0.00

There is no guarantee that the Buyer will request that the Seller repurchase Securities according to this Schedule.

EXHIBIT D

The Custodian represents, warrants and covenants the following:

1. With respect to any Securities delivered to the Custodian: (x) the Custodian will comply with all obligations imposed on it under the Agreement and comply with all transfer actions set forth in the Agreement and on Annex A to the opinion of Kutak Rock dated April 25, 1996 delivered in connection with the Agreement ("Annex A"), including, without limitation, any obligations with respect to the registration, book-entry, custody, earmarking, segregation or the identification and preservation of any Securities; (y) the Custodian will take possession of the Securities in good faith; and (z) the Custodian will take delivery and possession of the Securities in the ordinary course of its business and without notice or knowledge of an adverse claim.
2. The Custodian is a "Member Bank" (within the meaning of 31 C.F.R. § 306.115(g)) of the Federal Reserve Bank of Minneapolis, Minnesota (the "FRB") and will maintain a book-entry securities account with the FRB and not through any financial intermediary. Book entries made by the FRB with respect to each Security that is a book-entry Treasury security (as defined in 31 C.F.R. §306.115(b)) and a Treasury bill (as defined in 31 C.F.R. §350.1(a)) (each, individually, a "Government Obligation") and with respect to each Security that is a book-entry security of either the Federal National Mortgage Association ("FNMA") or the Federal Home Loan Mortgage Corporation ("FHLMC") (collectively, such FNMA and FHLMC securities, "Agency Obligations") will be made in conformity with the applicable Treasury Regulations (31 C.F.R. Parts 306 and 305) and Agency Regulations (1 C.F.R. §462 and 24 C.F.R. §8.44), respectively.
3. The Custodian is a participant in Participants Trust Company ("PTC"), a clearing corporation for securities issued by the Government National Mortgage Association ("GNMA"), and maintains a securities account with PTC and not through any financial intermediary. Transfers by PTC with respect to each Security that is a security of GNMA will be made in conformity with the Agreement and the transfer actions on Annex A.
4. The Custodian is a bank which in the ordinary course of its business maintains security accounts for its customers and is acting in that capacity under the Agreement. The Custodian will maintain an account in Minnesota on its books for all Securities, which account (i) is and at all relevant times will be segregated and separately accounted for from assets the Custodian holds in its individual capacity or for others (ii) is not subject to any security interest, lien or right to setoff by the Custodian and (iii) is maintained as a custody account and administered in the same manner the Custodian administers similar accounts established for the same purpose.
5. The Custodian will cause Government Obligations and Agency Obligations to be transferred over the Federal Reserve System to the account maintained by the Custodian (or its nominee) with the FRB and the Custodian will cause GNMA securities to be transferred through PTC to the account maintained by the Custodian with PTC.

6. The Custodian will (a) cause Government Obligations and Agency Obligations to be registered in the book-entry system of the FRB and maintained in the Custodian's account; (b) confirm to the Buyer the purchase thereof by the Trustee and by book-entry or other equivalent means to identify such Government Obligations or Agency Obligations, as applicable, as belonging to the Trustee; and (c) identify on the Custodian's books in Minnesota the capacity in which the Custodian holds the Securities under the Agreement.

7. The Custodian will cause Securities which are GNMA securities to be registered with PTC and maintained in the Custodian's account and will identify on the Custodian's books in Minnesota the capacity in which the Custodian holds the Securities.

EXHIBIT E

RESERVE FUND REPURCHASE SCHEDULE

<u>Repurchase Date</u>	<u>Repurchase Amount</u>
01/01/97	\$ 94,500
01/01/98	115,500
01/01/99	122,500
01/01/00	122,500
01/01/01	126,000
01/01/02	126,000
01/01/03	133,000
01/01/04	133,000
01/01/05	140,000
01/01/06	143,500
01/01/07	150,500
01/01/08	150,500
01/01/09	161,000
01/01/10	161,000
01/01/11	168,000
01/01/12	178,500
01/01/13	210,000
01/01/14	224,000
01/01/15	234,500
01/01/16	252,000
01/01/17	<u>35,000</u>
	\$ 3,181,500