

CONTINUING DISCLOSURE CERTIFICATE

The Kenai Peninsula Borough, Alaska (the "Borough") executes and delivers this Continuing Disclosure Certificate (the "Disclosure Certificate") in connection with the issuance of \$_____ Alaska Municipal Bond Bank General Obligation Bonds, 2006 Series _____ (the "Bonds"). The Bonds are being issued under the General Obligation Bond Resolution of the Issuer entitled "A Resolution Creating And Establishing An Issue Of Bonds Of The Alaska Municipal Bond Bank; Providing For The Issuance From Time To Time Of Said Bonds; Providing For The Payment Of Principal Of And Interest On Said Bonds; And Providing For The Rights Of The Holders Thereof," adopted July 13, 2005 (the "General Bond Resolution"), and Series Resolution No. 2006-____, adopted on _____, 2006 (the "Series Resolution," and together with the General Bond Resolution, the "Resolutions"). The Borough covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. The Borough is executing and delivering this Disclosure Certificate for the benefit of the Beneficial Owners of the Bonds, and to assist the Participating Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5). The Borough is an "Obligated Person" within the meaning of the Rule.

Section 2. Definitions. In addition to the definitions set forth in the Resolutions, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any Annual Report provided by the Borough pursuant to, and as described in, Section 3 of this Disclosure Certificate.

"Borough" means the Kenai Peninsula Borough, Alaska.

"Fiscal Year" means the fiscal year of the Borough (currently the 12-month period ending June 30) as such fiscal year may be changed from time to time as required by State law and the Borough's ordinances.

"Issuer" means the Alaska Municipal Bond Bank.

"NRMSIR" means any Nationally Recognized Municipal Securities Information Repository for purposes of the Rule. The NRMSIRs, as of the date hereof, are listed in Attachment A.

"Participating Underwriter" means any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"Repository" means each NRMSIR and the SID.

"Rule" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange

Commission under the Securities Exchange Act of 1934, as amended from time to time.

"SID" means any public or private repository or entity designated by the State of Alaska as a state depository for the purposes of the Rule. Currently there is no SID.

Section 3. Provision of Annual Reports and Financial Statements. Commencing with its Fiscal Year ending June 30, 2007, and for so long as the Borough has outstanding with the Issuer an amount of bonds equal to or greater than 10 percent of all bonds outstanding under the General Bond Resolution as of the last day of the fiscal year of the Issuer (currently June 30)*, the Borough will provide to each Repository the following:

- (a) Not later than 210 days after the end of each Fiscal Year, an Annual Report for the Fiscal Year. The Annual Report shall contain or incorporate by reference the following annual financial information and operating data: (i) annual financial statements for the Borough, prepared in accordance with generally accepted accounting principles applicable to governmental entities, as such principles may be changed from time to time and (ii) financial information generally of the type included in Appendix D of the Official Statement.

Any or all of these items may be incorporated by reference from official statements of debt issues of the Borough that are available from the Municipal Securities Rulemaking Board, and from other documents which have been submitted to the Repositories or the Securities and Exchange Commission. The Borough shall clearly identify each such other document so incorporated by reference. The Annual Report may be submitted as a single document or as separate documents comprising a package, provided that audited financial statements of the Borough may be submitted separately from the remainder of the Annual Report.

- (b) If not provided as part of the Annual Report, then promptly upon their public release, the audited financial statements of the Borough for each Fiscal Year, prepared in accordance with generally accepted accounting principles applicable to governmental entities, as such principles may be changed from time to time.

- (c) Any filing required under the terms of this Disclosure Certificate may be made

* The Borough, not the Issuer, is responsible for determining whether its participation in the Issuer's program falls below the 10% threshold.

solely by transmitting such filing to the Texas Municipal Advisory Council (the "MAC") as provided at <http://www.disclosureusa.org> unless the United States Securities and Exchange Commission has withdrawn the interpretive advice in its letter to the MAC dated September 7, 2004.

Section 4. Notice of Failure to Provide Information. The Borough shall provide in a timely manner to each Repository notice of any failure to satisfy the requirements of Section 3 of this Disclosure Certificate.

Section 5. Termination of Reporting Obligation. The Borough's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of its loan obligation with the Issuer and as otherwise described in Section 3 of this Disclosure Certificate.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Borough may amend this Disclosure Certificate, provided that the amendment meets each of the following conditions:

(a) The amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Borough;

(b) This Disclosure Certificate, as amended, would have complied with the requirements of the Rule as of the date hereof, after taking into account any amendments or interpretations of the Rule, as well as any changes in circumstances; and

(c) The Borough obtains an opinion of nationally recognized bond counsel to the effect that the amendment will not adversely affect the Issuer's compliance with the Rule or its continuing disclosure undertaking; and

(d) The Borough notifies and provides the Issuer and each then existing Repository and any SID with the copies of the opinions and amendments.

Any such amendment may be adopted without the consent of any Beneficial Owner of any of the Bonds, notwithstanding any other provision of this Disclosure Certificate or the Resolutions.

The first Annual Report containing amended operating data or financial information pursuant to an amendment of this Disclosure Certificate shall explain, in narrative form, the reasons for the amendment and its effect on the type of operating data and financial information being provided.

Section 7. Default. In the event of a failure of the Borough to comply with any provision of this Disclosure Certificate, any Beneficial Owner may take such actions as may be necessary and appropriate, including an action to compel specific performance, to cause the Borough to comply with its obligations under this Disclosure Certificate. No failure to comply with any provision of this Disclosure Certificate shall be deemed an Event of Default under the Resolutions, and the sole legal remedy under this Disclosure Certificate in the event of any failure of the Borough to comply with this Disclosure Certificate shall be an action to compel specific performance.

Section 8. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Borough, the Issuer, the Trustee, the Participating Underwriter, and the Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 9. Prior Compliance. The Borough is in compliance with all of its prior undertakings pursuant to the Rule.

DATED this _____ day of _____ 2006.

KENAI PENINSULA BOROUGH, ALASKA

By: _____
CRAIG CHAPMAN
Finance Director

ATTACHMENT A -- NRMSIRs
(As of October 1, 2006)

Bloomberg Municipal Repository
100 Business Park Drive
Skillman, NJ 08558
Phone: (609) 279-3225
Fax: (609) 279-5962
<http://www.bloomberg.com/markets/rates/municontacts.html>
Email: Munis@Bloomberg.com

DPC Data Inc.
One Executive Drive
Fort Lee, NJ 07024
Phone: (201) 346-0701
Fax: (201) 947-0107
<http://www.dpcdata.com>
Email: nrmsir@dpcdata.com

FT Interactive Data
ATTN: NRMSIR
100 William Street, 15th Floor
New York, NY 10038
Phone: (212) 771-6999; 800-689-8466
Fax: (212) 771-7390
<http://www.ftid.com>
Email: NRMSIR@interactivedata.com

Standard & Poor's Securities Evaluations, Inc.
55 Water Street, 45th Floor
New York, NY 10041
Phone: (212) 438-4595
Fax: (212) 438-3975
www.disclosuredirectory.standardandpoors.com/
E-mail: nrmsir_repository@sandp.com

Any filing required under the terms of the Disclosure Certificate may be made solely by transmitting such filing to the Texas Municipal Advisory Council (the "MAC") as provided at <http://www.disclosureusa.org> unless the United States Securities and Exchange Commission has withdrawn the interpretive advice in its letter to the MAC dated September 7, 2004.