



**Corporate Trust Services**  
60 Livingston Avenue  
St. Paul, MN 55107-2292

Notice to holders of:

**Central Falls Detention Facility Corporation  
Detention Facility Revenue Refunding Bonds  
(The Donald W. Wyatt Detention Facility), Series 2005A**

\*CUSIP: 153457AX4, 153457BD7

**Please forward this notice to beneficial holders.**

The Central Falls Detention Facility Corporation ("Corporation") issued the above-referenced detention facility revenue refunding bonds ("Bonds") under that certain Indenture of Trust dated as of June 1, 2005 ("Indenture"), between the Corporation and U.S. Bank National Association, as trustee ("Trustee"). All capitalized terms not otherwise defined in this notice shall have the meaning given in the Indenture.

**Draw on Reserve Fund**

As set forth in prior notices to bondholders, on January 18, 2011 and January 17, 2012, the Trustee made draws on the Reserve Fund to pay a portion of debt service then due on the Bonds. Under Section 11.1(viii) of the Indenture, failure to replenish a draw on the Reserve Fund to the Reserve Requirement within 60 days after the date of any draw constitutes an Event of Default. The Corporation has not yet replenished the Reserve Fund to the Reserve Requirement. As a result, Events of Default exist and are continuing under the Indenture.

This notice is to inform you that, on July 15, 2013, the Trustee made another unscheduled draw on the Reserve Fund to fund a portion of debt service due July 15, 2013. The Trustee withdrew \$1,196,496.96 from the Reserve Fund, bringing the amount on deposit therein to \$5,325,082.35. The Reserve Fund Requirement is currently equal to \$8,826,031.25. If the Corporation fails to replenish the Reserve Fund to the Reserve Fund Requirement on or before September 13, 2013, an additional Event of Default will have occurred under Section 11.1(viii) of the Indenture.

**Coverage Ratio Requirement**

This notice is also to advise you of certain other defaults that have occurred and are continuing under the Indenture. Pursuant to Section 7.14 of the Indenture, the Corporation is required to maintain a coverage ratio, for any twelve month period, equal to not less than 1.20. On May 30, 2013, the Corporation delivered to the Trustee an Accountant's Certificate, pursuant to which its independent accountant calculated the Corporation's coverage ratio to be 0.88 for the fiscal year 2012. For the quarter ended March 31, 2013, the Corporation reported its coverage ratio to be 0.82.

**Payments into Debt Service Fund**

During 2013, the Corporation is obligated to make monthly payments of approximately \$730,000 into the Debt Service Fund. The Corporation failed to make sufficient monthly payments into the Debt Service Fund for the months of April to July, 2013, which has resulted in a shortfall of \$2,624,835.90 through July 2013. The Corporation did make sufficient monthly payments into the Debt Service Fund for the months of February and March, 2013.

### **August 1, 2013 Bondholder Call**

The Trustee is hosting a call for bondholders on August 1, 2013, at 3:00 p.m. eastern time to provide an update to bondholders. All bondholders who would like to participate in the call should contact Patricia Kapsch, whose email address is provided below, by 5:00 p.m. eastern time on July 31, 2013. The Trustee will distribute call-in information to all bondholders who have contacted the Trustee before the scheduled call.

### **Communications with Trustee**

The Trustee will continue to notify bondholders of material developments as and when they occur. Bondholders with questions regarding this notice may direct them, by email, to [patricia.kapsch@usbank.com](mailto:patricia.kapsch@usbank.com). Bondholders with specific questions may contact Bondholder Services at (800) 934-6802 (option 4) or at their website [www.usbank.com/corp\\_trust/bondholder\\_contact.html](http://www.usbank.com/corp_trust/bondholder_contact.html). The Trustee may conclude that a specific response to particular inquiries from individual bondholders is not consistent with equal and full dissemination of information to all bondholders. Bondholders should not rely on the Trustee as their sole source of information. The Trustee makes no recommendations and gives no investment advice.

Prior to any distribution to bondholders, funds held under the Indenture are to be used first for payment of the fees and costs incurred or to be incurred by the Trustee in performing its duties, as well as for any indemnities owing or to become owing to the Trustee. This includes, but is not limited to, compensation for Trustee time spent, and the fees and costs of counsel and other agents it employs, to pursue remedies or other actions to protect the security or other interests of bondholders.

**U.S. Bank National Association,**  
As Trustee

**July 17, 2013**

\*Trustee is not responsible for selection or use of CUSIP. It is included solely for holder convenience.