

**SECOND SUBORDINATE MASTER INDENTURE**

**between**

**BAY AREA TOLL AUTHORITY**

**and**

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,  
as Trustee**

**Dated as of [\_\_\_\_\_] 1, 2025**

**Relating to the**

**Bay Area Toll Authority  
San Francisco Bay Area Second Subordinate Toll Bridge Revenue Bonds**

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## SECOND SUBORDINATE MASTER INDENTURE

This SECOND SUBORDINATE MASTER INDENTURE, dated as of [ ] 1, 2025 (as more fully defined in Section 1.01 hereof, this “Indenture”), between the BAY AREA TOLL AUTHORITY, a public entity duly existing under the laws of the State of California (the “Authority”), and U.S. Bank Trust Company, National Association, a national banking association duly organized and existing under the laws of the United States of America, as trustee (together with any successor thereto, the “Trustee”);

### W I T N E S S E T H:

WHEREAS, the Authority is authorized to issue bonds or commercial paper (as issued hereunder, the “Bonds”) payable from the tolls received by the Authority pursuant to Chapter 4.3 of Division 17 of the California Streets and Highway Code (as more fully defined in Section 1.01 hereof, the “Act”);

WHEREAS, in order to establish the terms of and security for Bonds to be issued under this Indenture, the governing board of the Authority (the “Board”) has authorized the execution and delivery of this Indenture;

WHEREAS, the Authority certifies that all acts that are necessary to make the Bonds, when executed by the Authority and authenticated and delivered by the Trustee, duly issued and the valid, legal and binding obligations of the Authority payable in accordance with their terms, and to constitute this Indenture a valid and binding agreement of the parties hereto, have been done and taken, and the execution and delivery of this Indenture have been duly authorized;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, in order to secure the payment of all Bonds Outstanding under this Indenture and to secure the performance of the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the owners thereof, and for other valuable consideration, the receipt of which is hereby acknowledged, the Authority does hereby covenant and agree with the Trustee, for the benefit of the owners from time to time of the Bonds, as follows:

### ARTICLE I

#### DEFINITIONS

SECTION 1.01. Definitions. In addition to terms elsewhere defined in this Indenture, the following terms shall have the following meanings unless the context or use clearly indicates another meaning. These definitions shall apply to the singular and plural forms of these defined terms.

“**AB 664 Net Toll Revenue Reserves**” means the funds generated from a toll increase on the three Bay Area Bridges which comprise the Southern Bridge Group, enacted by legislation referred to as “AB 664,” which took effect in 1977, which funds, unless otherwise agreed to by the Authority and MTC, are transferred by the Authority to MTC on an annual basis

and allocated by MTC to capital projects that further development of public transit in the vicinity of the three Bay Area Bridges which comprise the Southern Bridge Group. The Authority agreed to make and MTC agreed to receive a payment in September 2010 equal to the then present value of AB 664 Net Toll Revenue Reserves for 50 years from July 1, 2010.

“Act” means Chapter 4, Chapter 4.3 and Chapter 4.5 of Division 17 of the California Streets and Highways Code and the Revenue Bond Law of 1941, as each may be amended from time to time hereafter.

“**Annual Debt Service**” means, at any point in time, with respect to Bonds, Parity Obligations, Senior Obligations, and Subordinate Obligations then Outstanding, the aggregate amount of principal and interest scheduled to become due (either at maturity or by mandatory redemption) and sinking fund payments required to be paid in the then current Fiscal Year on all Outstanding Bonds, Parity Obligations, Senior Obligations, and Subordinate Obligations as calculated by the Authority in accordance with this definition. For purposes of calculating Annual Debt Service and Maximum Annual Debt Service, the following assumptions are to be used to calculate the principal and interest becoming due in any Fiscal Year:

(i) in determining the principal amount of a Bond, Parity Obligation, Senior Obligation, or Subordinate Obligation due in each year, payment shall (unless a different subsection of this definition applies for purposes of determining principal maturities or amortization) be assumed to be made in accordance with the amortization schedule established for such principal, including any minimum sinking fund or account payments;

(ii) Excluded Principal Payments (and the interest related thereto provided such interest is being paid from the same source as the Excluded Principal Payments) may be excluded from such calculation and Assumed Debt Service included in such calculation, at the option of the Authority;

(iii) if 20% or more of the principal of such Series of Bonds, Parity Obligations, Senior Obligations, or Subordinate Obligations is not due until the final stated maturity of that Series of Bonds, Parity Obligations, Senior Obligations, or Subordinate Obligations, principal and interest on such Bonds, Parity Obligations, Senior Obligations, or Subordinate Obligations may, at the option of the Authority be treated as if such principal and interest were due either: (A) based upon a level payment of such principal and interest over a term specified in a Certificate of the Authority (not to exceed 40 years), (B) if specified therein, in accordance with an amortization schedule set forth in the Supplemental Indenture relating to that Series of Bonds, Parity Obligations, Senior Obligations, or Subordinate Obligations, or (C) as Excluded Principal (and interest related thereto) in accordance with the definition of Assumed Debt Service;

(iv) if any Outstanding Bonds, Parity Obligations, Senior Obligations, or Subordinate Obligations, or Bonds, Parity Obligations, Senior Obligations, or Subordinate Obligations proposed to be issued constitute or will constitute variable interest rate Bonds, Parity Obligations, Senior Obligations, or Subordinate Obligations (including any Bonds, Parity Obligations, Senior Obligations, or Subordinate Obligations issued as

part of a Commercial Paper Program or a revolving credit or similar agreement, but excluding Swaps and Qualified Swap Agreements), the interest rate on such variable interest rate Bonds, Parity Obligations, Senior Obligations, or Subordinate Obligations shall be assumed to be equal to the Authority Budget Rate determined for such Fiscal Year, as set forth in a Certificate of the Authority, delivered to the Trustee, who may rely conclusively on such certificate, such certificate shall be delivered to the Trustee promptly each year following the adoption of the Authority's budget;

(v) if any Outstanding Bonds, Parity Obligations, Senior Obligations, or Subordinate Obligations, or Bonds, Parity Obligations, Senior Obligations, or Subordinate Obligations, Senior Bonds, or Subordinate Bonds proposed to be issued, are part of a Commercial Paper Program or are issued under a revolving credit or similar agreement, the principal of such Bonds, Senior Bonds, or Subordinate Bonds may be treated as if such principal were due based upon a 40-year level amortization of principal from the date of calculation and the interest on such Bonds shall be calculated as if such Bonds were variable interest rate Bonds;

(vi) notwithstanding subsections (iv) or (v) above, with respect to any variable interest rate Bonds, variable interest rate Senior Bonds, or variable interest rate Subordinate Bonds, including in the form of commercial paper, if (A) the interest rate on such variable interest rate Bonds, variable interest rate Senior Bonds, or variable interest rate Subordinate Bonds (including commercial paper), plus (B) the payments received and made by the Authority under a Qualified Swap Agreement or a Swap with respect to such variable interest rate Bonds (including commercial paper), are expected to produce a synthetic fixed rate to be paid by the Authority (e.g., a Qualified Swap Agreement or a Swap under which the Authority pays a fixed rate and receives a variable rate which is expected to equal or approximate the rate of interest on such variable interest rate Bonds), the variable interest rate Bonds, variable interest rate Senior Bonds, or variable interest rate Subordinate Bonds, including commercial paper, as the case may be, shall be treated as bearing such synthetic fixed rate for the duration of the synthetic fixed rate; provided that: (X) when there is a default under the Qualified Swap Agreement or Swap, or (Y) after a termination event has occurred with respect to the Authority under the Qualified Swap Agreement or Swap, such variable interest rate Bonds, variable interest rate Senior Bonds, or variable interest rate Subordinate Bonds, or commercial paper shall be assumed to bear interest at an interest rate equal to the higher of: (1) the synthetic fixed rate, or (2) the assumed interest rate calculated as described in subsection (iv) or (v) above;

(vii) with respect to any fixed interest rate Bonds, fixed interest rate Senior Bonds, or fixed interest rate Subordinate Bonds, if (A) the interest rate on such fixed rate Bonds, fixed interest rate Senior Bonds, or fixed interest rate Subordinate Bonds, plus (B) the payments received and made by the Authority under a Qualified Swap Agreement or a Swap with respect to such fixed interest rate Bonds, are expected to produce a synthetic variable rate to be paid by the Authority (e.g., a Qualified Swap Agreement or a Swap under which the Authority pays a variable rate and receives a fixed rate which is expected to equal the rate of interest on such fixed interest rate Bonds), the fixed interest rate Bonds, fixed interest rate Senior Bonds, or fixed interest rate Subordinate Bonds shall be treated



as bearing such synthetic variable rate for the duration of the synthetic variable rate calculated as provided in (iv) above;

(viii) principal and interest payments on Bonds, Parity Obligations, Senior Obligations, and Subordinate Obligations may be excluded to the extent such payments are to be paid from amounts then currently on deposit with the Trustee or another fiduciary, held in cash or invested solely in Permitted Investments, and in escrow specifically therefor, and interest payments on any Bonds, Parity Obligations, Senior Obligations, and Subordinate Obligations may be excluded to the extent that such interest payments are to be paid from capitalized interest on deposit with the Trustee or another fiduciary, held in cash or invested solely in Permitted Investments, specifically to pay such interest;

(ix) if any of the Bonds, Parity Obligations, Senior Obligations, or Subordinate Obligations are, or upon issuance will be, obligations for which the Authority is entitled to receive Subsidy Payments, the obligations may be treated as bearing an interest rate equal to the rate of interest borne or assumed to be borne, as applicable, by the obligations for the period of determination minus the Subsidy Payments to which the Authority is entitled for that period;

(x) Any payment obligation under a Bond, Parity Obligation, Senior Obligation, or Subordinate Obligation that was or is optional or contingent (such as the obligation to make a termination payment under a Qualified Swap Agreement or a Swap), whether or not the option is exercised or the contingency occurs, and any payments that are not scheduled payments, may be excluded; and

(xi) if any of the Bonds, Parity Obligations, Senior Obligations, or Subordinate Obligations are, or upon issuance will be, obligations payable in a currency other than lawful currency of the United States of America, then such obligations shall be assumed to be payable in lawful currency of the United States at the rate payable by the Authority pursuant to the Authority's related currency swap or contract entered into in connection with such obligations or, in the absence of such swap or contract, at the rate determined by the Authority using a currency market conversion factor selected by the Authority.

**“Assumed Debt Service”** means for any Fiscal Year the aggregate amount of principal and interest which would be payable on all Bonds if each Excluded Principal Payment were amortized on a substantially level debt service basis or other amortization schedule provided by the Authority for either: (1) a period and rate of interest specified by the Authority in the Supplemental Indenture pursuant to which such Series of Bonds were issued or as otherwise set forth from time to time in a Written Certificate of the Authority; or (2) a period that commencing on the date of calculation of such Assumed Debt Service and ending on the date specified by the Authority not exceeding forty (40) years from the date of calculation, such Assumed Debt Service to be calculated on a level debt service basis or other amortization schedule provided by the Authority, based on a fixed interest rate equal to either (x) the Bond Buyer 25-Bond Revenue Bond Index (or, if such index is no longer published, any other comparable revenue bond index) or (y) the rate at which the Authority could borrow for such period, as set forth in a certificate of a

financial advisor or investment banker, delivered to the Trustee, who may rely conclusively on such certificate, such certificate to be delivered within thirty (30) days of the date of calculation.

“**Authority**” means the Bay Area Toll Authority, a public entity duly established and existing pursuant to the Act, and any successor thereto.

“**Authority Budget Rate**” means the assumed tax-exempt or taxable rate, as applicable, specified in the Authority’s adopted Bay Area Metro Budget Book for the then-current Fiscal Year, as it may be amended from time to time during the then-current Fiscal Year (or any successor annual budget publication as may be published by the Authority).

“**Authority Administrative Costs**” means the amount which the Authority may retain on an annual basis, after payment of debt service on Outstanding Bonds and the costs of Operation and Maintenance Expenses, for its cost of administration pursuant to Section 30958 of the Act, such amount not to exceed one percent (1%) of the gross revenues collected from the tolls annually on the Bay Area Bridges.

“**Authorized Denominations**” means, with respect to a Series of Bonds, the denomination or denominations designated as such in the Supplemental Indenture providing for the issuance of such Series of Bonds.

“**Authorized Representative**” means the Executive Director of the Authority, the Deputy Executive Director of the Authority, the Chief Financial Officer of the Authority, or any other employee of the Authority at the time designated to act on behalf of the Authority in a Certificate of the Authority executed by any of the foregoing officers and filed with the Trustee, which Certificate shall contain such employee’s specimen signature.

“**Bay Area Bridges**” means the state-owned bridges in the San Francisco Bay Area under the jurisdiction of the Authority, comprised of the Antioch Bridge, the Benicia-Martinez Bridge, the Carquinez Bridge, the Dumbarton Bridge, the Richmond-San Rafael Bridge, the San Francisco-Oakland Bay Bridge, the San Mateo-Hayward Bridge, and any additional bridges added to the Authority’s jurisdiction and designated by resolution of the Board to be included as a “Bay Area Bridge” hereunder. Each Bay Area Bridge includes the existing bridge or bridges and any replacement spans or additional adjacent spans.

“**Bay Area Toll Account**” means the account by that name created pursuant to Section 30953 of the Act.

“**Beneficial Owner**” means, with respect to any Book-Entry Bond, the beneficial owner of such Bond as determined in accordance with the applicable rules of the Securities Depository for such Book-Entry Bonds.

“**Board**” means the governing board of the Authority.

“**Book-Entry Bonds**” means Bonds issued under a book-entry only depository system as provided in Section 2.11.

“**Bond Counsel**” means a firm of nationally-recognized attorneys-at-law experienced in legal work relating to the issuance of municipal bonds selected by the Authority.

“**Bond Fund**” means the fund by that name created pursuant to Section 5.04.

“**Bond Register**” means the registration books for the ownership of Bonds maintained by the Trustee pursuant to Section 2.08.

“**Bonds**” means the bonds or commercial paper identified as the Bay Area Toll Authority San Francisco Bay Area Second Subordinate Toll Bridge Revenue Bonds authorized by, and at any time Outstanding pursuant to, this Indenture.

“**Bondholder**” or “**Holder**” or “**Owner**” means the record owner of any Bond shown on the books of registration kept by the Trustee, which, during any period when such Bond is a Book-Entry Bond, shall be the Securities Depository or its Nominee.

“**Bridge Toll Revenues**” means toll revenues and all other income derived by the Authority from the Bay Area Bridges and not limited or restricted by law solely to an incompatible use.

“**Business Day**” means any day, other than a Saturday, Sunday or other day on which the New York Stock Exchange is closed or on which banks are authorized or obligated by law or executive order to be closed in the State of California or the State of New York or in any city in which the Principal Office of the Trustee or the office where draws are to be made on a Credit Support Instrument is located.

“**Caltrans**” means the California Department of Transportation.

“**Certificate of the Authority**” means an instrument in writing signed by an Authorized Representative of the Authority.

“**Code**” means the Internal Revenue Code of 1986, as amended from time to time, and any regulations promulgated thereunder.

“**Commercial Paper Program**” means a program of short-term Bonds having the characteristics of commercial paper in that (i) such Bonds have a stated maturity not later than 270 days from their date of issue and (ii) maturing Bonds of such program may be paid with the proceeds of renewal Bonds.

“**Continuing Disclosure Agreement**” means, with respect to each Series of Bonds requiring an undertaking regarding disclosure under Rule 15c2-12, the Continuing Disclosure Agreement, entered into by the Authority and the Dissemination Agent, as the same may be supplemented, modified or amended in accordance with its terms.

“**Cooperative Agreement**” means that certain Restated and Amended Cooperative Agreement, dated as of June 13, 2011, between the Authority and Caltrans, as amended from time to time pursuant to its terms.

**“Costs of Issuance”** means all items of expense directly or indirectly payable by or reimbursable to the Authority and related to the authorization, execution, sale and delivery of Bonds, including, but not limited to, advertising and printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of the Trustee, legal fees and charges, fees and disbursements of consultants and professionals, financial advisor fees and expenses, underwriting fees and discounts, rating agency fees, fees and charges for preparation, execution, transportation and safekeeping of Bonds, surety, insurance, liquidity and credit enhancements costs, and any other cost, charge or fee incurred in connection with the issuance of Bonds.

**“Credit Provider”** means any entity or organization providing a Credit Support Instrument for a Series of Bonds, including the Authority or any municipal bond insurance company, bank or other financial institution or organization or group of financial institutions or organizations and any successor to such provider or providers, or any replacement therefor.

**“Credit Provider Bonds”** means any Bonds purchased with funds provided under a Credit Support Instrument for so long as such Bonds are held by or for the account of, or are pledged to, the applicable Credit Provider in accordance with the applicable Supplemental Indenture.

**“Credit Support Agreement”** means, with respect to any Credit Support Instrument for a Series of Bonds, the agreement or agreements (which may be the Credit Support Instrument itself) between the Authority or the Trustee, as applicable, and the applicable Credit Provider, as originally executed or as such agreement or instrument may from time to time be amended or supplemented in accordance with its terms, providing for the issuance of the Credit Support Instrument to which such Credit Support Agreement relates and, as applicable, the reimbursement of the Credit Provider for payments made thereunder, or any subsequent agreement pursuant to which a substitute Credit Support Instrument is provided, together with any related pledge agreement, security agreement or other security document entered into in connection therewith, as applicable.

**“Credit Support Instrument”** means a policy of insurance, letter of credit, line of credit, standby purchase agreement, revolving credit agreement, evidence of credit or liquidity support by the Authority, or other credit arrangement pursuant to which a Credit Provider provides credit or liquidity support with respect to the payment of interest, principal or the Purchase Price of any Series of Bonds, as the same may be amended from time to time pursuant to its terms, and any replacement therefor.

**“CUSIP”** means the Committee on Uniform Securities Identification Procedures of the American Bankers Association, or any successor to its functions.

**“Defeasance Securities”** means: means: (i) direct, non-callable obligations of the United States Treasury, (ii) direct non-callable and non-prepayable obligations which are unconditionally guaranteed by the United States of America as to full and timely payment of principal and interest, (iii) non-callable, non-prepayable coupons from the above securities which are stripped pursuant to United States Treasury programs, (iv) non-callable and non-prepayable refunded bonds that are obligations of the United States of America; (v) Resolution Funding

Corporation (REFCORP) bonds and strips; (vi) United States State and Local Government Series securities (SLGS); (vii) the following non-callable, non-prepayable obligations of federal government-sponsored agencies that are not backed by the full faith and credit of the U.S. Government: Federal Home Loan Bank, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Tennessee Valley Authority, Farm Credit System, Washington Metropolitan Area Transit Authority, United States Import-Export Bank, United States Department of Housing and Urban Development, Farmers Home Administration, General Services Administration and United States Maritime Administration; and (viii) any pre-refunded municipal security that is non-callable or has been irrevocably called for redemption, carries a fixed interest rate and matures or is to be redeemed on a date certain and is secured by an escrow containing only cash and securities listed in (i) through (vii) above.

**“Dissemination Agent”** means initially, with respect to each Series of Bonds requiring an undertaking regarding disclosure under Rule 15c2-12, Digital Assurance Certification, L.L.C., acting in its capacity as dissemination agent under the Continuing Disclosure Agreement delivered in connection with such Series of Bonds, or any successor dissemination agent designated in writing by the Authority and which has entered into a Continuing Disclosure Agreement with the Authority. If at any time there is no dissemination agent designated with respect to a Series of Bonds, the Trustee shall act as dissemination agent with respect to such Series of Bonds.

**“DTC”** means The Depository Trust Company, New York, New York or any successor thereto.

**“Electronic”** means, with respect to notice, notice through facsimile transmission, email transmission or other internet or network-based or similar electronic means of communication providing evidence of transmission, including a telephone communication confirmed by any other method set forth in this definition.

**“Event of Default”** means any of the events specified in Section 7.01.

**“Excluded Principal Payment”** means each payment of principal of Bonds or Parity Obligations which the Authority determines (in the Certificate of the Authority) that the Authority intends to pay with moneys that are not Bridge Toll Revenues (such as commercial paper, balloon indebtedness or bond anticipation notes) but from future debt obligations of the Authority, grants from the State or federal government, or any agency or instrumentality thereof, or any other source of funds of the Authority, upon which determination of the Authority the Trustee may conclusively rely. No such determination shall affect the security for such Bonds or the obligation of the Authority to pay such payments from Revenue or amounts on deposit therefor in the Reserve Fund, if any.

**“Fees and Expenses Fund”** means the fund by that name that may be created pursuant to Section 5.07.

**“Fees and Expenses”** means fees and expenses incurred by the Authority in connection with the Bonds, including termination payments on any Swaps, including Qualified Swap Agreements.

**“Fiscal Year”** means the period of twelve months terminating on June 30 of each year, or any other annual period hereafter selected and designated by the Authority as its Fiscal Year in accordance with applicable law. References herein to the next Fiscal Year or Fiscal Years of the Authority shall mean the Fiscal Year or Fiscal Years after the then current Fiscal Year.

**“Fitch”** means Fitch Ratings Inc. and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, the term “Fitch” shall be deemed to refer to any other nationally recognized securities rating agency selected by the Authority.

**“Five Percent Reserves”** means an amount of up to five percent (5%) of the funds generated by Regional Measure 1 which are transferred by the Authority to MTC on an annual basis to be applied by MTC to projects that will help reduce vehicular congestion on the Bay Area Bridges and for the planning, construction, operation and acquisition of rapid water transit systems.

**“Indenture”** means this Second Subordinate Master Indenture as the same may be amended or supplemented from time to time as permitted hereby.

**“Independent Certified Public Accountant”** means any certified public accountant or firm of such accountants appointed by the Authority, and who, or each of whom, is independent with respect to the Authority, pursuant to the Statement on Auditing Standards No. 1 of the American Institute of Certified Public Accountants.

**“Interest Account”** means the account by that name created pursuant to Section 5.04.

**“Junior Obligations”** means any obligations of the Authority secured by and payable from Revenue on a basis which is junior to the Bonds and Parity Obligations

**“Junior Obligations Fund”** means the fund by that name created pursuant to Section 5.06.

**“Kroll”** means Kroll Bond Rating Agency, LLC, and its successors and assigns, except that if such company shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, the term “Kroll” shall be deemed to refer to any other nationally recognized securities rating agency selected by the Authority.

**“Master Senior Indenture”** means the Master Indenture between the Authority and U.S. Bank Trust Company, National Association, as successor Trustee, dated as of May 1, 2001, as amended and supplemented, and each other indenture of trust or resolution, if any, under which Senior Bonds are Outstanding.

**“Master Senior Indenture Fees and Expenses Fund”** means the Fees and Expenses Fund created and held by the Master Senior Indenture Trustee pursuant to the Master Senior Indenture.

**“Master Senior Indenture Operations and Maintenance Fund”** means the Operations and Maintenance Fund created and held by the Authority pursuant to the Master Senior Indenture.

**“Master Senior Indenture Reserve Fund”** means the Reserve Fund created and held by the Master Senior Indenture Trustee pursuant to the Master Senior Indenture.

**“Master Senior Indenture Trustee”** means the trustee under the Master Senior Indenture.

**“Maximum Annual Debt Service”** means the maximum amount of Annual Debt Service becoming due during the period from the date of such determination through the final maturity date of the Bonds, Parity Bonds, Senior Obligations, and Subordinate Obligations then Outstanding, as calculated by the Authority, utilizing the assumptions set forth under the definition of Annual Debt Service.

**“Moody's”** means Moody's Investors Service, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, the term “Moody's” shall be deemed to refer to any other nationally recognized securities rating agency selected by the Authority.

**“MSRB”** means the Municipal Securities Rulemaking Board, and its successors and assigns. Until otherwise designated by the MSRB, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB located at <http://emma.msrb.org>.

**“MTC”** means the Metropolitan Transportation Commission, a regional transportation commission duly established and existing pursuant to Sections 66500 et seq. of the California Government Code, and any successor thereto.

**“MTC Transfers”** means the AB 664 Net Toll Revenue Reserves (to the extent any AB 664 Net Toll Revenue Reserves are required to be transferred from the Authority to MTC in the applicable Fiscal Year), the Five Percent Reserves, the Rail Extension Reserves, the Regional Measure 2 Reserves, the Regional Measure 3 Reserves, and the Authority Administrative Costs.

**“Nominee”** means the nominee of the Securities Depository for the Book-Entry Bonds in whose name such Bonds are to be registered. The initial Nominee shall be Cede & Co., as the nominee of DTC.

**“Operations and Maintenance Expenses”** means all expenses of the Authority and Caltrans for the maintenance and operation of the Bay Area Bridges payable from Revenue, determined in accordance with generally accepted accounting principles, excluding any extraordinary or one-time expenses; expenses paid from proceeds of Bonds or Parity Obligations; capital expenditures; expenditures for rehabilitation and operational improvement projects on the Bay Area Bridges; depreciation or obsolescence charges or reserves therefor; credit, liquidity or remarketing fees relating to Bonds or Parity Obligations; and amortization of intangibles or other bookkeeping entries of a similar nature; provided, however, that notwithstanding the foregoing,

maintenance and reconstruction work of those facilities such as toll facility administration buildings and toll booths which are constructed primarily for the purpose of collecting tolls, as set forth in Streets and Highways Code Section 188.4 (“Category B Maintenance”) or as further designated as Category B Maintenance in the Cooperative Agreement, shall constitute Operations & Maintenance Expenses.

“**Operations and Maintenance Fund**” means the fund by that name that may be created and held by the Authority pursuant to Section 5.10.

“**Opinion of Bond Counsel**” means a written opinion of Bond Counsel.

“**Outstanding**,” when used with reference to the Bonds, Parity Obligations, Senior Obligations, and Subordinate Obligations, at any date as of which the amount of outstanding Bonds, Parity Obligations, Senior Obligations, and Subordinate Obligations is to be determined, means all Bonds, Parity Obligations, Senior Obligations, and Subordinate Obligations which have been issued by the Authority, except Bonds, Parity Obligations, Senior Obligations, and Subordinate Obligations (i) canceled or delivered for cancellation at or prior to such date; (ii) deemed to be paid in accordance with Section 10.02 or any similar provisions in the constituent instruments defining the rights of the holders of Parity Obligations, Senior Obligations, or Subordinate Obligations; and (iii) in lieu of which other Bonds, Parity Obligations, Senior Obligations or Subordinate Obligations, as applicable, have been authenticated under Sections 2.07 or 2.08 of this Indenture or any similar provision in the constituent instruments defining the rights of the holders of Parity Obligations, Senior Obligations, or Subordinate Obligations.

“**Parity Obligations**” means obligations of the Authority that are payable from Revenue on a parity with the payment of principal of and interest on the Bonds, including payments due under Qualified Swap Agreements (excluding fees and expenses and termination payments on such Qualified Swap Agreements, which shall be payable on a subordinate basis from amounts on deposit in the Fees and Expenses Fund) and principal and interest payments due under Credit Support Agreements, in each case to the extent the Authority has contracted to pay those amounts as Parity Obligations.

“**Participating Underwriter**” means any of the original underwriters of any Series of Bonds required to comply with Rule 15c2-12.

“**Permitted Investments**” means Defeasance Obligations, and any other investments permitted by either (i) the Authority’s debt policy described in Section 6.11 hereof, or (ii) Section 53601 of the California Government Code.

“**Person**” means any natural person, firm, partnership, association, corporation, or public body.

“**Principal Account**” means the account by that name created pursuant to Section 5.04.

“**Principal Office**” means, with respect to the Trustee, the corporate trust office of the Trustee at One California Street, Suite 1000, San Francisco, California 94111, Attention: Global Corporate Trust, or such other or additional offices as may be designated by the Trustee



from time to time, and means, with respect to a Credit Provider, the office designated as such in writing by such party in a notice delivered to the Trustee and the Authority.

**“Project”** means, with respect to a Series of Bonds, that toll bridge program capital improvement or those toll bridge program capital improvements, which are financed or refinanced with the proceeds of such Series of Bonds, as more fully described in the Supplemental Indenture providing for the issuance of such Series of Bonds and the Tax Certificate delivered in connection with such Series of Bonds.

**“Project Fund”** means a fund by that name established pursuant to a Supplemental Indenture.

**“Purchase Price”** means, with respect to Bonds of any Series, the amount set forth in the Supplemental Indenture authorizing the issuance of such Series of Bonds as the amount to be paid to the Owners of such Bonds when such Bonds are tendered for purchase or deemed tender for purchase in accordance with the provisions of such Supplemental Indenture.

**“Qualified Swap Agreement”** means a contract or agreement, intended to place such Series of Bonds or portion thereof or such applicable investments as the Authority shall specify on the interest rate, currency, cash flow or other basis desired by the Authority, payments (other than payments of fees and expenses and termination payments which shall in all cases be payable on a subordinate basis as Fees and Expenses) with respect to which the Authority has specified shall be payable from Revenue on a parity with the payment of Bonds, including, without limitation, any interest rate swap agreement, currency swap agreement, forward payment conversion agreement or futures contract, any contract providing for payments based on levels of, or changes in, interest rates, currency exchange rates, stock or other indices, any contract to exchange cash flows or a series of payments, or any contract, including, without limitation, an interest rate floor or cap, or an option, put or call, to hedge payment, currency, rate, spread or similar exposure, between the Authority and a Swap Party, provided that in each case the notional amount of the Qualified Swap Agreement shall not exceed the principal amount of the related Series of Bonds or portion thereof or the amount of such investments, as applicable.

**“Rail Extension Reserves”** means ninety percent (90%) of the twenty-five cent (25¢) toll increase on two-axle vehicles on the San Francisco-Oakland Bay Bridge authorized by Regional Measure 1 which are transferred by the Authority to MTC on an annual basis to be applied by MTC to rail transit capital extension and improvement projects that are designed to reduce vehicular traffic congestion on the San Francisco-Oakland Bay Bridge.

**“Rating Agency”** means each of Fitch, Kroll, Moody’s, and S&P, or any other nationally recognized securities rating agency selected by the Authority pursuant to a Supplemental Indenture.

**“Rating Category”** means: (i) with respect to any long-term rating category, all ratings designated by a particular letter or combination of letters, without regard to any numerical modifier, plus or minus sign or other modifier; and (ii) with respect to any short-term or commercial paper rating category, all ratings designated by a particular letter or combination of

letters and taking into account any numerical modifier, but not any plus or minus sign or other modifier.

**“Rating Confirmation”** means written evidence from each rating agency then rating the applicable Series of Bonds at the request of the Authority to the effect that, following the event that requires the Rating Confirmation, the then current rating for such Series of Bonds will not be lowered to a lower Rating Category or suspended or withdrawn solely as a result of the occurrence of such event.

**“Rebate Fund”** means the fund by that name created pursuant to Section 5.08.

**“Redemption Fund”** means the fund by that name created pursuant to Section 5.09.

**“Regional Measure 1”** means Regional Measure 1 which was approved by voters of the City and County of San Francisco and the counties of Alameda, Contra Costa, Marin, San Mateo, Santa Clara and Solano on November 8, 1988 and which took effect on January 1, 1989.

**“Regional Measure 2”** means Regional Measure 2 which was approved by voters of the City and County of San Francisco and the counties of Alameda, Contra Costa, Marin, San Mateo, Santa Clara and Solano on March 2, 2004 and which took effect on July 1, 2004.

**“Regional Measure 2 Reserves”** means an amount of up to thirty eight percent (38%) of the funds generated by Regional Measure 2 which are transferred by the Authority to MTC on an annual basis to be applied by MTC to provide operating assistance for transit purposes pursuant to Section 30914(d) of the Act.

**“Regional Measure 3”** means Regional Measure 3 which was approved by voters of the City and County of San Francisco and the counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano and Sonoma on June 5, 2018.

**“Regional Measure 3 Reserves”** means an amount of not more than sixteen percent (16%), up to \$60,000,000, of the funds generated by Regional Measure 3 which are transferred by the Authority to MTC on an annual basis to be applied by MTC to provide operating assistance for transit purposes pursuant to Section 30914.7(c)(1) of the Act.

**“Representation Letter”** means the letter or letters of representation from the Authority to, or other instrument or agreement with, a Securities Depository for Book-Entry Bonds, in which the Authority, among other things, makes certain representations to the Securities Depository with respect to the Book-Entry Bonds, the payment thereof and delivery of notices with respect thereto.

**“Reserve Facility”** means a surety bond or insurance policy issued to the Trustee by a company licensed to issue a surety bond or insurance policy, which company shall, at the time of issuance the Reserve Facility, be rated in at least the third highest long-term Rating Category by one Rating Agency, or a letter of credit issued or confirmed by a state or national bank, or a foreign bank with an agency or branch located in the continental United States, which at the time of issuance the Reserve Facility has an unsecured long-term debt security rating in at least the third

highest long-term Rating Category by one Rating Agency, deposited with the Trustee by the Authority to satisfy any applicable Reserve Requirement or portion thereof.

**“Reserve Facility Costs”** means amounts owed with respect to repayment of draws on a Reserve Facility, including interest thereon at the rate specified in the agreement pertaining to such Reserve Facility and expenses owed to the Reserve Facility Provider in connection with such Reserve Facility.

**“Reserve Facility Provider”** means any provider of a Reserve Facility, any successor thereto or any replacement therefor.

**“Reserve Fund”** means the fund by that name created pursuant to Section 5.05.

**“Reserve Requirement”** for any Bonds or Parity Obligations means, as of any date of calculation, the amount specified by a Supplemental Indenture or similar security document relating to the Parity Obligations as the amount required to be held in the Reserve Fund for the payment of principal of and interest on those Bonds.

**“Revenue”** means: (i) Bridge Toll Revenues; (ii) all interest or other income from investment of money in any fund or account of the Authority, including the Master Senior Indenture Operations and Maintenance Fund (or, if the Operations and Maintenance Fund is established pursuant to Section 5.10 hereof, such Operations and Maintenance Fund); (iii) all amounts on deposit in the funds and accounts (X) established pursuant to the Master Senior Indenture and held by the Master Senior Indenture Trustee (excluding the proceeds of Senior Bonds, Subsidy Payments with respect to Senior Bonds, the rebate fund under the Master Senior Indenture, any fund or account established to hold the proceeds of a drawing on any Senior Credit Support Instrument, and any amounts on deposit with the Trustee or another fiduciary and held in escrow specifically to pay principal of or interest on specific Senior Obligations), (Y) established pursuant to the Subordinate Indenture and held by the Subordinate Indenture Trustee (excluding the proceeds of Subordinate Bonds, Subsidy Payments with respect to Subordinate Bonds, the rebate fund under the Subordinate Indenture, any fund or account established to hold the proceeds of a drawing on any Subordinate Credit Support Instrument, and any amounts on deposit with the Trustee or another fiduciary and held in escrow specifically to pay principal of or interest on specific Subordinate Obligations), and (Z) established pursuant to this Indenture and held by the Trustee (excluding the Rebate Fund, any fund or account established to hold the proceeds of a drawing on any Credit Support Instrument, including any Subsidy Payments deposited pursuant to Section 5.14, and any amounts on deposit with the Trustee or another fiduciary and held in escrow specifically to pay principal of or interest on specific Bonds); (iv) all interest or other income from investment of money in the funds and accounts established pursuant to (X) the Master Senior Indenture and held by the Master Senior Indenture Trustee (excluding the rebate fund under the Master Senior Indenture, any fund or account established to hold the proceeds of a drawing on any Senior Credit Support Instrument, and any amounts on deposit with the Trustee or another fiduciary and held in escrow specifically to pay principal of or interest on specific Senior Obligations), (Y) the Subordinate Indenture and held by the Subordinate Indenture Trustee (excluding the rebate fund under the Subordinate Indenture, any fund or account established to hold the proceeds of a drawing on any Subordinate Credit Support Instrument, and any amounts on deposit with the Trustee or another fiduciary and held in escrow specifically to pay principal of

or interest on specific Subordinate Obligations), and (Z) this Indenture and held by the Trustee (excluding the Rebate Fund, any fund or account established to hold the proceeds of a drawing on any Credit Support Instrument, and any amounts on deposit with the Trustee or another fiduciary and held in escrow specifically to pay principal of or interest on specific Bonds); and (v) all Swap Revenues.

“**Revenue Bond Law of 1941**” means Chapter 6 of Part 1 of Division 2 of Title 5 of the California Government Code (commencing with Section 54300), as the same may be amended from time to time hereafter.

“**Rule 15c2-12**” means Securities and Exchange Commission Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“**S&P**” means S&P Global Ratings, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, the term “S&P” shall be deemed to refer to any other nationally recognized securities rating agency selected by the Authority.

“**Second Subordinate Revenue**” means, for any Fiscal Year, Revenue less Operations and Maintenance Expenses for that Fiscal Year, as set forth in the audited financial statements of the Authority for Fiscal Years for which audited financial statements are available or as projected by the Authority for Fiscal Years for which audited financial statements are not yet available. Second Subordinate Revenue shall not include any amount on deposit in the Reserve Fund, in the Master Senior Indenture Reserve Fund, in the Subordinate Indenture Reserve Fund or any Subsidy Payments.

“**Securities Depository**” means DTC or any other trust company or other entity that provides a book-entry system for the registration of ownership interests in securities and which is acting as security depository for Book-Entry Bonds.

“**Senior Bonds**” means bonds or commercial paper authorized by, and at any time Outstanding pursuant to, the Master Senior Indenture and bonds or commercial paper that are “parity obligations” as defined in the Master Senior Indenture.

“**Senior Credit Support Agreement**” means any Credit Support Agreement as defined in the Master Senior Indenture.

“**Senior Credit Support Instrument**” means any Credit Support Instrument as defined in the Master Senior Indenture.

“**Senior Obligations**” means Senior Bonds, regularly-scheduled payments on Qualified Swap Agreements, reserve costs for Senior Obligations required by the Master Senior Indenture, and other obligations of the Authority that are payable from Revenue on a parity with the payment of principal of and interest on Senior Bonds or otherwise prior to the Subordinate Obligations, Bonds and Parity Obligations.

“**Series**” means all Bonds identified in a Supplemental Indenture as a separate Series.

“**Sinking Fund Installment**” means, with respect to any Series of Bonds, each amount so designated for the Term Bonds of such Series in the Supplemental Indenture providing for the issuance of such Series of Bonds requiring payments by the Authority to be applied to the retirement of such Series of Bonds on and prior to the stated maturity date thereof.

“**State**” means the State of California.

“**Southern Bridge Group**” means the Dumbarton Bridge, the San Francisco-Oakland Bay Bridge and the San Mateo-Hayward Bridge.

“**Subsidy Payments**” means payments from the United States Treasury to or upon the order of the Authority with respect to Senior Obligations, Subordinate Obligations, Bonds, or Parity Obligations, including without limitation pursuant to Sections 54AA and 6431 of the Code, in each case which the Authority has in a Supplemental Indenture irrevocably designated as Subsidy Payments and pledged to secure the punctual payment of the principal of and interest on the Bonds, Parity Obligations and Reserve Facility Costs.

“**Subordinate Bonds**” means bonds authorized by, and at any time Outstanding pursuant to, the Subordinate Indenture and bonds that are “parity obligations” as defined in the Subordinate Indenture.

“**Subordinate Credit Support Instrument**” means any Credit Support Instrument as defined in the Subordinate Indenture.

“**Subordinate Indenture**” means the Subordinate Indenture between the Authority and The Bank of New York Mellon Trust Company, N.A., as Trustee, dated as of June 1, 2010, as amended and supplemented, and each other indenture of trust or resolution, if any, under which Subordinate Bonds are Outstanding.

“**Subordinate Indenture Reserve Fund**” means the Reserve Fund created and held by the Subordinate Indenture Trustee pursuant to the Subordinate Indenture.

“**Subordinate Indenture Trustee**” means the trustee under the Subordinate Indenture.

“**Subordinate Obligations**” means Subordinate Bonds and obligations of the Authority that are payable from Revenue on a parity with the payment of principal and interest on the Subordinate Bonds, including payments to the holders of obligations of the Authority entered into pursuant to California Government Code section 5922 (or any similar statute), in each case to the extent the Authority has contracted to make those payments as Subordinate Obligations, including reserve costs for Subordinate Obligations required by the Subordinate Indenture, and other obligations of the Authority that are payable from Revenue on a parity with the payment of principal of and interest on Subordinate Bonds or otherwise prior to the Bonds and Parity Obligations, but subsequent to the Senior Obligations.

“**Supplemental Indenture**” means any indenture executed and delivered by the Authority and the Trustee that is stated to be supplemental or amendatory hereto or provides for the issuance of one or more Series of Bonds hereunder.

“**Swap**” means any interest rate swap agreement, currency swap agreement, forward payment conversion agreement or futures contract, any contract providing for payments based on levels of, or changes in, interest rates, currency exchange rates, stock or other indices, any contract to exchange cash flows or a series of payments, or any contract, including, without limitation, an interest rate floor or cap, or an option, put or call, to hedge payment, currency, rate, spread or similar exposure, between the Authority and a Swap Party, which is not a Qualified Swap Agreement.

“**Swap Party**” means each entity that is a party to either a Qualified Swap Agreement or a Swap entered into with the Authority.

“**Swap Revenues**” means, any amount paid by a Swap Party to the Authority pursuant to any Qualified Swap Agreement or Swap, after any netting of payments required by such Qualified Swap Agreement or Swap, as applicable, and any payments paid to the Authority by a Swap Party as consideration for termination or amendment of a Qualified Swap Agreement or Swap, as applicable.

“**Tax Certificate**” means the Tax Certificate delivered by the Authority at the time of the issuance of a Series of Bonds the interest on which is intended to be exempt from federal income taxation, as the same may be amended and supplemented in accordance with its terms.

“**Term Bonds**” means Bonds of any Series that are payable on or before their specified maturity dates from Sinking Fund Installments established for that purpose in the Supplemental Indenture providing for the issuance of such Series of Bonds, which Sinking Fund Installments are calculated to retire such Bonds on or before their specified maturity dates.

“**Traffic Consultant**” means any engineer or engineering firm or other consulting firm with requisite expertise appointed by the Authority to prepare estimates of Bridge Toll Revenues. The appointed Person or entity may not be an employee of the Authority or MTC, but may have other contracts with the Authority or MTC or any other Person to provide, directly or indirectly, other services to the Authority or MTC and still be appointed as Traffic Consultant.

“**Written Instruction**” means the Written Request of the Authority entitled “Instructions to Bond Trustees Regarding Fund Transfers Under Master Senior Indenture, Subordinate Indenture, and Second Subordinate Indenture.”

“**Written Request of the Authority**” means an instrument in writing signed by an Authorized Representative.

## ARTICLE II

### THE BONDS

SECTION 2.01. Authorization. Bonds may be issued hereunder, in book-entry form or otherwise, from time to time as the issuance thereof is approved by the Authority. The maximum principal amount of Bonds that may be issued hereunder is not limited; subject, however, to any limitations contained in the Act and to the right of the Authority, which is hereby reserved, to limit the aggregate principal amount of Bonds that may be issued or Outstanding hereunder. The Bonds are designated generally as “Bay Area Toll Authority San Francisco Bay Area Toll Bridge Second Subordinate Revenue Bonds,” each Series thereof to bear such additional designation as may be necessary or appropriate to distinguish such Series from every other Series of Bonds and from Senior Bonds and Subordinate Bonds. The Bonds may be issued in such Series as from time to time shall be established and authorized by the Authority, subject to the covenants, provisions and conditions herein. Each separate Series of Bonds shall be authorized by the Authority, and the terms thereof shall be specified in a Supplemental Indenture. No Bonds may be issued under the provisions of this Indenture except in accordance with this Article and Article III.

Bonds may be issued for the purpose of constructing, improving or equipping any of the Bay Area Bridges or for any of the purposes authorized by the Act.

As long as any Senior Obligations or Subordinate Obligations remain outstanding, all Bonds issued hereunder shall be issued in accordance with Section 3.03 of the Master Indenture and Subordinate Indenture.

SECTION 2.02. General Terms of Bonds. Each Bond shall bear interest and be payable and be secured and have such other terms as shall be specified in its Supplemental Indenture, or if not specified therein, as specified by an Authorized Representative pursuant to Section 2.06.

Unless otherwise specified in a Supplemental Indenture with respect to one or more Series of Bonds, the principal and Purchase Price of, premium, if any, and interest on the Bonds shall be payable in lawful currency of the United States of America. During any period in which any Bonds are Book-Entry Bonds, payment of debt service on such Book-Entry Bonds shall be made to the Securities Depository, or its Nominee, and in accordance with arrangements among the Authority, the Trustee and the Securities Depository. During any period which any Bonds are not Book-Entry Bonds, unless otherwise specified in a Supplemental Indenture, the principal and Purchase Price of and premium, if any, on all such Bonds shall be payable by wire or check at the Principal Office of the Trustee upon the presentation and surrender of such Bonds as the same become due and payable, and the interest on such Bonds shall be paid by wire or check drawn upon the Trustee and mailed on the applicable interest payment date to the persons in whose names the Bonds are registered on the registration books maintained by the Trustee at the close of business on the record date for such interest payment.

SECTION 2.03. Execution. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of its chief executive officer and countersigned by

the manual or facsimile signature of its chief financial officer. In case the officer whose manual or facsimile signature shall appear on the Bonds shall cease to be an officer before the delivery of such Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes.

SECTION 2.04. Certificate of Authentication. No Bonds shall be secured hereby or entitled to the benefit hereof or shall be or become valid or obligatory for any purpose unless there shall be endorsed thereon a certificate of authentication, substantially in the form set forth in the form of Bond referred to in Section 2.05 hereof, executed by the Trustee; and such certificate on any Bond issued by the Authority shall be conclusive evidence that such Bond has been duly authenticated and delivered hereunder.

SECTION 2.05. Forms of Bonds. The Bonds, the Trustee's certificate of authentication and the form of assignment shall be in substantially the forms specified in a Supplemental Indenture or if not specified therein, as specified by an Authorized Representative pursuant to Section 2.06, and may have such letters, numbers or other marks of identification (including, but not limited to, the Series designation provided for in Section 2.01) and such legends and endorsements placed thereon as may be required to comply with any applicable laws or rules or regulations, or as may, consistent herewith, be determined by an Authorized Representative. The Bonds shall be in either typewritten or printed form, as an Authorized Representative shall direct, provided that any expenses incurred in connection therewith shall be paid by the Authority.

SECTION 2.06. Issuance, Sale and Delivery of Bonds; Application of Proceeds. The Bonds of each Series shall be delivered by the Trustee in accordance with a Written Request of the Authority, which may be Electronic, in the manner specified herein. Said Written Request of the Authority shall specify the following terms for the Bonds then being issued to the extent such terms are not set forth in the Supplemental Indenture creating such Series of Bonds and are applicable to such Bonds: Series designation; Authorized Denominations; bond forms; book entry provisions, if any, maturity date or dates or maturity determination method, which may vary for Bonds within such Series; principal amount; issue date; interest rate or interest rate determination method, which may vary for Bonds within such Series; record date for interest payments; sinking fund provisions, if any; Reserve Requirement, if any; redemption provisions, if any; tender provisions, if any; security or additional security, if any; and any other terms and conditions that are not inconsistent with this Indenture. Upon the delivery of each Series of Bonds, the proceeds shall immediately be applied and deposited as set forth in the applicable Supplemental Indenture.

SECTION 2.07. Mutilated, Lost, Stolen or Destroyed Bonds. If any Bond is mutilated, lost, stolen or destroyed, the Authority shall execute and the Trustee shall authenticate and deliver a new Bond of the same Series, maturity date, principal amount and tenor in lieu of and in substitution for the Bond mutilated, lost, stolen or destroyed; provided that there shall be first furnished to the Trustee evidence satisfactory to the Trustee of the ownership of such Bond and of such loss, theft or destruction (or, in the case of a mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee), together with indemnity satisfactory to the Trustee and compliance with such other reasonable regulations as the Authority and Trustee may prescribe. Subject to the proviso set forth in the preceding sentence, if any such Bond shall have matured or a redemption date pertaining thereto shall have passed, instead of issuing a new Bond, the



Authority may pay the same without surrender thereof. The Authority and the Trustee may charge the Holder of such Bond with their reasonable fees and expenses in this connection.

SECTION 2.08. Exchangeability and Transfer of Bonds; Persons Treated as Holders. The Authority hereby directs the Trustee, which is hereby constituted and appointed the bond registrar for the Bonds, to keep books for the registration of the Bonds and for the registration of transfer of the Bonds as provided herein.

Any registered owner of a Bond, in person or by its duly authorized attorney, may transfer title to its Bond on the books of registration kept by the Trustee, upon surrender thereof at the Principal Office of the Trustee, together with a written instrument of transfer (in substantially the form of assignment attached to the Bond or as provided in its Supplemental Indenture) executed by the registered owner or its duly authorized attorney, and upon surrender for registration of transfer of any Bond, the Authority shall execute, and the Trustee shall authenticate and deliver in the name of the transferee or transferees, a new Bond or Bonds of the same Series, maturity date, aggregate principal amount and tenor as the Bond surrendered.

Bonds may be exchanged upon surrender thereof at the Principal Office of the Trustee for Bonds of the same Series, maturity date, aggregate principal amount and tenor as the Bonds being exchanged. The Authority shall execute and the Trustee shall authenticate and deliver Bonds that the registered owner making the exchange is entitled to receive, bearing numbers not contemporaneously then outstanding.

Such registrations of transfers or exchanges of Bonds shall be without charge to the registered owner of such Bonds, but any taxes or other governmental charges required to be paid with respect to the same shall be paid by the registered owner of the Bond requesting such registration of transfer or exchange as a condition precedent to the exercise of such privilege. Any service charge made by the Trustee for any such registration, transfer or exchange shall be paid by the Authority.

The Trustee shall not register any transfer of any Bond after notice calling such Bond (or portion thereof) for redemption or partial redemption or notice of mandatory tender with respect thereto has been given and prior to such redemption or mandatory tender, as the case may be, except, in the case of any Bond to be redeemed in part, the portion thereof not to be redeemed.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of either principal, premium, if any, or interest shall be made only to or upon the order of the registered owner thereof or his duly authorized attorney, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

All Bonds issued upon any transfer or exchange of Bonds shall be legal, valid and binding obligations of the Authority, evidencing the same debt, and entitled to the same security and benefits under this Indenture, as the Bonds surrendered upon such transfer or exchange.

SECTION 2.09. Cancellation. All Bonds that have been surrendered to the Trustee pursuant to Section 2.07 or 2.08 of this Indenture and all Bonds that have been paid or

redeemed, either at or prior to maturity, except as otherwise provided in a Supplemental Indenture, shall be cancelled and destroyed by the Trustee and a certificate of destruction shall be delivered to the Authority.

SECTION 2.10. Bonds Ratably Secured. All Bonds issued hereunder that by their terms are stated to be equally and ratably secured by this Indenture without preference, priority or distinction on account of the Series or the actual time or times of the authentication, delivery or maturity of such Bonds shall be so equally and ratably secured so that, subject to any differences specified in this Indenture, all such Bonds at any time Outstanding hereunder shall have the same right, lien and preference under and by virtue of this Indenture and shall all be equally and ratably secured hereby with like effect as if they were of the same Series and they had all been executed, authenticated and delivered simultaneously on the date hereof, whether the same, or any of them, shall actually be disposed of at such date, or whether they, or any of them, shall be disposed of at some future date.

SECTION 2.11. Book-Entry Only System. Unless an Authorized Representative shall otherwise direct or unless otherwise specified in a Supplemental Indenture, all Bonds issued hereunder shall be issued as Book-Entry Bonds in fully registered form. Book-Entry Bonds shall be registered in the name of the Securities Depository or its Nominee as directed by such Securities Depository. DTC shall act as the initial Securities Depository and has designated Cede & Co. as its Nominee. Beneficial Owners of Bonds will not receive physical delivery of bond certificates except as provided hereinafter. For so long as DTC shall continue to serve as Securities Depository for the Bonds as provided herein, all transfers of beneficial ownership interests will be made by book-entry only, and no person purchasing, selling or otherwise transferring beneficial ownership of Bonds is to receive, hold or deliver any Bond certificate.

With respect to Bonds registered in the name of Cede & Co., as Nominee of DTC, the Authority and the Trustee shall have no responsibility or obligation to any participant in DTC (each, a “DTC Participant”) or to any person on whose behalf a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the Authority and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of the Bonds, as shown on the registration books, of any notice with respect to the Bonds, including any notice of redemption or mandatory tender, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of the Bonds, as shown in the registration books, of any amount with respect to principal or Purchase Price of, or premium, if any, or interest on the Bonds.

Replacement Bonds may be issued directly to Beneficial Owners of Bonds other than DTC, or its Nominee, but only in the event that: (i) DTC determines not to continue to act as Securities Depository for the Bonds (which determination shall become effective no less than 90 days after written notice to such effect to the Authority and the Trustee); or (ii) an Authorized Representative has advised DTC of its determination (which determination is conclusive as to DTC and Beneficial Owners of the Bonds) that DTC is incapable of discharging its duties as Securities Depository for the Bonds; or (iii) the Authority has determined (which determination is conclusive as to DTC and the Beneficial Owners of the Bonds) that the interests of the Beneficial

Owners of the Bonds might be adversely affected if such book-entry only system of registration and transfer is continued. Upon occurrence of any of the foregoing events, the Authority shall use its best efforts to attempt to locate another qualified Securities Depository. If the Authority fails to locate another qualified Securities Depository to replace DTC, the Authority shall cause to be authenticated and delivered replacement Bonds, in certificate form, to the Beneficial Owners of the Bonds. In the event that the Authority makes the determination noted in (ii) or (iii) above (provided that the Authority undertakes no obligation to make any investigation to determine the occurrence of any events that would permit the Authority to make any such determination), and has made provisions to notify the Beneficial Owners of Bonds of such determination by mailing an appropriate notice to DTC and its nominee, the Authority shall cause to be issued replacement Bonds in certificate form to Beneficial Owners of the Bonds as shown on the records of DTC provided to the Authority.

Whenever, during the term of the Bonds, the Beneficial Ownership thereof is determined by book-entry at DTC, (i) the requirements in this Indenture of holding, delivering or transferring Bonds shall be deemed modified to require the appropriate person or entity to meet the requirements of DTC as to registering or transferring the book entry to produce the same effect and (ii) delivery of the Bonds and notices to Bondholders will be in accordance with arrangements among the Authority, the Trustee and DTC notwithstanding any provision of this Indenture to the contrary.

The Trustee and the Authority, acting by and through an Authorized Representative, are authorized to enter into a letter of representations with DTC to implement the book-entry only system of Bond registration described above and all payments of principal, Purchase Price, interest and premium, if any, shall be made in accordance with the letter of representations with DTC.

If at any time, DTC ceases to hold the Bonds in book-entry form, all references herein to DTC shall be of no further force or effect.

### ARTICLE III

#### ADDITIONAL BONDS

SECTION 3.01. Restrictions on Issuance of Additional Bonds. Subsequent to the initial issuance of Bonds pursuant to this Indenture, additional Bonds or Parity Obligations may be issued if the requirements of (A) or (B) below are met:

(A) the additional Bonds (or Parity Obligations) are issued for refunding purposes to provide funds for the payment of any or all of the following:

- (1) The principal or redemption price of the Outstanding Bonds, Parity Obligations, Senior Obligations, or Subordinate Obligations to be refunded;
- (2) All expenses incident to the calling, retiring or paying of such Outstanding Bonds, Parity Obligations, Senior Obligations, or Subordinate Obligations, and the Costs of Issuance of such refunding Bonds or Parity Obligations;

(3) Interest on all Outstanding Bonds, Parity Obligations, Senior Obligations, or Subordinate Obligations to be refunded to the date such Bonds, Parity Obligations, Senior Obligations or Subordinate Obligations will be called for redemption or paid at maturity; and

(4) Interest on the refunding Bonds or Parity Obligations from the date thereof to the date of payment or redemption of the Bonds, Parity Obligations, Senior Obligations, or Subordinate Obligations to be refunded.

(B) an Authorized Representative determines and certifies, as of the date of issuance of the additional Bonds or Parity Obligations:

(1) If at any time there shall be no Senior Obligations Outstanding and the Master Senior Indenture shall have been discharged in accordance with its terms, and there shall be no Subordinate Obligations Outstanding and the Subordinate Indenture shall have been discharged in accordance with its terms that either:

(i) the ratio of (A) Second Subordinate Revenue for the most recent Fiscal Year for which audited financial statements are available to (B) Maximum Annual Debt Service, calculated as of the date of sale of, and including such additional Bonds or Parity Obligations, will not be less than 1.50:1; or

(ii) the ratio of (A) projected Second Subordinate Revenue for each of the next three (3) consecutive Fiscal Years (beginning with the current Fiscal Year or the Fiscal Year after the current Fiscal Year), including in such projections amounts projected to be received from any adopted toll increase or planned openings of an additional Bay Area Bridge, to (B) Maximum Annual Debt Service, calculated as of the date of sale of, and including such additional Bonds or Parity Obligations, will not be less than 1.50:1; or

(2) While any Senior Obligations remain Outstanding under the Master Senior Indenture or any Subordinate Obligations remain Outstanding under the Subordinate Indenture or either the Senior Indenture or the Subordinate Indenture remain undischarged, that either:

(i) the ratio of (A) Second Subordinate Revenue for the most recent Fiscal Year for which audited financial statements are available to (B) Maximum Annual Debt Service, calculated as of the date of sale of, and including, such additional Bonds or Parity Obligations, will not be less than 1.20:1; or

(ii) the ratio of (A) projected Second Subordinate Revenue for each of three (3) consecutive Fiscal Years (beginning with the current Fiscal Year or the Fiscal Year after the current Fiscal Year) to (B) Annual Debt Service, calculated as of the date of sale of, and including such

additional Bonds or Parity Obligations, for each such Fiscal Year, will not be less than 1.20:1; and of (X) projected Second Subordinate Revenue for the third such consecutive Fiscal Year to (Y) Maximum Annual Debt Service, calculated as of the date of sale of, and including, such Bonds or Parity Obligations, will not be less than 1.20:1. In calculating projected Second Subordinate Revenue, the Authority shall take into account amounts projected to be received from any adopted toll increase or increases and any additional Bay Area Bridge or Bridges.

Maximum Annual Debt Service with respect to Parity Obligations, Senior Obligations, and Subordinate Obligations shall be determined using the principles set forth in the definition of Maximum Annual Debt Service; provided that if a Parity Obligation, Senior Obligation, or Subordinate Obligation is contingent upon funds being provided under a Credit Support Instrument to pay principal or purchase price of or interest on a Bond, Senior Bonds, or Subordinate Bond, as applicable, such Parity Obligations, Senior Obligations, or Subordinate Obligations, as applicable, shall not be considered outstanding until such payment is made thereunder.

For Additional Bonds and Parity Obligations issued to finance a Project that includes toll bridge program capital improvements for any bridge newly designated as a Bay Area Bridge, projected Second Subordinate Revenue for such bridge shall be calculated using estimates of Bridge Toll Revenues prepared by a Traffic Consultant unless that bridge has been an operating toll bridge for at least three (3) Fiscal Years.

SECTION 3.02. Proceedings for Issuance of Additional Bonds and Parity Obligations. Subsequent to the initial issuance of Bonds pursuant to this Indenture, whenever the Authority determines to issue additional Bonds or Parity Obligations, the Authority shall, in addition to fulfilling the requirements of Article II, file with the Trustee:

- (a) a certificate of the Authority stating that no Event of Default specified in Section 7.01 has occurred and is then continuing;
- (b) a certificate of the Authority stating that the requirements of Section 3.01 have been satisfied;
- (c) such amount, in cash or in the form of a Reserve Facility, as shall equal the Reserve Requirement, if any, for such Series of Bonds for deposit in the Reserve Fund; and
- (d) an Opinion of Bond Counsel to the effect that the Supplemental Indenture creating such Series of Bonds has been executed and delivered by the Authority in accordance with this Indenture and that such Series of Bonds, when duly executed by the Authority and authenticated and delivered by the Trustee, will be valid and binding obligations of the Authority.

SECTION 3.03. Junior Obligations. The Authority may issue or incur obligations payable out of Revenue on a basis junior and subordinate to the payment of the principal, interest and reserve fund requirements for the Bonds and any Parity Obligations as permitted in the Master Senior Indenture and Subordinate Indenture, subject to compliance with the conditions for issuance under the Master Senior Indenture and Subordinate Indenture so long

as either are in effect. If at any time there shall be no Senior Obligations Outstanding, no Subordinate Obligations Outstanding, and the Master Senior Indenture and the Subordinate Indenture shall each have been discharged in accordance with its respective terms, and except to the extent restricted by a Supplemental Indenture, the Authority may issue or incur obligations payable out of Revenue on a basis junior and subordinate to the payment of the principal, interest and reserve fund requirements for the Bonds and any Parity Obligations.

SECTION 3.04. Senior Obligations. The Authority may issue or incur additional Senior Bonds or other Senior Obligations pursuant to, and subject to the conditions and limitations contained in, the Master Senior Indenture.

SECTION 3.05. Subordinate Obligations. The Authority shall not issue or incur additional Subordinate Bonds or other Subordinate Obligations under the Subordinate Indenture.

## ARTICLE IV

### REDEMPTION AND TENDER

SECTION 4.01. Redemption, Tender and Purchase of Bonds. Each Series of Bonds may be made subject to redemption or mandatory or optional tender and purchase prior to their respective stated maturities, as a whole or in part, at such time or times, upon such terms and conditions and upon such notice and with such effect as may be provided in the Supplemental Indenture creating such Series of Bonds.

SECTION 4.02. Notice of Redemption. Unless otherwise specified in a Supplemental Indenture creating a Series of Bonds, each notice of redemption shall be mailed by the Trustee, not less than twenty (20) nor more than sixty (60) days prior to the redemption date, to each Owner and to the MSRB or such successor service as may be designated by the Authority. Notice of redemption to the Owners shall be given by first class mail. Each notice of redemption shall state the date of such notice, the date of issue of the Series of Bonds to which such notice relates, the redemption date, the redemption price, the place or places of redemption (including the name and appropriate address or addresses of the Trustee), the CUSIP number (if any) of the maturity or maturities and, in the case of a Series of Bonds to be redeemed in part only, identity of the Bonds to be redeemed or the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on said date there will become due and payable on each of said Bonds the redemption price thereof, or the redemption price of said specified portion of the principal amount thereof in the case of a Bond to be redeemed in part only, together with interest accrued thereon to the date fixed for redemption, and that from and after such redemption date interest thereon shall cease to accrue. Neither the Authority nor the Trustee shall have any responsibility for any defect in the CUSIP number that appears on any Bond or in any redemption notice with respect thereto, and any such redemption notice may contain a statement to the effect that CUSIP numbers have been assigned by an independent service for convenience of reference and that neither the Authority nor the Trustee shall be liable for any inaccuracy in such numbers. Failure of any Owner to receive any notice of redemption or any defect therein shall not affect the sufficiency of any proceedings for redemption.

SECTION 4.03. Conditional Notice of Redemption; Rescission. Any notice of optional redemption of the Bonds delivered in accordance with Section 4.02 may be conditional, and if any condition stated in the notice of redemption shall not have been satisfied on or prior to the redemption date, said notice shall be of no force and effect and the Authority shall not be required to redeem the Bonds thereby called for redemption, and the redemption shall be cancelled and the Trustee shall within a reasonable time thereafter give notice, to the persons and in the manner in which the notice of redemption was given, that such condition or conditions were not met and that the redemption was cancelled. In addition, the Authority may, at its option, on or prior to the date fixed for optional redemption in any notice of redemption of the Bonds, rescind and cancel such notice of redemption by Written Request of the Authority to the Trustee, and any optional redemption of Bonds and notice thereof shall be rescinded and cancelled and the Trustee shall mail notice of such cancellation to the recipients of the notice of redemption being cancelled pursuant to the provisions of Section 4.02. Any optional redemption of Bonds and notice thereof shall be rescinded and cancelled if for any reason on the date fixed for optional redemption moneys are not available in the Redemption Fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the Bonds called for optional redemption and such failure to optionally redeem the Bonds called for redemption shall not be a default hereunder.

SECTION 4.04. Effect of Redemption. Notice of redemption having been duly given as aforesaid or as otherwise provided in a Supplemental Indenture, and moneys for payment of the redemption price of, together with interest accrued to the redemption date on, the Bonds (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice, the Bonds (or portions thereof) so called for redemption shall become due and payable at the redemption price specified in the Indenture, together with interest accrued thereon to the date fixed for redemption, interest on the Bonds so called for redemption shall cease to accrue, said Bonds (or portions thereof) shall cease to be entitled to any benefit or security under this Indenture, and the Owners of said Bonds shall have no rights in respect thereof except to receive payment of said redemption price and accrued interest to the date fixed for redemption.

SECTION 4.05. Partial Redemption of Bonds. Upon surrender of any Bond to be redeemed in part only, the Authority shall execute, and the Trustee shall authenticate and deliver to the Owner of such Bond, at the expense of the Authority, a new Bond or Bonds of Authorized Denominations equal in aggregate principal amount to the unredeemed portion of the Bond surrendered, of the same Series, maturity and terms as the surrendered Bond.

## ARTICLE V

### STATUTORY LIEN; PLEDGES; FUNDS AND ACCOUNTS

SECTION 5.01. Statutory Lien. All Bridge Toll Revenues shall be deposited by the Authority in the Bay Area Toll Account and are subject to a statutory lien created pursuant to Section 30960 of the Act in favor of the holders of Senior Bonds, holders of Subordinate Bonds, and Bondholders to secure all amounts due on the Senior Bonds, Subordinate Bonds, and the Bonds and in favor of any provider of credit enhancement for the Senior Bonds, the Subordinate Bonds, and the Bonds to secure all amounts due to that provider with respect to those Senior Bonds,

Subordinate Bonds, and Bonds, respectively. Pursuant to Section 30960 of the Act, such lien, subject to expenditures for operation and maintenance of the Bay Area Bridges, including toll collection, unless those expenditures are otherwise provided for by statute as provided in Section 30960(c) of the Act, shall immediately attach to the Bridge Toll Revenues as such Bridge Toll Revenues are received by the Authority and shall be effective, binding, and enforceable against the Authority, its successors, creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for any physical delivery, recordation, filing, or further act, and the Bridge Toll Revenues shall remain subject to such statutory lien until all Bonds are paid in full or provision made therefor, and the Bay Area Bridges shall not become toll-free prior to that time.

SECTION 5.02. Pledge of State. Pursuant to Section 30963 of the Act, the State pledges and agrees with the Holders of the Bonds and those parties who may enter into contracts with the Authority pursuant to the Act that the State will not limit, alter, or restrict the rights vested by the Act in the Authority to finance the toll bridge improvements authorized by the Act and agrees not to impair the terms of any agreements made with the Holders of the Bonds and the parties who may enter into contracts with the Authority pursuant to the Act and pledges and agrees not to impair the rights or remedies of the Holders of Bonds or any such parties until the Bonds, together with interest, are fully paid and discharged and any contracts are fully performed on the part of the Authority.

SECTION 5.03. Pledge of Revenue, Certain Funds and Accounts. There are hereby pledged to secure the punctual payment of the principal of and interest on the Bonds, Parity Obligations and Reserve Facility Costs, all Revenue and all amounts (including the proceeds of Bonds) held by the Trustee in each fund and account established under this Indenture (except for amounts on deposit in the Rebate Fund and amounts on deposit in any fund or account established to hold the proceeds of a drawing on any Credit Support Instrument), subject only to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein. Said pledge shall constitute a lien on such amounts, shall be valid and binding without any physical delivery or further act and shall be irrevocable until all Bonds, Parity Obligations and Reserve Facility Costs are no longer Outstanding. The pledge and lien are subordinate to every pledge and lien, heretofore or hereafter made, to secure the payment of the principal of and interest on (i) Senior Bonds and amounts due on other Senior Obligations; and (ii) Subordinate Bonds and amounts due on other Subordinate Obligations. The pledge to secure payment of Reserve Facility Costs set forth in this Section 5.03 is on a basis subordinate to the pledge of such amounts to the Trustee for payment of the Bonds and Parity Obligations.

SECTION 5.04. Establishment and Application of the Bond Fund. Not less than three (3) Business Days prior to each date when the Authority shall be required to pay principal or interest on Bonds or amounts due on Parity Obligations (other than any such obligations that the Authority may have as a Credit Provider for such Bonds), the Authority shall transfer to the Trustee from the Bay Area Toll Account for deposit into the Bond Fund such amount of Revenue as shall be required to increase the balance of the Bond Fund to an amount sufficient to pay all Bonds and Parity Obligations then due and payable and such amount as shall be required by Section 5.05 to replenish the Reserve Fund for any Bonds or Parity Obligations and to pay Reserve Facility Costs then due and payable. To the extent the interest rate on the Bonds or Parity Obligations has not yet been determined, the Trustee shall assume such rate to be twelve percent



(12%) per annum or such other rate as the Authority shall specify to the Trustee at the time of such transfer.

All Revenue shall be deposited by the Trustee in a special fund designated as the “Bond Fund,” which the Trustee shall establish, maintain and hold in trust. All Subsidy Payments with respect to the Bonds received by the Trustee shall be deposited in the Bond Fund. All amounts held in the Bond Fund shall be held, applied, used and withdrawn only as provided in this Indenture or in the Written Instruction. On or before each date when principal and interest on the Bonds and amounts due on Parity Obligations shall be due and payable, the Trustee shall transfer from the Bond Fund and deposit (or transfer as appropriate to the holder or trustee of such Parity Obligations the amounts then due thereon) into the following respective accounts (each of which the Trustee shall establish and maintain within the Bond Fund), in the following order of priority, the requirements of each such account (including the making up of any deficiencies in any such account resulting from lack of Revenue sufficient to make any earlier required deposit) at the time of deposit to be satisfied before any transfer is made to any account subsequent in priority:

(a) Interest Account. The Trustee shall set aside in the Interest Account in the manner and at the times specified by Supplemental Indenture amounts sufficient to pay the interest on Bonds and amounts due on Parity Obligations (including scheduled payments on Qualified Swap Agreements) as and when due. Except as otherwise provided in this Section 5.04(a), moneys in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying interest on the Bonds and amounts due on Parity Obligations (including scheduled payments on Qualified Swap Agreements) as such interest and other amounts shall become due and payable, provided that moneys in any separate account established to pay interest on a Series of Bonds shall be used and withdrawn solely to pay interest on such Bonds as and when due.

(b) Principal Account. The Trustee shall set aside in the Principal Account in the manner and at the times specified by Supplemental Indenture amounts sufficient to pay the principal of Bonds (including any sinking fund payments) as and when due (whether at maturity or upon redemption or on account of sinking fund requirements) and amounts due on Parity Obligations. Except as otherwise provided in this Section 5.04(b), moneys in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying principal of the Bonds (including any sinking fund payments) and amounts due on Parity Obligations as and when due, provided that moneys in any separate account established to pay principal on a Series of Bonds shall be used and withdrawn solely to pay principal of such Bonds as and when due.

Any moneys remaining in the Bond Fund after the foregoing transfers shall be transferred to the Reserve Fund until the amount on deposit in the Reserve Fund is equal to the Reserve Requirement for all Bonds and Parity Obligations that have a Reserve Requirement and all Reserve Facility Costs shall have been paid. If such amounts are not sufficient to fulfill the Reserve Requirement for each Reserve Account within the Reserve Fund, such moneys transferred to the Reserve Fund shall be allocated ratably among each Reserve Account in proportion to the then-current deficiency therein. If any amounts remain on deposit in the Bond Fund after all such transfers are made, such amounts shall be transferred to or upon the order of the Authority; and provided further that if the amount on deposit in the Reserve Fund is equal to the Reserve Requirement, no Reserve Facility Costs are then due and payable and the Authority shall so direct the Trustee in writing, such moneys shall be transferred to and deposited in the Junior Obligations

Fund or, if there are no Junior Obligations then outstanding in accordance with this Indenture and Section 5.06 hereof, such moneys shall be transferred to and deposited in the Fees and Expenses Fund.

In the event the Trustee does not have sufficient funds on hand in the Bond Fund to pay the principal of and interest on Bonds and amounts due on Parity Obligations when due, the Trustee shall notify the Authority as promptly as practicable of the shortfall and apply the funds it has on hand in the Bond Fund and any additional funds received from the Authority for deposit in the Bond Fund to pay such Bonds and Parity Obligations on a pro rata basis based on the respective amounts then known to the Trustee to be due on such Bonds and Parity Obligations.

SECTION 5.05. Establishment, Funding and Application of the Reserve Fund. The Trustee shall establish, maintain and hold in trust a separate fund designated as the "Reserve Fund."

(a) Each Supplemental Indenture for the issuance of any Series of Bonds shall establish a Reserve Requirement, if any, and establish such other terms as may be necessary, including without limitation as follows:

(i) On the date of issuance of any Series of Bonds or Parity Obligations that has a Reserve Requirement, the Reserve Requirement for those Bonds or Parity Obligations shall be deposited in the Reserve Fund in an account solely for the benefit of those Bonds or Parity Obligations.

(ii) Alternatively, the Supplemental Indenture for any Series of Bonds or similar security document for any Parity Obligations may establish a pooled Reserve Requirement for that Series of Bonds or Parity Obligations, as applicable, and any one or more subsequently issued Series of Bonds or Parity Obligations secured by the same pooled Reserve Requirement, in which case the Reserve Requirement for the initial such Series of Bonds shall be deposited in the Reserve Fund in an account solely for the benefit of those Bonds or Parity Obligations and any additional Bonds or Parity Obligations secured by the same pooled Reserve Requirement, and on the date of issuance of any such additional Bonds, or Parity Obligations there shall be deposited in the account the amount necessary to increase the balance in the account to an amount equal to the Reserve Requirement for all Bonds or Parity Obligations secured by that account.

(b) Moneys in an account in the Reserve Fund shall be used and withdrawn by the Trustee solely for the purposes of paying principal of and interest on the Bonds or Parity Obligations for which such account is held when such principal and interest are due if insufficient moneys for the payment thereof are on deposit in the Principal Account and the Interest Account or (together with any other moneys available therefor) for the payment of principal and interest on all such Bonds or Parity Obligations then Outstanding when due whether upon maturity or earlier redemption or, for the payment of the final principal and interest payment of all such Bonds or Parity Obligations that are Outstanding.

(c) In the event that the Trustee shall have withdrawn moneys in an account in the Reserve Fund for the purpose of paying principal and interest on Bonds or Parity Obligations

when due as provided in subsection (b), the Trustee shall promptly notify the Authority of such withdrawal. Upon receipt of such notification, the Authority shall, on or prior to the first Business Day of each month, commencing the month after such notification is received from the Trustee by the Authority, transfer to the Trustee, pursuant to Section 5.04, for deposit in that depleted account in the Reserve Fund, an amount equal to one-twelfth (1/12th) of the aggregate initial amount of each unreplenished withdrawal until the amount on deposit in that account in the Reserve Fund is equal to the Reserve Requirement for the Bonds or Parity Obligations secured by that account.

(d) Upon receipt of any notification from the Trustee of a deficiency in the Reserve Fund due to any required valuation of investments in the Reserve Fund provided by the Trustee pursuant to Section 5.13, the Authority shall, on or prior to the first Business Day of each month, commencing the month after such notification is received from the Trustee by the Authority, transfer to the Trustee, pursuant to Section 5.04, for deposit in the Reserve Fund, an amount equal to one-twelfth (1/12th) of the aggregate amount of such deficiency until the amount on deposit in the Reserve Fund is equal to the Reserve Requirement for all Bonds secured by the Reserve Fund.

(e) The Reserve Requirement for any Series of Bonds or Parity Obligations may be permitted or required by the Supplemental Indenture or similar security document for such Parity Obligations establishing the Reserve Requirement to be funded in whole or in part with a Reserve Facility. The terms and conditions for any Reserve Facility shall be set forth in the Reserve Facility or the Supplemental Indenture establishing the Reserve Requirement to be met in whole or in part by the Reserve Facility, provided that those terms and conditions shall conform to and be consistent with the provisions set forth in this Section 5.05.

(f) The Trustee shall withdraw cash (and liquidate investments to produce cash) and draw on Reserve Facilities in any account in the Reserve Fund to fund payments of principal of and interest on Bonds or Parity Obligations supported by such account in the Reserve Fund in the manner and in the order specified in the applicable Supplemental Indenture or Supplemental Indentures or similar security document for such Parity Obligations.

(g) This Indenture shall not be discharged until all Reserve Facility Costs owing to a Reserve Facility Provider shall have been paid in full.

**SECTION 5.06. Establishment and Application of the Junior Obligations Fund.** If at any time there shall be no Senior Obligations Outstanding, no Subordinate Obligations Outstanding, and the Master Senior Indenture and the Subordinate Indenture shall each have been discharged in accordance with its respective terms, and provided that no Senior Obligations or Subordinate Obligations remain outstanding, upon the written direction of the Authority, the Trustee shall establish, maintain and hold in trust a separate fund designated as the “Junior Obligations Fund.” Upon the establishment of the Junior Obligations Fund at the direction of the Authority, after the other transfers required pursuant to Section 5.04 have been made, the Trustee shall transfer remaining Revenue to the Junior Obligations Fund. All moneys in the Junior Obligations Fund shall be applied to the payment of Junior Obligations in accordance with, and upon the written directions of, the Authority, such written directions to be provided by the Authority concurrently with any transfer of Revenue to the Trustee pursuant to Section 5.04.

SECTION 5.07. Establishment and Application of the Fees and Expenses Fund.

(a) If at any time there shall be no Senior Obligations Outstanding, no Subordinate Obligations Outstanding, and the Master Senior Indenture and the Subordinate Indenture shall each have been discharged in accordance with its respective terms, and the Master Senior Indenture Fees and Expenses Fund created by the Master Senior Indenture shall be closed, the Trustee shall establish, maintain and hold in trust a separate fund designated as the “Fees and Expenses Fund.” After the transfers required pursuant to Section 5.04 have been made, if there are Junior Obligations then Outstanding in accordance with this Indenture, the Trustee shall transfer remaining Revenue to the Junior Obligations Fund and shall comply with the directions provided by the Authority pursuant to Section 5.06 with respect to application of amounts deposited in the to the Junior Obligations Fund. After such funds have been so applied, remaining Revenue shall be transferred back to the Trustee and shall be deposited by the Trustee in the Fees and Expenses Fund.

(b) After the transfers required pursuant to Section 5.04 have been made, if there are no Junior Obligations then Outstanding, the Trustee shall transfer remaining Revenue to the Fees and Expenses Fund.

(c) All moneys in the Fees and Expenses Fund shall be used and withdrawn by the Trustee to pay Fees and Expenses as directed by and in accordance with a Written Request of the Authority.

(d) Upon the payment of Fees and Expenses by the Trustee as directed by and in accordance with a Written Request of the Authority, remaining Revenue, if any, shall be promptly transferred by the Trustee to the Authority for deposit in the Bay Area Toll Account.

SECTION 5.08. Establishment and Application of the Rebate Fund. Upon the Written Request of the Authority, the Trustee shall establish, maintain and hold in trust a separate fund designated as the “Rebate Fund” and there shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to each Tax Certificate and the Code. All money at any time deposited in the Rebate Fund shall be held by the Trustee to satisfy the Rebate Requirement (as defined in the Tax Certificate) for payment to the United States of America. The Trustee shall have no responsibility with respect to the Rebate Fund or the Rebate Requirement except to follow a Written Request of the Authority.

SECTION 5.09. Establishment and Application of the Redemption Fund. The Trustee shall establish, maintain and hold in trust a special fund designated as the “Redemption Fund.” All moneys deposited by the Authority with the Trustee for the purpose of redeeming Bonds of any Series or Parity Obligations shall, unless otherwise provided in the Supplemental Indenture establishing the terms and conditions for such Series of Bonds or similar security document for such Parity Obligations, be deposited in the Redemption Fund. All amounts deposited in the Redemption Fund shall be used and withdrawn by the Trustee solely for the purpose of redeeming Bonds of such Series and maturity or Parity Obligations as shall be specified by the Authority in a Written Request of the Authority delivered to the Trustee, in the manner, at the times and upon the terms and conditions specified in the Supplemental Indenture pursuant to

which such Series of Bonds was issued or similar security document for such Parity Obligations. Such Written Request of the Authority may specify that amounts on deposit in the Redemption Fund that remain unclaimed for a specified period of time shall be paid to the Authority, and the Trustee shall pay such unclaimed amounts to the Authority in accordance with the Written Request of the Authority.

SECTION 5.10. Establishment and Application of the Operations and Maintenance Fund.

(a) If at any time there shall be no Senior Obligations Outstanding, no Subordinate Obligations Outstanding, and the Master Senior Indenture and the Subordinate Indenture shall each have been discharged in accordance with its respective terms, and the Master Senior Indenture Operations and Maintenance Fund created by the Master Senior Indenture shall be closed, the Authority shall establish, hold and maintain a separate fund designated as the "Operations and Maintenance Fund." Upon the closure of the Master Senior Indenture Operations and Maintenance Fund, the Authority shall transfer any amounts on deposit therein to the Operations and Maintenance Fund. Within ten (10) Business Days after the beginning of each Fiscal Year, commencing with the Fiscal Year immediately following the establishment of the Operations and Maintenance Fund, the Authority shall deposit in the Operations and Maintenance Fund such amount as shall be necessary so that the amount on deposit in the Operations and Maintenance Fund shall equal two (2) times budgeted Operations and Maintenance Expenses for such Fiscal Year, such amount to be deposited from Bridge Toll Revenues on deposit in the Bay Area Toll Account. Amounts on deposit in the Operations and Maintenance Fund shall be used and withdrawn by the Authority solely to pay Operations and Maintenance Expenses.

(b) In the event that Bridge Toll Revenues on deposit in the Bay Area Toll Account are not sufficient at the beginning of any Fiscal Year to enable the Authority to make the transfer provided for in Section 5.10(a) at the beginning of such Fiscal Year, the Authority shall not be required to make such transfer for such Fiscal Year and failure of the Authority to make the transfer provided for in Section 5.10(a) at the beginning of any Fiscal Year shall not constitute an Event of Default under this Indenture for as long as the Authority shall be in compliance with Section 6.01 and Section 6.04.

SECTION 5.11. Records. The Trustee shall cause to be kept and maintained records pertaining to each fund and account held by it and all disbursements therefrom and shall deliver monthly to the Authority statements of activity with respect to such funds and accounts, provided that the Trustee shall not be obligated to report as to any fund or account that (a) has a balance of zero and (b) has not had any activity since the last reporting date.

SECTION 5.12. Investment by Authority. Moneys held by the Authority in the Bay Area Toll Account and in the funds and accounts created hereunder and held by the Authority shall be invested and reinvested in any lawful investment of the Authority.

SECTION 5.13. Investment by Trustee. Moneys held by the Trustee in the funds and accounts created hereunder shall be invested and reinvested in Permitted Investments in accordance with a Written Request of an Authorized Representative.

(a) Unless otherwise specified in the Supplemental Indenture creating a Series of Bonds, all Permitted Investments shall be held by or under the control of the Trustee and shall be deemed at all times to be a part of the fund or account that was used to purchase the Permitted Investment. Unless otherwise provided by a Written Request of the Authority or in a Supplemental Indenture, all interest, profits and other income received from the investment of moneys in any fund or account held by the Trustee, other than each Project Fund or the Rebate Fund, shall be transferred to the Bond Fund when received. All interest, profits and other income received from the investment of moneys in the Rebate Fund shall be deposited in the Rebate Fund. Unless otherwise provided in a Supplemental Indenture establishing a Project Fund, all interest, profits and other income received from the investment of moneys in a Project Fund shall be deposited in such Project Fund. Notwithstanding anything to the contrary contained in this paragraph, an amount of interest received with respect to any Permitted Investment equal to the amount of accrued interest, if any, paid as part of the purchase price of such Permitted Investment shall be credited to the fund or account from which such accrued interest was paid.

(b) The Trustee is authorized to cause to be sold or redeemed and reduced to cash a sufficient amount of Permitted Investments whenever the cash balance in any fund or account is or will be insufficient to make any required disbursement. The Trustee shall not be responsible for any depreciation in the value of any Permitted Investment or for any loss resulting from such sale or redemption. Absent a Written Request of the Authority, the Trustee shall invest cash balances in a cash sweep or similar account arrangement of or available to the Trustee, the investments of which are limited to Permitted Investments.

(c) All Permitted Investments credited to the Reserve Fund shall be valued as of April 1 of each year (or the next succeeding Business Day if such day is not a Business Day). All Permitted Investments credited to the Reserve Fund shall be valued at their fair market value determined to the extent practical by reference to the closing bid price thereof published in the Wall Street Journal or any other financial publication or generally recognized pricing information service selected by the Trustee in its discretion.

(d) The Trustee or its affiliates may act as sponsor, advisor, principal or agent in the acquisition or disposition of any investment with the prior written approval of an Authorized Representative. The Trustee may commingle any of the moneys held by it pursuant to this Indenture (except for amounts on deposit in the Rebate Fund and amounts on deposit in any fund or account established to hold the proceeds of a drawing on any Credit Support Instrument) for investment purposes only; provided, however, that the Trustee shall account separately for the moneys belonging to each fund or account established pursuant to this Indenture and held by it.

SECTION 5.14. Subsidy Payments. The Authority irrevocably directs that all Subsidy Payments with respect to Bonds be made directly to the Trustee for deposit in the Bond Fund pursuant to this Indenture. Any such Subsidy Payments received by the Authority shall be promptly remitted to the Trustee. The Trustee shall deposit all such Subsidy Payments to the Bond Fund upon receipt thereof and thereby constitute those amounts as Revenue. The Trustee shall file such forms with the Internal Revenue Service and take all other such actions as the Authority has notified it in writing may be necessary to request and receive such Subsidy Payments on the Authority's behalf, and the Trustee shall have no responsibility therefor other than following a Written Request of the Authority. Subsidy Payments with respect to the Senior Bonds are paid

directly to the Master Senior Indenture Trustee and Subsidy Payments with respect to the Subordinate Bonds are paid directly to the Subordinate Indenture Trustee.

SECTION 5.15. Credit Support Instruments; Principal and Interest Payments.

Unless otherwise specified in a Supplemental Indenture, the following provisions shall apply with respect to a Credit Support Instrument and Credit Provider Bonds.

(a) In the event the Authority has provided to the Trustee a Credit Support Instrument in the form of a direct pay letter of credit for any Series of Bonds providing for drawings by the Trustee to pay principal of and interest on Bonds of such Series, the Trustee shall make drawings under such Credit Support Instrument in accordance with the Credit Support Instrument and apply the proceeds to the payment of principal of and interest on such Series of Bonds prior to applying Revenue received from the Authority pursuant to the first sentence of Section 5.04 to the payment of principal of and interest on such Bonds. Such drawings shall be made in an amount necessary and in sufficient time (in accordance with the terms of such Credit Support Instrument) to allow the Trustee to pay, as applicable: (i) the interest on such Series of Bonds in the manner and at the times specified by the Supplemental Indenture relating to such Series of Bonds; and (ii) principal (including sinking fund payments) as and when due (whether at maturity or upon redemption or on account of sinking fund requirements). In the event such drawings by the Trustee are not honored in whole or in part, the Trustee shall apply Revenue received from the Authority pursuant to Section 5.04 to the payment of principal of and interest on such Bonds. The termination or suspension of any Credit Support Instrument shall not affect any provision of this Indenture obligating the Authority to provide a Credit Support Instrument to the Trustee.

(b) The reimbursement obligation under a Credit Support Agreement created by the honoring by a Credit Provider of a drawing on a Credit Support Instrument to pay principal of or interest due on a Series of Bonds referred to in subsection (a) shall, if specified in such Credit Support Agreement, constitute a Parity Obligation of the Authority, and the amounts due under such Credit Support Agreement on account of such drawing shall be paid by the Authority to the Trustee and by the Trustee to the Credit Provider pursuant to and in accordance with the first paragraph of Section 5.04.

(c) In the event the Authority has provided to the Trustee a Credit Support Instrument in the form of a direct pay letter of credit for any Series of Bonds providing for drawings by the Trustee to purchase Bonds of such Series, the Trustee shall make drawings under such Credit Support Instrument in accordance with the Credit Support Instrument and apply the proceeds to the purchase of Bonds of such Series in accordance with the provisions of this Indenture and the Supplemental Indenture providing for the purchase of Bonds of such Series. Notwithstanding anything in this Indenture and the applicable Supplemental Indenture to the contrary, the Trustee shall make each such drawing in an amount equal to the Purchase Price for the Bonds being purchased less the amount of remarketing proceeds, if any, that the Trustee has received from the applicable Remarketing Agent for the Bonds prior to the latest time for submitting purchase draw requests under the applicable Credit Support Instrument.

(d) The reimbursement obligation under a Credit Support Agreement relating to any drawing on a Credit Support Instrument to so purchase Bonds shall, if specified in such Credit Support Agreement, constitute a Parity Obligation of the Authority, and the amounts due

under such Credit Support Agreement on account of such drawing shall be paid when due by the Authority to the Trustee and by the Trustee to the Credit Provider pursuant to and in accordance with the first paragraph of Section 5.04 (without duplication of any amounts otherwise paid on the Credit Provider Bonds resulting from such drawing from Revenue or from remarketing proceeds).

(e) Funds received by the Trustee on account of any such drawing under a Credit Support Agreement to purchase Bonds shall be held uninvested and be deposited in the bond purchase fund established under the Indenture for such Series of Bonds and also held uninvested in that fund. Such funds shall be held in trust in accordance with the Indenture, shall not be used for any other purpose, and the Trustee shall have no lien for its own benefit thereon.

(f) Notwithstanding anything to the contrary contained in this Indenture, funds received by the Trustee on account of a drawing under a Credit Support Instrument to pay the principal of or interest on Bonds shall be held uninvested, and such funds shall be held in trust in accordance with the Indenture, shall not be used for any other purpose, and the Trustee shall have no lien for its own benefit thereon.

(g) The Authority shall not reduce the amount of a Credit Support Instrument without obtaining a Rating Confirmation with respect to such action unless such action is considered a substitution of a Credit Support Instrument subjecting the Bonds affected thereby to mandatory purchase. Notwithstanding anything to the contrary in the Indenture, any reduction in the amount of a Credit Support Instrument with respect to a Series of Bonds may occur: (i) without a Rating Confirmation or a mandatory purchase of such Bonds in conjunction with the payment of a portion of the principal of such Series of Bonds pursuant to the Indenture or in conjunction with a redemption or defeasance of all or a portion of such Series of Bonds pursuant to the Indenture; or (ii) without a Rating Confirmation in connection with the mandatory purchase of all or a portion of such Series of Bonds by the applicable Credit Provider upon (A) the conversion of the interest mode of such Series of Bonds to a rate that is not supported by such Credit Support Instrument, (B) the occurrence of the stated expiration of the such Credit Support Instrument or (C) the passage of a period of time specified in the Credit Support Instrument following the occurrence of an event of default specified in the Credit Support Instrument.

(h) Notwithstanding anything to the contrary in the Indenture, no Credit Support Agreement providing for a Credit Support Instrument in the form of a letter of credit shall terminate until all amounts due thereunder to the Credit Provider shall have been paid in accordance with the terms thereof.

(i) Notwithstanding anything to the contrary in the Indenture, a new Credit Support Instrument may not be substituted for an existing Credit Support Instrument that is in the form of a letter of credit unless a mandatory tender and purchase of all of the Bonds of the Series supported by the existing letter of credit occurs (and such a mandatory tender and purchase must occur whether or not a Rating Confirmation with respect to the substitution is obtained).

(j) Notwithstanding anything to the contrary in the Indenture, notices concerning the substitution of Credit Support Instruments will specify the type of Credit Support Instrument to be substituted.



SECTION 5.16. Establishment and Application of Credit Support Instrument Sub-Accounts. Unless otherwise specified in a Supplemental Indenture, notwithstanding anything to the contrary contained in this Indenture, the Trustee shall segregate funds received from a Credit Provider pursuant to a draw on a Credit Support Instrument for any one or more Series of Bonds from all other funds held by the Trustee pursuant to the terms of this Indenture and shall establish within the funds and accounts held by the Trustee pursuant to the Indenture such sub-accounts as the Trustee determines are necessary to carry out such obligation.

## ARTICLE VI

### COVENANTS OF THE AUTHORITY

SECTION 6.01. Punctual Payment and Performance. The Authority will punctually pay the principal and Purchase Price of and the interest on (and redemption premiums, if any) to become due on the Bonds in strict conformity with the terms of the Act, the Indenture and the Bonds, and will faithfully observe and perform all of the agreements and covenants contained in the Indenture and the Bonds.

SECTION 6.02. Against Encumbrances. The Authority will not create or cause or permit to be created any pledge, lien, charge or encumbrance having priority over the lien of the Bonds and Parity Obligations upon any of the Revenue except Senior Obligations and Subordinate Obligations. The Authority will not create or cause or permit to be created any pledge, lien, charge or encumbrance having parity with the lien of the Bonds and Parity Obligations upon any Revenue except Bonds and Parity Obligations. The Authority will not create or permit to be created or issue any bonds, notes or other obligations secured by a pledge of or charge or lien upon Revenue except Senior Obligations, Bonds and Parity Obligations; provided that the Authority may at any time, or from time to time, issue or incur Junior Obligations as provided in Section 3.03.

SECTION 6.03. Tax Covenants.

(a) The Authority shall not use or permit the use of any proceeds of the Bonds or any funds of the Authority, directly or indirectly, to acquire any securities or obligations that would cause the interest on Bonds intended by the Authority to be exempt from federal income taxation to become subject to federal income taxation, and shall not take or permit to be taken any other action or actions that would cause any such Bond to be an “arbitrage bond” within the meaning of Section 148 of the Code or “federally guaranteed” within the meaning of Section 149(b) of the Code and any such applicable regulations promulgated from time to time thereunder. The Authority shall observe and not violate the requirements of Section 148 of the Code and any such applicable regulations. The Authority shall comply with all requirements of Sections 148 and 149(b) of the Code to the extent applicable to Bonds. In the event that at any time the Authority is of the opinion that for purposes of this Section 6.03(a) it is necessary to restrict or to limit the yield on the investment of any moneys held by the Trustee under this

Indenture, the Authority shall so instruct the Trustee under this Indenture in writing, and the Trustee shall take such action as may be necessary in accordance with such instructions.

(b) The Authority covenants to comply with the provisions and procedures of each Tax Certificate.

(c) The Authority shall not, and shall not cause the Trustee to, use or permit the use of any proceeds of the Bonds or any funds of the Authority (so long as such proceeds or other funds are under its control), directly or indirectly, in any manner, and shall not take or omit to take any action that would cause any of the Bonds to be treated as an obligation not described in Section 103(a) of the Code if such Bonds were, when originally issued, intended by the Authority to be obligations described in Section 103(a) of the Code.

(d) Notwithstanding any provisions of this Section 6.03 or any Tax Certificate, if the Authority shall provide to the Trustee an Opinion of Bond Counsel to the effect that any specified action required under this Section 6.03 is no longer required or that some further or different action is required to maintain the exclusion from gross income for federal income tax purposes of interest on any Bonds, the Trustee and the Authority may conclusively rely on such opinion in complying with the requirements of this Section, and, notwithstanding any other provision of this Indenture or any Tax Certificate, the covenants hereunder shall be deemed to be modified to that extent.

(e) The Trustee shall follow the directions of the Authority given pursuant to the Tax Certificate, and shall have no liability or responsibility to enforce compliance by the Authority with the terms of the Tax Certificate.

#### SECTION 6.04. Toll Rate Covenants.

(a) The Authority covenants that it will at all times establish and maintain tolls on the Bay Area Bridges at rates projected by it to generate sufficient Revenue to pay, as and when due, amounts due on all Outstanding Senior Obligations, Subordinate Obligations, Bonds and Parity Obligations, Operations and Maintenance Expenses, and other obligations of the Authority, and to otherwise comply with the Act.

(b) The Authority hereby covenants that, so long as any Bonds or Parity Obligations remain Outstanding, it will: (i) compute projected Second Subordinate Revenue for each Fiscal Year and the ratio produced by dividing projected Second Subordinate Revenue by projected Annual Debt Service for that Fiscal Year (such ratio being referred to for purposes of this Section 6.04(b) as the "Coverage Ratio") within ten Business Days after the beginning of that Fiscal Year (such date of computation being hereinafter referred to for purposes of this Section 6.04(b) as a "Coverage Calculation Date"); (ii) to promptly furnish to the Trustee a Certificate of the Authority setting forth the results of such computations; and (iii) if the Coverage Ratio is less than 1.10:1, to take such action as promptly as practicable after the Coverage Calculation Date (including, without limitation, increasing Bridge Toll Revenues through toll increases) as the Authority projects is necessary to cause the projected Coverage Ratio for that Fiscal Year to equal or exceed 1.10:1.

(c) The Authority covenants that, if at any time there shall be no Senior Obligations Outstanding and the Master Senior Indenture shall have been discharged in accordance with its terms, and there shall be no Subordinate Obligations Outstanding and the Subordinate Indenture shall have been discharged in accordance with its terms it will: (i) compute Second Subordinate Revenue, MTC Transfers, Annual Debt Service, Junior Obligations, and the ratios required by subsection (iii) of this Section 6.04(c) (such ratios being hereinafter referred to for purposes of this Section 6.04(c) as the “Coverage Ratios”) within ten (10) Business Days after the beginning of each Fiscal Year (such date of computation being hereinafter referred to for purposes of this Section 6.04(c) as a “Coverage Calculation Date”); (ii) to furnish to the Trustee and each Credit Provider a Certificate of the Authority setting forth the results of such computations and such Coverage Ratios, such Certificate to be provided no later than two months after the beginning of each Fiscal Year; and (iii) to increase tolls if on any Coverage Calculation Date, (x) the ratio produced by dividing Second Subordinate Revenue by the sum of Annual Debt Service and MTC Transfers (such sum being hereinafter referred to as “Fixed Charges”), and payments on Junior Obligations for the then current Fiscal Year (determined using the principles set forth in the definition of Annual Debt Service but excluding payments that are one-time or extraordinary payments, such as termination payments on any Swaps, including Qualified Swap Agreements) is less than 1.0 or (y) the ratio produced by dividing the sum of (1) Second Subordinate Revenue and (2) any funds then on deposit in the Operations and Maintenance Fund by Fixed Charges for the then current Fiscal Year is less than 1.25, or (z) the ratio produced by dividing Second Subordinate Revenue by Annual Debt Service for the then current Fiscal Year is less than 1.20. For purposes of such calculations, and Second Subordinate Revenue are determined by reference to the current budget of the Authority.

SECTION 6.05. Payment of Claims. The Authority will pay and discharge any and all lawful claims that, if unpaid, might become a charge or lien upon the Revenue or any part thereof, or upon any funds in the hands of the Authority or on deposit with the Trustee, prior to or on a parity with the charge and lien upon the Revenue securing the Bonds and any Parity Obligations.

SECTION 6.06. Accounting Records; Financial Statements and Other Reports.

(a) The Authority will keep appropriate accounting records in accordance with generally accepted accounting principles. Such accounting records shall at all times during business hours be subject to the inspection of the Trustee or of any Holder (or its representative authorized in writing).

(b) The Authority will prepare and file with the Trustee annually within 210 days after the close of each Fiscal Year financial statements of the Authority for such Fiscal Year (which may be the financial statements of MTC while the Authority is treated as a blended component unit thereof), together with an audit report thereon prepared by an Independent Certified Public Accountant.

SECTION 6.07. Protection of Revenue and Rights of Holders. The Authority will preserve and protect the security of the Bonds and Parity Obligations and the rights of the Bondholders and the holders of Parity Obligations and will warrant and defend their rights against

all claims and demands of all persons. From and after the sale and delivery of any of the Bonds by the Authority, the Bonds shall be incontestable by the Authority.

SECTION 6.08. Payment of Governmental Charges and Compliance with Governmental Regulations. The Authority will pay and discharge all taxes or payments in lieu of taxes, assessments and other governmental charges or liens that may be levied, assessed or charged upon the Revenue, or any part thereof, promptly as and when the same shall become due and payable, except that the Authority shall not be required to pay any such governmental charges so long as the application or validity thereof shall be contested in good faith and the Authority shall have set aside reserves to cover such payments.

SECTION 6.09. Continuing Disclosure. Upon the issuance of any Series of Bonds, or upon conversion of any Series of Bonds to an interest rate period, requiring an undertaking regarding continuing disclosure under Rule 15c2-12, the Authority and, if the Trustee is the Dissemination Agent, the Trustee, hereby covenant and agree that they will execute and deliver a Continuing Disclosure Agreement with respect to such Series of Bonds and comply with and carry out all of the provisions of such Continuing Disclosure Agreement applicable to such party. Notwithstanding any other provision of this Indenture, failure of the Authority or the Trustee (if the Trustee is the Dissemination Agent) to comply with the provisions of any Continuing Disclosure Agreement shall not constitute an Event of Default under this Indenture; provided, however, that the Trustee, at the request of any Participating Underwriter or the Owners of at least twenty-five percent (25%) aggregate principal amount of any Series of Bonds then Outstanding, shall (but only to the extent that the Trustee is indemnified to its satisfaction from any liability or expense, including fees and expenses of its attorneys) or any Owner or Beneficial Owner of a Bond may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order to cause the Authority or the Trustee, as applicable, to comply with its obligations under this Section.

SECTION 6.10. Further Assurances. The Authority will adopt, deliver, execute and make any and all further assurances, instruments and resolutions as may be reasonably necessary or proper to carry out the intention or to facilitate the performance hereof and for the better assuring and confirming unto the Holders of the rights and benefits provided herein.

SECTION 6.11. Debt Policy. The Authority will maintain in effect at all times a debt policy that includes a prohibition against the use by the Authority of financial instruments authorized by California Government Code sections 5920-5924 or any similar law for speculative purposes.

## ARTICLE VII

### DEFAULT PROVISIONS AND REMEDIES

SECTION 7.01. Events of Default. Any one of the following and any other event specified in a Supplemental Indenture as an Event of Default shall constitute an Event of Default hereunder:

(a) default in the payment of any interest on any Bond when and as the same shall have become due;

(b) default in the payment of the principal or Purchase Price of or premium, if any, on any Bond when and as the same shall become due, whether at the stated maturity or redemption date thereof or otherwise; or

(c) default in the observance or performance of any other covenant or agreement of the Authority contained in this Indenture and the continuance thereof for a period of sixty (60) days after written notice thereof to the Authority given by the Trustee.

The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default of the type described in clause (c) above unless the Trustee shall be specifically notified in writing of such default by the Authority, or by the Owners of at least 25% in aggregate principal amount of all Bonds then Outstanding, by means of a written notice delivered at the Principal Office of the Trustee.

SECTION 7.02. Application of Revenue and Other Funds After Default. If an Event of Default shall occur and be continuing, all Revenue pledged hereunder and any other funds then held or thereafter received by the Trustee under any of the provisions of this Indenture shall be under the control of and applied by the Trustee as follows and in the following order:

(a) first, to the payment of any amounts due the Master Senior Indenture Trustee pursuant to the Written Instruction;

(b) second, to the payment of any amounts due the Subordinate Indenture Trustee pursuant to the Written Instruction;

(c) third, to the payment of any expenses necessary in the opinion of the Trustee to protect the interests of the Holders of the Bonds and payment of reasonable charges and expenses of the Trustee (including reasonable fees and disbursements of its counsel) incurred in and about the performance of its powers and duties under this Indenture; and

(d) fourth, to the payment of the principal and interest then due on Bonds and amounts then due on Parity Obligations, in the order in which such amounts became due, subject to the provisions of this Indenture, including Section 5.04.

SECTION 7.03. Suits at Law or in Equity and Mandamus. In case one or more Events of Default shall occur, then and in every such case the Trustee may, and shall at the request of the Holders of not less than a majority of the aggregate principal amount of any Series of Bonds then Outstanding (or such greater percentage of the Holders of Bonds of any Series as may be specified in the Supplemental Indenture creating such Series), proceed to protect and enforce Bondholder rights by such appropriate judicial proceeding as the Trustee shall deem most effectual to protect and enforce any such right, either by suit in equity or by action at law, whether for the specific performance of any covenant or agreement contained in this Indenture, or in aid of the exercise of any power granted in this Indenture, or to enforce any other legal or equitable right vested in the Bondholders by this Indenture or the Bonds or by law. The provisions of this Indenture shall constitute a contract with each and every Bondholder and the duties of the

Authority shall be enforceable by the Trustee on behalf of any Bondholder by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction.

SECTION 7.04. Waivers. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or acquiescence therein and every such right and power may be exercised from time to time and as often as may be deemed expedient. No waiver of any Event of Default hereunder shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

## ARTICLE VIII

### THE TRUSTEE

SECTION 8.01. Trustee.

(a) U.S. Bank Trust Company, National Association will serve as the Trustee under this Indenture. The Trustee shall be required to perform such duties and only such duties as are specifically set forth in this Indenture. The Trustee shall, during the existence of any Event of Default (that has not been cured), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as reasonable persons would exercise or use under the circumstances in the conduct of their own affairs. The Trustee hereby designates One California Street, Suite 1000, San Francisco, California 94111 as its Principal Office for all purposes hereof and accepts the duties imposed upon it hereunder and agrees, particularly: (i) to hold all sums held by it for the payment of the principal and Purchase Price of, premium, if any, or interest on the Bonds in trust for the benefit of the Holders of the Bonds as provided herein until such sums shall be paid to such Holders of the Bonds or otherwise disposed of as herein provided; (ii) to authenticate and cancel Bonds as provided herein; (iii) to perform its obligations under this Indenture; and (iv) to keep such books and records relating to its duties as Trustee as shall be consistent with reasonable industry practice and to make such books and records available for inspection by the Authority at all reasonable times upon reasonable notice.

The Authority shall cause the necessary arrangements to be made and to be thereafter continued whereby: (i) funds derived from the sources specified in this Indenture will be made available at the Principal Office of the Trustee for the timely payment of principal and Purchase Price of, premium, if any, and interest on the Bonds; (ii) Bonds shall be made available for authentication, exchange and registration of transfer by the Trustee at the Principal Office of the Trustee; and (iii) the Trustee shall be furnished such records and other information, at such times, as shall be required to enable the Trustee to perform the duties and obligations imposed upon it hereunder.

(b) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action or its own negligent failure to act, except that, at all times regardless of whether or not any Event of Default shall exist: (i) the duties and obligations of the Trustee shall be determined solely by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture

against the Trustee; (ii) in the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificate or opinion furnished to the Trustee conforming to the requirements of this Indenture; but in the case of any such certificate or opinion which by any provision hereof is specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not it conforms to the requirements of this Indenture; (iii) the Trustee shall not be liable for any error of judgment made in good faith unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts; and (iv) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of any Credit Provider or the Holders of not less than a majority, or such larger percentage as may be required hereunder, in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred upon the Trustee under this Indenture.

(c) None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur individual financial liability in the performance of any of its duties or in the exercise of any of its rights or powers.

(d) No delivery of Bonds to the Trustee or purchase of Bonds by the Trustee shall constitute a redemption of Bonds or any extinguishment of the debt represented thereby, unless such Bonds are surrendered by the Authority to the Trustee for cancellation pursuant to Section 10.01(b).

SECTION 8.02. Compensation and Indemnification of Trustee. The Authority shall: (i) pay the Trustee reasonable compensation (which, to the extent permitted by applicable law, shall not be limited by any law limiting the compensation of the trustee of an express trust); (ii) pay or reimburse the Trustee upon request for all reasonable fees, expenses, disbursements and advances incurred or made in accordance with any of the provisions of this Indenture (including the reasonable compensation and the expenses and disbursements of its counsel and of all agents and other persons not regularly in its employ), except to the extent that any such expense, disbursement or advance is due to its own negligence or willful misconduct; and (iii) to the extent permitted by applicable law, indemnify the Trustee for, and to hold it harmless against, any loss, liability or expense incurred by it, arising out of or in connection with the acceptance or administration of this Indenture or the performance of its duties hereunder, including the costs and expenses of defending itself against or investigating any claim of liability or expense, except to the extent that any such liability or expense was due to its own negligence or willful misconduct. The obligations of the Authority under this Section 8.02 shall survive the satisfaction and discharge of this Indenture.

SECTION 8.03. Qualifications of Trustee; Resignation; Removal.

(a) There shall at all times be a trustee hereunder that is a commercial bank, trust company or national association organized and doing business under the laws of the United States or of a state thereof, authorized under such laws to exercise corporate trust powers, having (or if such bank, trust company or national association is a member of a bank holding company system, its holding company has) a combined capital and surplus of at least five hundred million

dollars (\$500,000,000), and subject to supervision or examination by federal or state authority. If such banks, trust companies, or banking associations publish reports of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then, for the purposes of this Section 8.03, the combined capital and surplus of such banks, trust companies or banking associations shall be deemed to be their combined capital and surplus as set forth in their most recent reports of conditions so published.

(b) The Trustee may at any time resign by giving at least thirty (30) days' written notice to the Authority. Upon receiving such notice of resignation, the Authority, shall promptly appoint a successor trustee by an instrument in writing. If no successor trustee shall have been so appointed and have accepted appointment within thirty (30) days after the giving of such notice of resignation, the resigning trustee may petition any court of competent jurisdiction for the appointment of a successor trustee or any Holder who has been a bona fide Holder of a Bond for at least six months may, on behalf of itself and any others similarly situated, petition any such court for the appointment of a successor trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor trustee.

(c) In case at any time either of the following shall occur: (i) the Trustee shall cease to be eligible in accordance with the provisions of this Section 8.03 and shall fail to resign after written request therefor by the Authority or by any Holder who has been a bona fide Holder of a Bond for at least six months; or (ii) the Trustee shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then, in any such case, the Authority may remove the Trustee and appoint a successor trustee by an instrument in writing executed by an Authorized Representative, or any Holder who has been a bona fide Holder of a Bond for at least six months may, on behalf of itself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, remove the Trustee and appoint a successor trustee.

(d) The Authority or Holders of a majority in aggregate principal amount of the Bonds at the time Outstanding may at any time remove the Trustee and appoint a successor trustee by an instrument or concurrent instruments in writing signed by an Authorized Representative of the Authority or by such Holders, as the case may be.

(e) Any resignation or removal of the Trustee and appointment of a successor trustee pursuant to any of the provisions of this Section 8.03 shall become effective upon acceptance of appointment by the successor trustee acceptable to the Authority. Any successor trustee shall execute, acknowledge and deliver to the Authority and to its predecessor trustee an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor trustee shall become effective and such successor trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts, duties and obligations of its predecessor in the trusts hereunder, with like effect as if originally named as Trustee herein; but, nevertheless, on the Written Request of the Authority or the request of the successor trustee, the predecessor trustee ceasing to act shall execute and deliver an instrument transferring to such successor trustee, upon the trusts herein expressed, all the rights, powers and trusts of the trustee



so ceasing to act. Upon request of any such successor trustee, the Authority shall execute any and all instruments in writing necessary or desirable for more fully and certainly vesting in and confirming to such successor trustee all such rights, powers and duties. No successor trustee shall accept appointment as provided in this Section 8.03 unless at the time of such acceptance such successor trustee shall be eligible under the provisions of this Section 8.03. Upon acceptance of appointment by a successor trustee as provided in this Section 8.03, the Authority or such successor trustee shall give Holders notice of the succession of such trustee to the trusts hereunder.

(f) Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under this Section 8.03 and acceptable to the Authority, shall be the successor to such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

(g) In the event of the resignation or removal of the Trustee, the Trustee shall deliver any money and any Bonds and its related books and records held by it in such capacity to its successor.

(h) The Trustee may appoint and at all times have one or more agents in connection with its duties and responsibilities hereunder.

SECTION 8.04. Instrument of Bondholders. Any instrument required by this Indenture to be executed by Bondholders may be in any number of writings of similar tenor and may be executed by Bondholders in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds given in any of the following forms shall be sufficient for any of the purposes of this Indenture: (i) a certificate of any officer in any jurisdiction who by law has power to take acknowledgements within such jurisdiction that the person signing such writing acknowledged before him the execution thereof; or (ii) a certificate executed by any trust company or bank stating that at the date thereof the party named therein did exhibit to an officer of such trust company or bank, as the property of such party, the Bonds therein mentioned.

The Trustee may rely on such an instrument of Bondholders unless and until the Trustee receives notice in the form specified in (i) or (ii) above that the original such instrument is no longer reliable. In the event that the Trustee shall receive conflicting directions from two or more groups of Bondholders, each with combined holdings of not less than twenty-five percent (25%) of the principal amount of Outstanding Bonds, the directions given by the group of Bondholders that holds the largest percentage of Bonds shall be controlling and the Trustee shall follow such directions to the extent required herein. The Trustee shall have no liability provided it is following the instructions of such Bondholders permitted to direct the Trustee pursuant to this Indenture.

SECTION 8.05. Issuing and Paying Agents. The Authority may appoint and at all times have one or more issuing and paying agents in such place or places as the Authority may designate, for the payment of a Series of Bonds. Such issuing and paying agent shall meet

the qualifications for the Trustee and the procedures and conditions for removal and resignation set forth in Section 8.03 hereof. It shall be the duty of the Trustee to make such arrangements with any such issuing and paying agent as may be necessary to assure, to the extent of the moneys held by the Trustee for such payment, the prompt payment of Bonds presented at either place of payment.

## ARTICLE IX

### AMENDMENTS

SECTION 9.01. Amendments to Indenture Not Requiring Consent of Bondholders. Except to the extent restricted by a Supplemental Indenture, the Authority, without the consent of or notice to any Bondholders, may adopt amendments to this Indenture for one or more of the following purposes:

(a) To grant to or confer upon the Bondholders of any Series any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondholders;

(b) To grant or pledge to the Bondholders of any Series any additional security;

(c) To amend this Indenture in such manner as may be necessary or convenient in connection with the book-entry system for payments, transfers and other matters relating to the Bonds;

(d) To cure any ambiguity or to correct or supplement any provision contained herein or in any Supplemental Indenture which may be defective or inconsistent with any provision contained herein or in any Supplemental Indenture, or to make such other provisions in regard to matters or questions arising under this Indenture which shall not materially adversely affect the interest of the Bondholders;

(e) To make any change therein necessary, in the Opinion of Bond Counsel, to maintain the exclusion from gross income for federal income tax purposes of the interest on any Outstanding Bonds intended by the Authority to bear federally tax-exempt interest;

(f) To make modifications or adjustments necessary in order to accommodate a Credit Support Instrument or a Reserve Facility;

(g) To modify, alter, amend or supplement this Indenture or any Supplemental Indenture in any other respect, including any amendments which would otherwise be described in Section 9.02 hereof, if (i) all Bonds to be affected thereby are variable interest rate bonds, (ii) such amendments shall not become effective until written notice thereof shall have been given to Bondholders by the Trustee, and (iii) thirty (30) days shall have passed during which time such Bondholders shall have had the opportunity to tender their variable interest rate bonds for purchase;

(h) To make any change to re-name defined terms, delete superfluous provisions, or to make any other changes, including without limitation a complete restatement of

the this Indenture, that are necessary or desirable in the event that all of the Senior Obligations or Subordinate Bonds are no longer Outstanding, or the Master Senior Indenture or the Subordinate Indenture has been discharged and which do not materially adversely affect the interest of the Bondholders; and

- (i) To issue additional Bonds hereunder in accordance with the terms hereof.

Any Supplemental Indenture entered into pursuant to this Section shall be deemed not to materially adversely affect the interest of the Bondholders so long as (i) all Bonds are secured by a Credit Support Instrument and (ii) each Credit Provider (other than the Authority, if the Authority is the Credit Provider) shall have given its written consent to such Supplemental Indenture as provided in Section 9.02(b); *provided, however*, that if the Authority is a Credit Provider, the written consent of a majority of the Holders of the Bonds for which the Authority is a Credit Provider to such Supplemental Indenture shall be required to satisfy the requirements of (ii) above.

Notwithstanding any other provision of the Indenture, no modification or amendment to the Indenture that affects to a material extent the security or remedies of the Credit Provider shall be entered into without the prior written consent of such Credit Provider (other than the Authority, if the Authority is the Credit Provider); *provided, however*, that if the Authority is a Credit Provider, the written consent of a majority of the Holders of the Bonds for which the Authority is a Credit Provider to such modification or amendment to the Indenture shall be required.

Except as otherwise provided in clause (g) above, no such amendment may include a change described in clause (i), (ii), (iii) or (iv) of Section 9.02(a).

SECTION 9.02. Amendments to Indenture Requiring Consent of Bondholders.

(a) Exclusive of amendments authorized by Section 9.01 and subject to the terms and provisions contained in this Section 9.02(a), Section 9.02(b) and in any Supplemental Indenture, the Holders of not less than a majority of the aggregate principal amount of the then Outstanding Bonds, or if less than all of the Outstanding Bonds are affected, the Holders of not less than a majority of the aggregate principal amount of the Outstanding Bonds affected, shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to such other amendments hereto as shall be consented to by the Authority in its sole discretion for the purpose of modifying, altering, amending, or supplementing any of the terms or provisions contained in this Indenture or in any Supplemental Indenture; provided, however, that nothing in this Section 9.02(a) shall permit, or be construed as permitting (i) an extension of the maturity of the principal of, or the mandatory redemption date of, or interest on, any Bond, (ii) a reduction in the principal amount of, or the redemption premium or the rate of interest on, any Bond, (iii) a preference or priority of any Bond or Bonds over any other Bond or

Bonds except as provided in Article III, or (iv) a reduction in the aggregate principal amount of the Bonds required for any consent to any amendment.

(b) Exclusive of amendments authorized by Section 9.01 and subject to the terms and provisions contained in this Section 9.02(b) and in any Supplemental Indenture, the Authority and the Trustee may also enter into a Supplemental Indenture for the purpose of modifying, altering, amending, or supplementing any of the terms or provisions contained in this Indenture or in any Supplemental Indenture, which Supplemental Indenture shall become binding, without the consent of any Holder, when the written consents of each Credit Provider then providing a Credit Support Instrument for any Series of Outstanding Bonds shall have been obtained and filed with the Trustee, provided, that at such time the payment of principal of and interest on all Bonds then Outstanding shall be insured by or payable under a Credit Support Instrument provided by a Credit Provider then rated in one of the two highest Rating Categories of each rating agency then maintaining a rating on any Bonds and provided, further, that if the Authority is a Credit Provider, the written consent of a majority of the Holders of the Bonds for which the Authority is a Credit Provider shall be required, and provided, further, however, that nothing in this Section 9.02(b) shall permit, or be construed as permitting (i) an extension of the maturity of the principal of, or the mandatory redemption date of, or interest on, any Bond, (ii) a reduction in the principal amount of, or the redemption premium or the rate of interest on, any Bond, (iii) a preference or priority of any Bond or Bonds over any other Bond or Bonds except as provided in Article III, or (iv) a reduction in the aggregate principal amount of the Bonds required for any consent to any amendment.

(c) Underwriters, remarketing agents and brokers and dealers acting as agent for or in lieu of Bondholders may provide consent to amendments effected in accordance with this Article IX, including consents provided by underwriters in connection with the issuance of additional Bonds, provided that, if required by applicable law, regulation or rule, including MSRB rules, such consents shall not become effective until Owners of Series of Bonds affected by the proposed amendment, other than Owners for whom an underwriter has provided consent pursuant to this Section 9.02(c), have also consented to such proposed amendment.

SECTION 9.03. Notice to and Consent of Bondholders. If consent of the Bondholders is required under the terms of this Indenture for the amendment of this Indenture or for any other similar purpose, the Authority shall cause notice of the proposed amendment to be given by first-class mail to the Holders of the Outstanding Bonds then shown on the registration books for the Bonds. Such notice shall briefly set forth the nature of the proposed amendment or other action and shall state that copies of any such amendment are on file at the office of the Authority and the Principal Office of the Trustee for inspection by all Bondholders. If, within sixty (60) days or such longer period as shall be prescribed by the Authority following the mailing of such notice, the Holders of the requisite principal amount of the Bonds Outstanding by instruments filed with the Authority shall have consented to the amendment or other proposed action, then the Authority may adopt or execute, as appropriate, such amendment or take such proposed action and the consent of the Bondholders shall thereby be conclusively presumed. Such instruments filed with the Authority may include documents stating that Holders of Bonds have consented to an amendment by purchasing such Bonds if the official statement, re-offering circular, or other disclosure document related to such purchase (whether in connection with an

initial issuance of Bonds, a remarketing of Bonds, or otherwise) disclosed that the purchase of the Bonds was deemed to mean that the Holders consented to the amendment.

SECTION 9.04. Effect of Supplemental Indentures. Upon the execution and delivery of any Supplemental Indenture pursuant to this Article IX, this Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the Authority, the Trustee and all Owners of Outstanding Bonds shall thereafter be determined, exercised and enforced subject in all respects to such modification and amendment, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

SECTION 9.05. Bonds Owned by Authority. (a) For purposes of this Article IX, Bonds owned or held by or for the account of the Authority shall not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Article IX and the Authority shall not be entitled with respect to such Bonds to give any consent or take any other action provided for in this Article IX. Upon request of the Trustee, at the time of any consent or other action is to be taken under this Article IX, the Authority shall furnish the Trustee a Certificate of the Authority, upon which the Trustee may rely, describing all Bonds so to be excluded.

(b) The purchase or other acquisition of Bonds by or on behalf of the Authority shall not cancel, extinguish, or otherwise affect the Bonds unless such Bonds are surrendered by the Authority to the Trustee for cancellation in accordance with Section 10.01(b).

## ARTICLE X

### DISCHARGE OF LIEN

SECTION 10.01. Discharge of Lien and Security Interest.

(a) At the election of the Authority, upon payment in full of all the Bonds and of all other amounts payable under this Indenture, the pledge and lien on the Revenue arising under this Indenture shall cease, determine and be void; provided, however, such discharge of this Indenture shall not terminate the powers and rights granted to the Trustee with respect to the payment, transfer and exchange of the Bonds.

(b) The Authority may at any time surrender to the Trustee for cancellation any Bonds previously authenticated and delivered hereunder that the Authority at its option may have acquired in any manner whatsoever and such Bonds upon such surrender and cancellation shall be deemed to be paid and retired.

(c) Notwithstanding any provision in the Indenture to the contrary, if the principal of or interest on any Bonds shall be paid by a Credit Provider (other than the Authority, if the Authority is a Credit Provider), those Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Authority within the meaning of this Section 10.01, and the pledge of the Revenue and all covenants, agreements and other obligations of the Authority as herein provided shall continue to exist and shall run to the benefit of each Credit Provider, and such Credit Provider shall be subrogated to the rights of the Holders.

SECTION 10.02. Provision for Payment of Bonds. Bonds (or any portion of the Bonds) shall be deemed to have been paid within the meaning of Section 10.01 if:

(a) there shall have been irrevocably deposited with the Trustee in trust either (i) lawful money of the United States of America in an amount that shall be sufficient, or (ii) Defeasance Obligations, the principal and interest on which when due, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient (as confirmed by a report of an Independent Certified Public Accountant), to pay when due the principal amount of, redemption premium (if any) and all unpaid interest on such Bonds (or any portion thereof) to the maturity or the redemption date thereof, as the case may be; and

(b) if any such Bonds are to be redeemed on any date prior to their maturity, (i) the Trustee shall have received (not less than 45 days prior to the proposed redemption date) in form satisfactory to it irrevocable instructions from an Authorized Representative to redeem such Bonds on such date and (ii) notice of such redemption shall have been given or provision satisfactory to the Trustee shall have been made for the giving of such notice.

Limitations elsewhere specified herein regarding the investment of money held by the Trustee shall not be construed to prevent the depositing and holding of the Defeasance Obligations described in Section 10.02(a)(ii) for the purpose of defeasing the lien of this Indenture as to Bonds that have not yet become due and payable. In addition, all money so deposited with the Trustee as provided in Section 10.02(a)(i) may also be invested and reinvested, at the direction of an Authorized Representative, in Defeasance Obligations, maturing in the amounts and times as hereinbefore set forth (as confirmed by a report of an Independent Certified Public Accountant), and all income from all Defeasance Obligations in the hands of the Trustee pursuant to this Section 10.02, that is not required for the payment of the principal of the Bonds and interest and redemption premium, if any, thereon with respect to which such money shall have been so deposited, shall be deposited in the Bond Fund as and when realized and applied as is other money deposited in the Bond Fund, or in the event there are no longer any Bonds Outstanding under this Indenture, such income shall be automatically paid over to the Authority.

Notwithstanding any other provision of this Indenture, no Bond that is subject to optional or mandatory tender in accordance with the provisions of the Supplemental Indenture pursuant to which such Bond was issued, shall be deemed to be paid within the meaning of this Indenture, unless arrangements shall have been made to assure that such Bond, if tendered for purchase in accordance with the provisions of the applicable Supplemental Indenture, could be paid and redeemed from such moneys or Defeasance Obligations as are provided pursuant to this Section 10.02.

SECTION 10.03. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any moneys held by the Trustee in trust for the payment and discharge of any of the Bonds that remain unclaimed for two (2) years after the date when such Bonds shall have become due and payable, either at their stated maturity dates, tender for purchase or by call for redemption, if such moneys were held by the Trustee at such date, or for two (2) years after the date of deposit of such moneys, if deposited with Trustee after the date when such Bonds or the Purchase Price thereof became due and payable, shall automatically be repaid by the Trustee to the Authority as its absolute property free from trust, and the Trustee shall thereupon be released

and discharged with respect thereto and the Holders shall look only to the Authority for the payment of the principal or Purchase Price of, the redemption premiums, if any, and interest on such Bonds.

## ARTICLE XI

### MISCELLANEOUS

SECTION 11.01. Liability of Authority Limited to Revenue. Notwithstanding anything contained herein, the Authority shall not be required to advance any money derived from any source of income other than Revenue as provided herein for the payment of the interest on or principal or Purchase Price of or redemption premium, if any, on the Bonds or for the performance of any agreements or covenants contained herein. The Authority may, however, advance funds for any such purpose so long as such funds are derived from a source legally available for such purpose and may be used by the Authority for such purpose without incurring an indebtedness prohibited hereby.

The Bonds are special obligations of the Authority payable, as to interest thereon, principal and Purchase Price thereof and redemption premium, if any, upon the redemption of any thereof, solely from Revenue as provided herein and the Authority is not obligated to pay them except from Revenue. The Bonds do not constitute a debt or liability of the State or of any political subdivision of the State other than the Authority, or a pledge of the full faith and credit of the State or of any political subdivision of the State.

SECTION 11.02. Limitation of Rights; Third Party Beneficiary. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give to any Person other than the Bondholders and each Credit Provider any legal or equitable right, remedy or claim under or in respect to this Indenture or any covenants, conditions and provisions herein contained; this Indenture and all of the covenants, conditions and provisions herein being intended to be and being for the sole and exclusive benefit of the Bondholders and each Credit Provider.

SECTION 11.03. Rights of Credit Providers.

(a) A Supplemental Indenture authorizing a Series of Bonds may provide that any Credit Provider providing a Credit Support Instrument with respect to Bonds of such Series may exercise any right under this Indenture given to the Owners of the Bonds to which such Credit Support Instrument relates.

(b) All provisions under this Indenture authorizing the exercise of rights by a Credit Provider with respect to consents, approvals, directions, waivers, appointments, requests or other actions, shall be deemed not to require or permit such consents, approvals, directions, waivers, appointments, requests or other actions and shall be read as if the Credit Provider were not mentioned therein (i) during any period during which there is a default by such Credit Provider under the applicable Credit Support Instrument or (ii) after the applicable Credit Support Instrument shall at any time for any reason cease to be valid and binding on the Credit Provider, or shall be declared to be null and void by final judgment of a court of competent jurisdiction, or

after the Credit Support Instrument has been rescinded, repudiated by the Credit Provider or terminated, or after a receiver, conservator or liquidator has been appointed for the Credit Provider or if the Credit Provider is rated below Baa3 by Moody's or BBB- by S&P. All provisions relating to the rights of a Credit Provider shall be of no further force and effect if all amounts owing to the Credit Provider under a Credit Support Instrument have been paid and the Credit Support Instrument provided by such Credit Provider is no longer in effect.

SECTION 11.04. Severability. If any provision of this Indenture is held to be in conflict with any applicable statute or rule of law or is otherwise held to be unenforceable for any reason whatsoever, such circumstances shall not have the effect of rendering the other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatsoever. If any one or more of the provisions contained in this Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Indenture and such invalidity, illegality or unenforceability shall not affect any other provision of this Indenture, and this Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Authority hereby declares that it would have executed this Indenture and each and every other section, paragraph, sentence, clause or phrase hereof, and authorized the issuance of the Bonds pursuant to this Indenture irrespective of the fact that any one or more sections, paragraphs, sentences, clauses or phrases of this Indenture may be held illegal, invalid or unenforceable.

SECTION 11.05. Notices. Except as otherwise provided herein, it shall be sufficient service or giving of notice, request, complaint, demand or other paper if the same shall be duly mailed by registered or certified mail, postage prepaid, addressed as follows:

If to the Authority:

Bay Area Toll Authority  
375 Beale Street, Suite 800  
San Francisco, California 94105  
Attention: Chief Financial Officer

If to the Trustee:

U.S. Bank Trust Company, National Association  
One California Street, Suite 1000  
San Francisco, California 94111  
Attention: Global Corporate Trust

The Authority and the Trustee by notice given hereunder may designate any different addresses to which subsequent notices, certificates or other communications shall be sent, or addresses or other instructions for the giving of Electronic notice, but no notice directed to any one such entity shall be thereby required to be sent to more than two addresses.

SECTION 11.06. Payments Due on Non-Business Days. Except as specifically provided otherwise in a Supplemental Indenture, any payment or transfer that would



otherwise become due on a day that is not a Business Day need not be made on such day but shall be made on the next succeeding Business Day, with the same force and effect as if made on the date due, and no interest shall accrue for the period from and after the date due.

SECTION 11.07. Captions. The captions or headings in this Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Indenture.

SECTION 11.08. California Law. This Indenture shall be construed and governed in accordance with the laws of the State of California.

SECTION 11.09. Effective Date. This Indenture shall become effective upon its execution and delivery.

SECTION 11.10. Execution in Several Counterparts. This Indenture may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the Authority and Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

SECTION 11.11. Forms of Opinion. Notwithstanding anything to the contrary in the Indenture, any requirement to deliver an Opinion of Bond Counsel in connection with a notice advising the applicable notice parties of an action to be taken under the Indenture and then to redeliver such opinion in connection with the effectiveness of such action, including with respect to amendments to the Indenture or Conversions of Interest Rate Modes applicable to one or more Series of Bonds, the initial opinion requirement shall be satisfied if a form of the opinion counsel proposes to deliver upon effectiveness of such action is delivered in conjunction with the notice and the executed Opinion of Bond Counsel is delivered in connection with the effectiveness of such action.

IN WITNESS WHEREOF, the parties hereto have executed this Second Subordinate Master Indenture by their officers thereunto duly authorized as of the day and year first written above.

BAY AREA TOLL AUTHORITY

By: \_\_\_\_\_  
Executive Director

Countersigned:

\_\_\_\_\_  
Secretary

U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Authorized Officer

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**FIRST SUPPLEMENTAL INDENTURE**

**between**

**BAY AREA TOLL AUTHORITY**

**and**

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,  
as Trustee**

**Dated as of [ \_\_\_\_\_ ] 1, 2025**

**Relating to the**

**Bay Area Toll Authority  
San Francisco Bay Area Toll Bridge Revenue Bonds  
2025 Series A  
(Variable Rate Bonds)**

**(Supplementing the Second Subordinate Master Indenture  
Dated as of [ \_\_\_\_\_ ] 1, 2025)**

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THIS FIRST SUPPLEMENTAL INDENTURE, dated as of [\_\_\_\_\_] 1, 2025 (this “First Supplemental Indenture”), between the BAY AREA TOLL AUTHORITY, a public entity duly existing under the laws of the State of California (the “Authority”) and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, as trustee (together with any successor thereto, the “Trustee”):

**WITNESSETH:**

WHEREAS, this First Supplemental Indenture is supplemental to the Second Subordinate Master Indenture, dated as of [\_\_\_\_\_] 1, 2025 (as supplemented and amended from time to time pursuant to its terms, the “Indenture”), between the Authority and the Trustee, U.S. Bank Trust Company, National Association, as trustee;

WHEREAS, the Indenture provides that the Authority may issue Bonds from time to time as authorized by a Supplemental Indenture, which Bonds are to be payable from Bridge Toll Revenues and from such other sources as may be specified with respect to a particular Series of Bonds in the Supplemental Indenture authorizing such Series;

WHEREAS, the Authority desires to provide at this time for the issuance of a Series of Bonds to be designated “Bay Area Toll Authority San Francisco Bay Area Toll Bridge Revenue Bonds, 2025 Series A (Variable Rate Bonds)” (the “2025 Bonds”), all for the purpose of providing funds to (i) finance or refinance costs of the 2025 Bonds Project (as defined herein); and (ii) pay Costs of Issuance of the 2025 Bonds;

NOW, THEREFORE, the parties hereto hereby agree as follows:

**ARTICLE XII      DEFINITIONS**

**Section 12.01      Definitions.**

12.01(a) Definitions. Unless the context otherwise requires, or as otherwise provided in subsection 12.01(b) of this Section, all terms that are defined in Section 1.01 of the Indenture shall have the same meanings, respectively, in this First Supplemental Indenture.

12.01(b) Additional Definitions. Unless the context otherwise requires, the following terms shall, for all purposes of this First Supplemental Indenture, have the following meanings:

“**Applicable Spread**” has the meaning specified in Section 14.05(a)(vi)(B).

“**Authorized Denominations**” means, with respect to the 2025 Bonds: (i) during a Daily Rate Period, Weekly Rate Period or Commercial Paper Rate Period, \$100,000 and any integral multiple of \$5,000 in excess thereof; and (ii) during a Term Rate Period, an Index Rate Period or the Fixed Rate Period, \$5,000 and any integral multiple thereof; provided, however, that if as a result of a Conversion of a Series of 2025 Bonds from a Term Rate Period or an Index Rate Period to a Daily Rate Period, Weekly Rate Period or Commercial Paper Rate Period, it is not possible to deliver all the Bonds of a Series required or permitted to be Outstanding in a denomination

permitted above, 2025 Bonds of a Series may be delivered, to the extent necessary, in different denominations.

**“Authorized Representative”** means the Executive Director, the Deputy Executive Director, the Chief Financial Officer of the Authority, or any other employee of the Authority at the time designated to act on behalf of the Authority in a Certificate of the Authority executed by any of the foregoing officers and filed with the Trustee, which Certificate shall contain such employee’s specimen signature.

**“Business Day”** means, with respect to the 2025 Bonds, any day, other than a Saturday, Sunday or other day on which the New York Stock Exchange is closed or on which banks are authorized or obligated by law or executive order to be closed in the State of California, the State of New York or any city in which the Principal Office of the Trustee or the principal office (where draws are to be made) of any Credit Provider is located, or, solely with respect to the 2025 Bonds, any other day on which banks in the state in which the funding office of the 2025 Credit Provider is located are authorized or required by executive order or law to remain closed.

**“Calendar Week”** means the period of seven (7) days from and including Thursday of any week to and including Wednesday of the next following week.

**“Commercial Paper Rate”** means the interest rate established from time to time pursuant to Section 14.05(a)(iii).

**“Commercial Paper Rate Period”** means each period during which 2025 Bonds bear interest at a Commercial Paper Rate determined pursuant to Section 14.05(a)(iii).

**“Commercial Paper Tender Bonds”** shall have the meaning set forth in Section 15.10(a).

**“Conversion”** means any conversion of the 2025 Bonds from one Interest Rate Determination Method or Mode to another, which may be made from time to time in accordance with the terms of Section 14.05(b).

**“Conversion Date”** means the date any Conversion of 2025 Bonds becomes effective in accordance with Section 14.05(b) (or, with respect to notices, time periods and requirements in connection with the proceedings for such Conversion, the day on which it is proposed that such Conversion occur).

**“Conversion Notice”** shall have the meaning set forth in Section 14.05(b).

**“Credit Support Instrument”** means, for purposes of this First Supplemental Indenture, a letter of credit, line of credit, standby purchase agreement, revolving credit agreement or other credit arrangement pursuant to which a 2025 Credit Provider provides credit and/or liquidity support with respect to the payment of interest, principal or the Purchase Price of any 2025 Bonds, as the same may be amended from time to time pursuant to its terms, and any replacement therefor.

**“Daily Put Bonds”** shall have the meaning set forth in Section 15.10(a).

“**Daily Rate**” means the variable interest rate on any 2025 Bond established in accordance with Section 14.05(a)(i).

“**Daily Rate Index**” means, on any Business Day, the SIFMA Swap Index or, if the SIFMA Swap Index is no longer published, an index or rate determined by the Authority, in consultation with the Remarketing Agent and upon the advice of the Authority’s municipal advisor; provided, however, that if the Remarketing Agent advises the Trustee and the Authority that the use of the SIFMA Swap Index would not result or no longer results in a market rate of interest on any Series of 2025 Bonds, “Daily Rate Index” shall mean with respect to such Series of 2025 Bonds, subject to a Favorable Opinion of Bond Counsel, an index determined by the Authority, in consultation with the Remarketing Agent and upon the advice of the Authority’s municipal advisor, that would result in a market rate of interest on such Series of 2025 Bonds. The Daily Index Rate shall in no event exceed the Maximum Interest Rate.

“**Daily Rate Period**” means each period during which any 2025 Bonds bear interest at Daily Rates.

“**Electronic means**” means facsimile transmission, email transmission or other similar electronic means of communication providing evidence of transmission, including a telephone communication confirmed by any other method set forth in this definition.

“**Expiration**” (and other forms of “expire”) means, when used with respect to a 2025 Credit Support Instrument, the expiration of such 2025 Credit Support Instrument in accordance with its terms.

“**Failed Tender Date**” means, for any Series of 2025 Bonds bearing interest at a Term Rate or an Index Rate, the date on which insufficient funds are available for the purchase of all 2025 Bonds of such Series tendered or deemed tendered and required to be purchased at the end of the Term Rate Period or Index Rate Period as described in Section 15.12(c)(ii) of the Indenture.

“**Favorable Opinion of Bond Counsel**” means, with respect to any action requiring such an opinion, an Opinion of Bond Counsel to the effect that such action will not, in and of itself, adversely affect the Tax-Exempt status of interest on the Bonds or such portion thereof as shall be affected thereby.

“**First Supplemental Indenture**” means this First Supplemental Indenture, between the Authority and the Trustee, as amended and supplemented from time to time.

“**Fixed Rate**” means the fixed rate borne by any 2025 Bonds from the Fixed Rate Conversion Date for such Series of Bonds, which rate shall be established in accordance with Section 14.05(a)(v).

“**Fixed Rate Computation Date**” means any Business Day during the period from and including the date of receipt of a Conversion Notice relating to a Fixed Rate Conversion to and including the Business Day next preceding the proposed Conversion Date.

“**Fixed Rate Conversion Date**” means the Conversion Date on which the interest rate on any 2025 Bonds shall be converted to a Fixed Rate.



**“Fixed Rate Period”** means the period from and including the Fixed Rate Conversion Date of any 2025 Bonds converted to a Fixed Rate to and including their maturity date or earlier date of redemption.

**“Index Agent”** means the Trustee or such other Person as may be designated by the Authority to act as the Index Agent for the Trustee.

**“Index Bonds”** means 2025 Bonds bearing interest at the Index Rate.

**“Index Rate”** means the interest rate established from time to time pursuant to Section 14.05(a)(vi), provided, however, that in no event may the Index Rate exceed the Maximum Interest Rate.

**“Index Rate Continuation Notice”** has the meaning given to that term in Section 14.05(a)(vi)(D).

**“Index Rate Conversion Date”** means: (i) the Conversion Date on which the interest rate on any 2025 Bonds shall be converted to an Index Rate; or (ii) the date on which a new Index Rate Period is to be established.

**“Index Rate Determination Date”** means, with respect to any Series of 2025 Bonds in an Index Rate Period where the Index Rate is the SIFMA Swap Index, each Wednesday or, if any such Wednesday is not a Business Day, then the next preceding Business Day, such date being the same day the SIFMA Swap Index is expected to be published or otherwise made available to the Index Agent; and if the SIFMA Swap Index is published on a different day, such day will be the Index Rate Determination Date (the Index Rate so calculated will apply to the Calendar Week from and including the immediately succeeding Thursday, or if calculated on a Thursday, on such Thursday, to and including the following Wednesday); provided that, if the Authority obtains a Favorable Opinion of Bond Counsel, “Index Rate Determination Date” shall mean such other date as is determined by the Authority, in consultation with the Remarketing Agent and upon the advice of the Authority’s municipal advisor, in accordance with Section 14.05(b)(i)(D); and provided further that, if the Authority specifies alternative dates as “Index Rate Determination Dates” for any Series of 2025 Bonds in the Pricing Notice delivered in connection with the Conversion of such Bonds, “Index Rate Determination Date” shall mean the dates specified in such Pricing Notice.

**“Index Rate Index”** means, with respect to any Series of 2025 Bonds, the SIFMA Swap Index; provided, that if the Authority obtains a Favorable Opinion of Bond Counsel, “Index Rate Index” shall mean such other index as is determined by the Authority, in consultation with the Remarketing Agent and upon the advice of the Authority’s municipal advisor, at the commencement of an Index Rate Period in accordance with Section 14.05(b)(i)(B)(1) or Section 14.05(a)(vi)(D).

**“Index Rate Period”** means any period during which 2025 Bonds bear interest at the Index Rate.

**“Interest Payment Date”** means (a) with respect to the 2025 Bonds: (i) in the Daily Rate Period or the Weekly Rate Period, the first Business Day of each calendar month; (ii) in the

Commercial Paper Rate Period, the day immediately succeeding the last day of each Commercial Paper Rate Period for such 2025 Bond; (iii) each Conversion Date; (iv) in the Term Rate Period or the Fixed Rate Period, each Semi-Annual Interest Payment Date, or, if the Authority obtains a Favorable Opinion of Bond Counsel, such other periodic dates as shall be selected by the Authority in accordance with Section 14.05(b)(iii)(B) hereof; (v) in the Index Rate Period, the first Business Day of each calendar month, or, if the Authority obtains a Favorable Opinion of Bond Counsel, such other periodic dates as shall be selected by the Authority in accordance with Section 14.05(b)(i)(D) hereof; (b) with respect to any Series of 2025 Bonds bearing interest at the Daily Rate or the Weekly Rate, the mandatory tender date, as applicable, on which a Credit Support Instrument providing support for such Series of 2025 Bonds is substituted; and (c) in all events, the final maturity date or redemption date of each 2025 Bond.

**“Interest Rate Determination Method”** means any of the methods of determining the interest rate on the 2025 Bonds from time to time as described in Section 14.05(a).

**“Interest Rate Mode”** means, with respect to any 2025 Bond of a Series, the type of interest rate paid on Bonds of that Series, consisting of any of a Daily Rate, Weekly Rate, Commercial Paper Rate, Term Rate, Index Rate or Fixed Rate, as the case may be.

**“Issue Date”** means, with respect to the 2025 Bonds, the date on which the 2025 Bonds are first delivered to the purchasers thereof.

**“Mandatory Tender Bonds”** has the meaning specified in Section 15.10(c).

**“Maximum Interest Rate”** means: (a) with respect to 2025 Bonds other than 2025 Credit Provider Bonds, (i) for the benefit of which a 2025 Credit Support Instrument is in effect, the rate of interest, if any, specified in such 2025 Credit Support Instrument that is used to determine the amount available under such 2025 Credit Support Instrument for payment of interest due and payable to Owners of 2025 Bonds, but in no event greater than twelve percent (12%) per annum, and (ii) at all other times, twelve percent (12%) per annum; and (b) with respect to 2025 Credit Provider Bonds, the lesser of (i) fifteen percent (15%) per annum or (ii) the maximum rate of interest with respect to such 2025 Credit Provider Bonds permitted by applicable law.

**“Optional Purchase Date”** means each date on which the 2025 Bonds would be subject to optional redemption and therefore are subject to purchase at the option of the Authority pursuant to Article XVII.

**“Optional Purchase Price”** means, with respect to the purchase of 2025 Bonds to be purchased pursuant to Article XVII on any Optional Purchase Date, the principal amount of the 2025 Bonds to be purchased on such Optional Purchase Date, plus accrued interest to such Optional Purchase Date, plus an amount equal to the premium, if any, that would be payable upon the redemption, at the option of the Authority exercised on such Optional Purchase Date, of the 2025 Bonds to be purchased.

**“Pricing Notice”** means, with respect to a Series of 2025 Bonds, as applicable, (i) the written notice of an Authorized Representative to the Trustee and the Remarketing Agent delivered in connection with a Conversion of such Series of 2025 Bonds to a Term Rate Period at least two Business Days prior to the applicable Term Rate Conversion Date or that is delivered in connection

with a continuation of a Term Rate Period at least two Business Days prior to the effective date of the new Term Rate Period, and (ii) the written notice of an Authorized Representative to the Trustee and the Remarketing Agent delivered in connection with a Conversion of such Series of 2025 Bonds to an Index Rate Period at least five Business Days prior to the applicable Index Rate Conversion Date or that is delivered in connection with a continuation of an Index Rate Period at least five Business Days prior to the effective date of the new Index Rate Period.

“**Purchase Date**” means any date on which any 2025 Bond is purchased pursuant to Section 15.05 or Section 15.06.

“**Purchase Price**” means, with respect to any 2025 Bond tendered or deemed tendered pursuant to Section 15.05 or Section 15.06, an amount equal to 100% of the principal amount of any 2025 Bond tendered or deemed tendered to the Trustee for purchase pursuant to Section 15.05 or Section 15.06. In addition, if the Purchase Date is not an Interest Payment Date, the Purchase Price for each 2025 Bond tendered or deemed tendered shall be increased to include accrued interest thereon to but not including the Purchase Date; provided, however, if such Purchase Date occurs before an Interest Payment Date, but after the Record Date applicable to such Interest Payment Date, then the Purchase Price shall not include accrued interest, which shall be paid to the Owner of record as of the applicable Record Date.

“**Rate**” means, with respect to any 2025 Bond, the interest rate applicable to such 2025 Bond as provided in this First Supplemental Indenture.

“**Rate Index**” means the Daily Rate Index, the Weekly Rate Index, or both, as the context may require.

“**Rate Period**” means any Daily Rate Period, Weekly Rate Period, Commercial Paper Rate Period, Term Rate Period, Index Rate Period or Fixed Rate Period.

“**Record Date**” means, with respect to the 2025 Bonds: (a) for any Interest Payment Date in respect of any Daily Rate Period, Weekly Rate Period, Commercial Paper Rate Period or Index Rate Period, the Business Day next preceding such Interest Payment Date; and (b) for any Interest Payment Date in respect of any Term Rate Period or Fixed Rate Period, the fifteenth (15<sup>th</sup>) day (whether or not a Business Day) of the month preceding the month in which such Interest Payment Date occurs.

“**Redemption Date**” means the date fixed for redemption of Bonds of a Series subject to redemption in any notice of redemption given in accordance with the terms of the Indenture.

“**Redemption Price**” means, with respect to any 2025 Bond or a portion thereof, 100% of the principal amount thereof to be redeemed, plus the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or this First Supplemental Indenture (provided that if the 2025 Bond is a 2025 Bond bearing interest at an Index Rate, the Redemption Price for such Bond shall be determined pursuant to Section 15.02(a)(v)).

“**Remarketing Agent**” means the one or more banks, trust companies or members of the Financial Industry Regulatory Authority meeting the qualifications set forth in Section 15.16 and appointed by an Authorized Representative to serve as a Remarketing Agent for any 2025 Bonds.

**“Remarketing Agreement”** means any agreement or agreements entered into by and between the Authority and a Remarketing Agent for 2025 Bonds.

**“Semi-Annual Interest Payment Date”** means April 1 or October 1.

**“Series of Index Bonds”** means a Series of 2025 Bonds in the Index Rate Period.

**“SIFMA”** means the Securities Industry & Financial Markets Association (formerly the Bond Market Association).

**“SIFMA Swap Index”** means, on any date, a rate determined on the basis of the seven-day high grade market index of tax-exempt variable rate demand obligations, as produced by Bloomberg (or successor organizations) and published or made available by SIFMA or any Person acting in cooperation with or under the sponsorship of SIFMA and acceptable to the Authority and effective from such date or if such index is no longer produced or available, either (i) the S&P Municipal Bond 7 Day High Grade Rate Index as produced and made available by S&P Dow Jones Indices LLC (or successor organizations) or (ii) such other index selected by the Authority, with the advice of a remarketing agent or municipal advisor.

**“Stepped Rate”** means the rate or rates of interest applicable with respect to any Series of 2025 Bonds should insufficient funds be available to purchase such Bonds in connection with a mandatory tender at the end of an Index Rate Period or a Term Rate Period during which such Series of 2025 Bonds is not supported by a 2025 Credit Support Instrument, as specified by the Authority in the Pricing Notice delivered in connection with the Conversion of such Series of Bonds to a Term Rate Period or an Index Rate Period or with the continuation of a Term Rate Period or Index Rate Period with respect to such Series of 2025 Bonds. If no Stepped Rate was specified in the Pricing Notice relating to the expiring Term Rate Period or Index Rate Period for such Series of 2025 Bonds, the Stepped Rate shall be: (a) for the period from and including the Failed Tender Date to but excluding the ninetieth (90<sup>th</sup>) day thereafter a per annum interest rate equal to the Stepped Rate Index plus 2.50%; (b) for the period from and including the ninetieth (90<sup>th</sup>) day after the Failed Tender Date to but excluding the one hundred eightieth (180<sup>th</sup>) day after the Failed Tender Date, a per annum interest rate equal to the greater of (i) the Stepped Rate Index plus 5.00% or (ii) 7.50%; and (c) thereafter, the Maximum Interest Rate; provided that the Stepped Rate shall never be less than the rate of interest applicable to such Series of 2025 Bonds on the Business Day prior to the Failed Tender Date. Notwithstanding anything to the contrary, the Stepped Rate shall never exceed twelve percent (12%) per annum.

**“Stepped Rate Determination Date”** means the applicable Failed Tender Date and each Wednesday thereafter or, if any such Wednesday is not a Business Day, then the next preceding Business Day, such date being the same day the SIFMA Swap Index is expected to be published or otherwise made available to the Index Agent, and if the SIFMA Swap Index is published on a different day, such day will be the Stepped Rate Determination Date. The Stepped Rate Index so calculated will apply to the Calendar Week from and including the immediately succeeding Thursday, or if calculated on a Thursday, on such Thursday, to and including the following Wednesday or, for the initial period, from the Failed Tender Date to and including the Wednesday following the Failed Tender Date, unless the Failed Tender Date is a Wednesday in which event such rate will be based on the SIFMA Swap Index determined on the prior Wednesday and will

only apply on the Failed Tender Date; provided that different Stepped Rate Determination Dates may be specified in the Pricing Notice relating to the establishment of a new Term Rate Period or Index Rate Period for any Series of 2025 Bonds. The Stepped Rate or Rates calculated on any Stepped Rate Determination Date shall apply to 2025 Bonds as set forth in Section 14.05(d) of this First Supplemental Indenture.

**“Stepped Rate Index”** means an index specified by the Authority in the Pricing Notice delivered in connection with the Conversion of a Series of 2025 Bonds to a Term Rate Period or an Index Rate Period or with the continuation of a Term Rate Period or Index Rate Period with respect to such Series of 2025 Bonds pursuant to the terms of the Indenture. If no Stepped Rate Index was specified in the Pricing Notice relating to the expiring Term Rate Period or Index Rate Period for such 2025 Bonds, the Stepped Rate Index shall be the SIFMA Swap Index.

**“Tax-Exempt”** means, with respect to interest on any obligations of a state or local government, that such interest is excluded from the gross income of the holders thereof (other than any holder who is a “substantial user” of facilities financed with such obligations or a “related person” within the meaning of Section 147(a) of the Code) for federal income tax purposes, whether or not such interest is includable as an item of tax preference or otherwise includable directly or indirectly for purposes of calculating other tax liabilities, including any alternative minimum tax or environmental tax under the Code.

**“Tax-Exempt Securities”** means bonds, notes or other securities the interest on which is Tax-Exempt.

**“Term Rate”** means the rate of interest on a Series of 2025 Bonds established in accordance with Section 14.05(a)(iv).

**“Term Rate Computation Date”** means any Business Day during the period from and including the date of receipt of a Conversion Notice relating to a Conversion to a Term Rate for any 2025 Bonds to and including the Business Day next preceding the proposed Term Rate Conversion Date.

**“Term Rate Continuation Notice”** shall have the meaning given such term in Section 14.05(a)(iv)(B).

**“Term Rate Conversion Date”** means: (i) the Conversion Date on which the interest rate on any 2025 Bonds shall be converted to a Term Rate; or (ii) the date on which a new Term Rate Period and Term Rate are to be established.

**“Term Rate Period”** means any period during which any 2025 Bonds bear interest at the Term Rate.

**“Termination”** (and other forms of “terminate”) means, when used with respect to any 2025 Credit Support Instrument, the replacement, removal, surrender or other termination of such 2025 Credit Support Instrument other than an Expiration or an extension or renewal thereof; provided, however, that Termination does not include immediate suspension or termination events.

“**Treasury Rate**” means the interest rate applicable to 13-week United States Treasury bills determined by the Index Agent on the basis of the average per annum discount rate at which such 13-week Treasury bills shall have been sold at the most recent Treasury auction.

“**2025 Series A Bonds**” means the Bay Area Toll Authority San Francisco Bay Area Toll Bridge Revenue Bonds, 2025 Series A (Variable Rate Bonds), authorized by Article XIV of this Indenture.

“**2025 Authority Account**” means the 2025 Series A Authority Account within the 2025 Bonds Purchase Fund established pursuant to Section 17.01(b).

“**2025 Authority Liquidity Support Instrument**” means the Standby Bond Purchase Agreement provided by the Authority pursuant to which the Authority is providing liquidity support for the 2025 Series A Bonds, and which has a stated expiration date of [\_\_\_\_\_], 20[\_\_\_], [as it may be extended by the Authority from time to time / and any Credit Support Instrument under which the Authority is the 2025 Credit Provider substituted therefor in accordance with the terms of this First Supplemental Indenture] [SEE QUESTIONS BELOW RE MANDATORY TENDER REQUIREMENTS/RATING AGENCY CONFIRMATIONS].

“**2025 Bonds**” means the 2025 Series A Bonds.

“**2025 Bonds Construction Fund**” means the 2025 Bonds Construction Fund established pursuant to Section 17.01(d).

“**2025 Bonds Costs of Issuance Fund**” means the 2025 Bonds Costs of Issuance Fund established pursuant to Section 17.01(a).

“**2025 Bonds Delivery Certificate**” means the certificate or certificates to be prepared and executed by an Authorized Representative pursuant to Section 14.07 in connection with the delivery of the 2025 Bonds.

“**2025 Bonds Proceeds Fund**” means the 2025 Bonds Proceeds Fund in which the net proceeds from the sale of the 2025 Bonds is initially deposited by the Trustee and held prior to being transferred in accordance with Section 14.08.

“**2025 Bonds Project**” means the Project that consists of [PROJECT DESCRIPTION], as more fully described in the 2025 Bonds Tax Certificate.

“**2025 Bonds Purchase Fund**” means the 2025 Bonds Purchase Fund established pursuant to Section 17.01(b).

“**2025 Bonds Tax Certificate**” means that certain Tax Certificate executed on behalf of the Authority in connection with the issuance of the 2025 Bonds and relating to the requirements of the Code.

“**2025 Credit Provider**” means, (i) upon the initial issuance of the 2025 Bonds, the Authority; and (ii) thereafter, the entity, if any, providing a 2025 Credit Support Instrument with respect to the 2025 Bonds or any successor thereto.

**“2025 Credit Provider Bonds”** means Credit Provider Bonds consisting of any 2025 Bonds purchased with funds provided under a 2025 Credit Support Instrument as provided in Section 15.12 for so long as such 2025 Bonds are held by or for the account of, or are pledged to, the applicable 2025 Credit Provider in accordance with Section 15.14(d) hereof.

**“2025 Credit Support Instrument”** means (i) upon the initial issuance of the 2025 Series A Bonds, the 2025 Authority Liquidity Support Instrument, and (ii) any substitute 2025 Credit Support Instrument provided pursuant to Section 15.15 of the Indenture, as applicable.

**“2025 Credit Support Instrument Purchase Account”** means the 2025 Series A Credit Support Instrument Purchase Account within the 2025 Bonds Purchase Fund established pursuant to Section 17.01(b).

**“2025 Remarketing Account”** means the 2025 Series A Remarketing Account within the 2025 Bonds Purchase Fund established pursuant to Section 17.01(b).

**“Variable Rate”** means any of the Daily Rate, the Weekly Rate, the Commercial Paper Rate, the Term Rate, or the Index Rate.

**“Variable Rate Demand Bonds”** means the 2025 Bonds bearing interest at a Daily Rate or a Weekly Rate.

**“Weekly Put Bonds”** shall have the meaning set forth in Section 15.10(b).

**“Weekly Rate”** means the variable interest rate on any 2025 Bond established in accordance with Section 14.05(a)(ii).

**“Weekly Rate Index”** means, on any Business Day, the SIFMA Swap Index or, if the SIFMA Swap Index is no longer published, an index or rate determined by the Authority, in consultation with the Remarketing Agent and upon the advice of the Authority’s municipal advisor; provided, however, that if the Remarketing Agent advises the Trustee and the Authority that the use of the SIFMA Swap Index would not result or no longer results in a market rate of interest on any Series of 2025 Bonds, “Weekly Rate Index” shall mean, subject to a Favorable Opinion of Bond Counsel, an index determined by the Authority, in consultation with the Remarketing Agent and upon the advice of the Authority’s municipal advisor that would result in a market rate of interest on such Series of 2025 Bonds. The Weekly Rate Index shall in no event exceed the Maximum Interest Rate.

**“Weekly Rate Period”** means each period during which any 2025 Bonds bear interest at Weekly Rates.

**Section 12.02 Rules of Construction.** Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include corporations and associations, including public bodies, as well as natural persons. Defined terms shall include any variant of the terms set forth in this Article XII.

The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder,” and any similar terms, as used in this First Supplemental Indenture, refer to the Indenture.

## **ARTICLE XIII FINDINGS, DETERMINATIONS AND DIRECTIONS**

**Section 13.01 Findings and Determinations.** The Authority hereby finds and determines that the 2025 Bonds shall be issued as additional Bonds pursuant to Article III of the Indenture and upon the issuance of the 2025 Bonds, any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the issuance thereof, will exist, will have happened and will have been performed, in due time, form and manner, as required by the Constitution and statutes of the State.

**Section 13.02 Recital in Bonds.** There shall be included in each of the definitive 2025 Bonds, and also in each of the temporary 2025 Bonds, if any are issued, a certification and recital that any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the incurring of the indebtedness evidenced by that 2025 Bond, and in the issuing of that 2025 Bond, exist, have happened and have been performed in due time, form and manner, as required by the Constitution and statutes of the State and the Act, as applicable, and that said 2025 Bonds, together with all other indebtedness of the Authority payable out of Revenue, is within every debt and other limit prescribed by the Constitution and statutes of the State and the Act, as applicable, and that such certification and recital shall be in such form as is set forth in the form of the 2025 Bonds attached hereto as Exhibit A.

**Section 13.03 Effect of Findings and Recital.** From and after the issuance of the 2025 Bonds, the findings and determinations herein shall be conclusive evidence of the existence of the facts so found and determined in any action or proceeding in any court in which the validity of the 2025 Bonds is at issue, and no bona fide purchaser of any such 2025 Bond containing the certification and recital shall be required to see to the existence of any fact, or to the performance of any condition, or to the taking of any proceeding, required prior to such issuance, or to the application of the purchase price for such 2025 Bonds.

## **ARTICLE XIV AUTHORIZATION OF 2025 BONDS**

### **Section 14.01 Principal Amount, Designation and Series.**

14.01(a) Principal Amount and Designation of the 2025 Series A Bonds. Pursuant to the provisions of this Indenture and the provisions of the Act, a Series of Bonds entitled to the benefit, protection and security of such provisions is hereby authorized in the aggregate principal amount of \$[\_\_\_\_\_]. Such Bonds shall be designated as, and shall be distinguished from the Bonds of all other Series by the title, “Bay Area Toll Authority San Francisco Bay Area Toll Bridge Revenue Bonds, 2025 Series A (Variable Rate Bonds).”

**Section 14.02 Purpose.** The 2025 Bonds are issued for the purpose of providing funds to (a) finance or refinance costs of the 2025 Bonds Project; and (b) pay the Costs of Issuance of the 2025 Bonds.

**Section 14.03 Form, Denomination, Numbers and Letters.** Each Series of the 2025 Bonds shall be issued as Book-Entry Bonds in fully registered form in Authorized Denominations



and shall be numbered from one upward in consecutive numerical order preceded by the letter “R” prefixed to the number. Each Series of 2025 Bonds and the certificate of authentication shall be substantially in the form attached hereto as Exhibit A, which form is hereby approved and adopted as the form of the 2025 Bonds and as the form of the certificate of authentication as such form shall be completed based on the terms of each Series of 2025 Bonds set forth in the 2025 Bonds Delivery Certificate.

**Section 14.04 Date, Maturities and Interest Rates.**

14.04(a) Date, Maturities and Interest Rates of the 2025 Series A Bonds. The 2025 Series A Bonds shall be dated their Issue Date. The 2025 Series A Bonds shall mature and be payable on [\_\_\_\_\_] 1, 20[\_\_\_]. The 2025 Series A Bonds shall bear interest at the rate or rates determined in accordance with Section 14.05; provided that each 2025 Series A Bond shall initially bear interest at the [\_\_\_\_\_] Rate, commencing on the initial Issue Date at an initial [\_\_\_\_\_] Rate of [\_\_\_\_\_] percent ([\_\_\_\_\_]%). The initial Interest Payment Date with respect to the 2025 Series A Bonds is [\_\_\_\_\_] 20[\_\_\_].

14.04(b) Payment of Interest and Principal on the 2025 Bonds. Interest on each 2025 Bond shall be payable on each Interest Payment Date for such 2025 Bond until the principal sum of such 2025 Bond has been paid; provided, however, that if at the maturity date of any 2025 Bond (or if the same is redeemable and shall be duly called for redemption, then at the date fixed for redemption) funds are available for the payment or redemption thereof, in full accordance with terms of the Indenture, such 2025 Bond shall then cease to bear interest. Principal and premium, if any, on the 2025 Bonds shall be payable when due upon presentation and surrender thereof at the Principal Office of the Trustee.

As long as the 2025 Bonds are Book-Entry Bonds, principal of and interest on the 2025 Bonds shall be payable by wire transfer to DTC in lawful money of the United States of America. Otherwise, interest shall be mailed by first class mail on each interest payment date to the Owners thereof as of the Record Date; provided, however, that Owners of \$1,000,000 in aggregate principal amount of 2025 Bonds may, at any time prior to a Record Date, give the Trustee written instructions for payment of such interest on each succeeding interest payment date by wire transfer. Each 2025 Bond shall pay interest to the Owner thereof from the latest of: (i) its Issue Date; (ii) the most recent Interest Payment Date to which interest has been paid thereon or duly provided for, or (iii) if the date of authentication of such Bond is after a Record Date but prior to the immediately succeeding Interest Payment Date, the Interest Payment Date immediately succeeding such date of authentication.

Notwithstanding anything in the Indenture to the contrary, any 2025 Bonds that are 2025 Credit Provider Bonds shall mature and shall be subject to prepayment as provided in the applicable Credit Support Agreement, if any.

**Section 14.05 Interest Rates on 2025 Bonds.**

Except for 2025 Credit Provider Bonds, which shall bear interest at the rate or rates (but not in excess of the Maximum Interest Rate), and be payable at the times, specified in the

applicable Credit Support Agreement until converted to a Fixed Rate, 2025 Bonds shall bear interest at a Variable Rate determined as provided in this First Supplemental Indenture.

The 2025 Bonds shall bear interest as provided herein from and including the Issue Date to but excluding the date of payment in full of such 2025 Bonds (such interest to be computed on the basis of a 365/366-day year and actual days elapsed during any Daily Rate Period, Weekly Rate Period, Index Rate Period or Commercial Paper Rate Period, and computed on the basis of a 360-day year of twelve (12) 30-day months during any Term Rate Period of more than 180 days). Interest shall accrue on the 2025 Bonds from one Interest Payment Date to, but not including, the next Interest Payment Date.

Upon Conversion to a Fixed Rate, the 2025 Bonds shall bear interest from and including the date of Conversion to the date of payment in full of such 2025 Bonds (computed on the basis of a 360-day year of twelve (12) 30-day months during any Fixed Rate Period).

The interest rates on each 2025 Bond shall be determined as provided in Section 14.05(a); provided, that no Rate as so determined shall exceed the Maximum Interest Rate in effect on the date of determination thereof.

Each 2025 Bond within a Series of 2025 Bonds shall have the same Interest Rate Determination Method as other 2025 Bonds within such Series of 2025 Bonds and (except 2025 Bonds which are 2025 Credit Provider Bonds, 2025 Bonds during a Commercial Paper Rate Period, and 2025 Bonds of different maturities bearing interest at a Fixed Rate) shall bear interest at the same interest rate. Each Series of 2025 Bonds may bear interest at different interest rates in accordance with the Interest Rate Determination Method provided in Section 14.05(a).

#### 14.05(a) Interest Rate Determination Method.

14.05(a)(i) Daily Rate. Upon a successful Conversion of any Series of 2025 Bonds to bear interest at the Daily Rate pursuant to Section 14.05(b) and until such 2025 Bonds are successfully converted to another Interest Rate Determination Method pursuant to said Section 14.05(b) (subject, however, to the provisions of Section 14.05(b)(ix)), such 2025 Bonds shall bear interest at a Daily Rate. During each Daily Rate Period for a Series of 2025 Bonds, the Remarketing Agent for such Series shall set a Daily Rate for such 2025 Bonds by 10:00 a.m., New York City time, on each Business Day; provided, that the Daily Rate for the first Business Day following a Conversion Date resulting in a change in the Interest Rate Determination Method to a Daily Rate shall be set by such Remarketing Agent on the Business Day immediately preceding such Conversion Date; and provided further, that pursuant to Section 15.15(g), in connection with the substitution of a Credit Support Instrument providing support for any Series of 2025 Bonds bearing interest at the Daily Rate, the Daily Rate with respect to such Series of Bonds for the first Business Day following such substitution shall be set by the applicable Remarketing Agent on the Business Day immediately preceding the date of such substitution in accordance with Section 15.15(g). Each Daily Rate shall be the rate of interest which, if borne by such 2025 Bonds in the Daily Rate Period, would, in the judgment of the Remarketing Agent, having due regard for the prevailing financial market conditions for Tax-Exempt Securities which are of the same general nature as such 2025 Bonds, or Tax-Exempt Securities which are competitive as to credit and maturity (or period for tender) with the credit and maturity (or period for tender) of such 2025 Bonds for which the Daily

Rate is to be determined, be the lowest interest rate which would enable such Remarketing Agent to place such 2025 Bonds at a price of par (plus accrued interest, if any) on such Business Day. The Daily Rate for any non-Business Day will be the rate for the last Business Day on which a Daily Rate was set.

14.05(a)(ii) Weekly Rate. Upon [the issuance of the 2025 Series A Bonds or the] successful Conversion of any Series of 2025 Bonds to bear interest at the Weekly Rate pursuant to Section 14.05(b), and until such Series of 2025 Bonds are successfully converted to another Interest Rate Determination Method pursuant to said Section 14.05(b) (subject, however, to the provisions of Section 14.05(b)(ix)), such 2025 Bonds shall bear interest at a Weekly Rate. During each Weekly Rate Period for a Series of 2025 Bonds, the Remarketing Agent shall set a Weekly Rate for such 2025 Bonds, by 5:00 p.m., New York City time, on each Wednesday (or the immediately succeeding Business Day, if such Wednesday is not a Business Day) for the next Calendar Week; provided, that, the Weekly Rate for the first Calendar Week (or portion thereof) following [the Issue Date for the 2025 Series A Bonds, shall be set by the Remarketing Agent no later than the Business Day immediately preceding such Issue Date; and, provided further, that the Weekly Rate for the first Calendar Week (or portion thereof) following] a Conversion Date resulting in a change in the Interest Rate Determination Method to a Weekly Rate shall be set by such Remarketing Agent on the Business Day immediately preceding such Conversion Date; and provided further, that pursuant to Section 15.15(f), in connection with the substitution of a Credit Support Instrument providing support for any Series of 2025 Bonds bearing interest at the Weekly Rate, the Weekly Rate with respect to such Series of Bonds for the first Calendar Week (or portion thereof) following such substitution shall be set by the applicable Remarketing Agent on the Business Day immediately preceding the date of such substitution in accordance with Section 15.15(f). Each Weekly Rate shall be the rate of interest which, if borne by such 2025 Bonds in the Weekly Rate Period, would, in the judgment of the Remarketing Agent, having due regard for the prevailing financial market conditions for Tax-Exempt Securities which are of the same general nature as such 2025 Bonds for which the Weekly Rate is to be determined, or Tax-Exempt Securities which are competitive as to credit and maturity (or period for tender) with the credit and maturity (or period for tender) of the 2025 Bonds for which the Weekly Rate is to be determined, be the lowest interest rate that would enable the Remarketing Agent to place such 2025 Bonds at a price of par (plus accrued interest, if any) on the first day of such Weekly Rate Period.

14.05(a)(iii) Commercial Paper Rate. Upon a successful Conversion of any 2025 Bonds to bear interest at the Commercial Paper Rate pursuant to Section 14.05(b), and until such 2025 Bonds are successfully converted to another Interest Rate Determination Method pursuant to said Section 14.05(b) (subject, however, to the provisions of Section 14.05(b)(ix)), such 2025 Bonds shall bear interest at the Commercial Paper Rate or Rates applicable to such 2025 Bonds. The Remarketing Agent shall select the Commercial Paper Rate Period or Periods for each of such 2025 Bonds on a Business Day selected by the Remarketing Agent not more than five (5) Business Days prior to the first day of such Commercial Paper Rate Period and not later than 12:30 p.m., New York City time, on the first day of such Commercial Paper Rate Period. Each Commercial Paper Rate Period shall be a period of not less than one (1) nor more than two hundred seventy (270) days determined by the Remarketing Agent with the intention of yielding the lowest overall interest expense on the applicable 2025 Bonds, taking into account (A) all other Commercial Paper Rate Periods for all the 2025 Bonds of the same Series bearing interest at a Commercial Paper Rate, (B) general economic and market conditions relevant to such 2025 Bonds and (C) such other

facts, circumstances and conditions as such Remarketing Agent determines to be relevant. Notwithstanding the foregoing, no Commercial Paper Rate Period for any 2025 Bond shall be selected with an expiration date later than the fifth (5th) Business Day prior to the expiration date of any 2025 Credit Support Instrument, as the same is then in effect, with respect to such 2025 Bonds. The last day of each Commercial Paper Rate Period shall be a day immediately preceding a Business Day. If the Interest Rate Determination Method with respect to any 2025 Bonds is being converted from a Commercial Paper Rate to a new Interest Rate Determination Method, after receipt of the Conversion Notice delivered pursuant to Section 14.05(b), the Remarketing Agent shall determine the Commercial Paper Rate Periods with respect to such 2025 Bonds in such manner that, as soon as possible, all Commercial Paper Rate Periods with respect to such Series of 2025 Bonds shall end on the same date, which date shall be the last day of the then-current Commercial Paper Rate Periods and, upon the establishment of such Commercial Paper Rate Periods, the day next succeeding the last day of all such Commercial Paper Rate Periods shall be the Conversion Date for the new Interest Rate Determination Method. The Remarketing Agent, promptly upon the determination of the last day of such Commercial Paper Rate Periods prior to Conversion to a new Interest Rate Determination Method, shall give written notice of such last day and such Conversion Date to the Authority, the Trustee and the applicable 2025 Credit Provider.

The Remarketing Agent shall set a Commercial Paper Rate for each 2025 Bond bearing interest at the Commercial Paper Rate not later than 12:30 p.m., New York City time, on the first day of each Commercial Paper Rate Period for such Series of 2025 Bonds. The Commercial Paper Rate applicable to each 2025 Bond bearing interest at the Commercial Paper Rate will be the rate determined by the Remarketing Agent to be the lowest interest rate which would be necessary for such Remarketing Agent to place such 2025 Bond on the first day of the applicable Commercial Paper Rate Period at a price of par.

No Commercial Paper Rate or Commercial Paper Rate Period for any 2025 Bonds bearing interest at a Commercial Paper Rate shall be established that would require an interest payment that exceeds the amount available under the applicable 2025 Credit Support Instrument to pay the interest component of the Purchase Price of such 2025 Bonds.

14.05(a)(iv) Term Rate.

14.05(a)(iv)(A) Generally. Upon a successful Conversion of any 2025 Bonds to bear interest at the Term Rate from another Interest Rate Determination Method pursuant to Section 14.05(b) or the establishment of a new Term Rate Period and a new Term Rate for any 2025 Bonds then bearing interest at a Term Rate, and until such 2025 Bonds are successfully converted to another Interest Rate Determination Method pursuant to Section 14.05(b) or Section 14.05(a)(iv)(F), such 2025 Bonds shall bear interest at a Term Rate. Each Term Rate Period shall commence on the Term Rate Conversion Date and end on a day that precedes a Business Day selected by the Authority that is a minimum of 180 days after the Term Rate Conversion Date, but in no event later than the maturity date of the applicable 2025 Bonds. Upon such selection, such Business Day will be an Interest Payment Date for such 2025 Bonds. The duration of the Term Rate Period and the Stepped Rate to be applicable to the 2025 Bonds should insufficient funds be available for their purchase at the end of such Term Rate Period, shall be as specified in the Pricing Notice given with respect to the Conversion of any 2025 Bonds to such Term Rate Period pursuant

to Section 14.05(a)(iv)(D) or with respect to any new Term Rate and Term Rate Period for 2025 Bonds then bearing interest at a Term Rate pursuant to Section 14.05(a)(iv)(B). With respect to each Term Rate Period, the Remarketing Agent will set the Term Rate for the 2025 Bonds by 5:00 p.m., New York City time, on the applicable Term Rate Computation Date. Each Term Rate shall be the rate of interest that, if borne by such 2025 Bonds in such Term Rate Period, would, in the judgment of the Remarketing Agent, having due regard for the prevailing financial market conditions for Tax-Exempt Securities that are of the same general nature as the Series of 2025 Bonds, or Tax-Exempt Securities that are competitive as to credit and maturity (or period for tender) with the credit and maturity (or period for tender) of the Series of 2025 Bonds, be the lowest interest rate that would enable such Remarketing Agent to place such 2025 Bonds at a price of par on the first day of such Term Rate Period.

14.05(a)(iv)(B) Term Rate Continuation. On any date a Series of 2025 Bonds in a Term Rate Period is subject to optional redemption, or as of the day following the last day of a Term Rate Period for any Series of 2025 Bonds, unless the Authority has given a Conversion Notice with respect to the Conversion of such 2025 Bonds to another Interest Rate Determination Method pursuant to Section 14.05(b), the Authority may establish a new Term Rate Period and Term Rate for such 2025 Bonds with such right to be exercised by delivery of a written notice of an Authorized Representative (a “Term Rate Continuation Notice”) to the Trustee, the Remarketing Agent and the applicable 2025 Credit Provider, if any, for such 2025 Bonds no less than thirty-five (35) days prior to the effective date of the new Term Rate Period. The Authorized Representative shall also deliver a Pricing Notice to the Trustee no later than two Business Days prior to the effective date of the new Term Rate Period. The Term Rate Continuation Notice and the Pricing Notice required by this paragraph shall each be accompanied by the proposed form of an Opinion of Bond Counsel proposed to be delivered in connection with the continuation of such Series of 2025 Bonds in the Term Rate Period stating that the new Term Rate Period is authorized and permitted under the Indenture and will not, in and of itself, adversely affect the Tax-Exempt status of the interest on any of such Series of 2025 Bonds.

14.05(a)(iv)(C) Limitations. Any establishment of a new Term Rate and Term Rate Period for any Series of 2025 Bonds pursuant to Section 14.05(a)(iv)(B) above must comply with the following:

14.05(a)(iv)(C)(1) the first day of such new Term Rate Period must be (i) a date on which such 2025 Bonds are subject to optional redemption pursuant to Section 15.02, or (ii) a date on which such 2025 Bonds are subject to mandatory tender pursuant to the applicable provisions of Section 15.06 or Section 16.01;

14.05(a)(iv)(C)(2) the first day of such new Term Rate Period must be a Business Day;  
and

14.05(a)(iv)(C)(3) no new Term Rate shall become effective unless the Opinion of Bond Counsel referred to in Section 14.05(a)(iv)(B) is delivered on (and as of) the first day of the new Term Rate Period and all such Outstanding 2025 Bonds are successfully remarketed in the new Term Rate Period at the new Term Rate on the first day of the new Term Rate Period.

14.05(a)(iv)(D) Contents of Term Rate Continuation Notice. The Authority's Term Rate Continuation Notice must specify: (i) the proposed Term Rate Period; (ii) whether the 2025 Credit Support Instrument then in effect, if any, will remain in effect; (iii) if a new 2025 Credit Support Instrument will be in effect after the effective date of the new Term Rate Period and Term Rate; and (iv) the expected ratings, if any, on such 2025 Bonds following the establishment of a new Term Rate Period and Term Rate.

14.05(a)(iv)(E) Notice to Owners. Upon receipt of a Term Rate Continuation Notice from an Authorized Representative, as soon as possible, but in any event not less than thirty (30) days prior to the first day of the proposed Term Rate Period, the Trustee shall give notice by first-class mail to the Owners of the affected Series of 2025 Bonds, which notice shall state in substance:

14.05(a)(iv)(E)(1) that a new Term Rate Period and Term Rate is to be established for such Series of 2025 Bonds on the applicable Term Rate Conversion Date if the conditions specified in this First Supplemental Indenture (and generally described in such notice) are satisfied on or before such date;

14.05(a)(iv)(E)(2) the first day of the new Term Rate Period;

14.05(a)(iv)(E)(3) that the Authority has delivered to the Trustee the form of an Opinion of Bond Counsel proposed to be delivered to the Trustee in connection with the continuation of the Series of 2025 Bonds in the Term Rate;

14.05(a)(iv)(E)(4) that a new Term Rate Period and Term Rate for such Series of 2025 Bonds shall not be established unless the Opinion of Bond Counsel referred to above is delivered to the Trustee on (and as of) the first day of the new Term Rate Period and all such Series of 2025 Bonds are successfully remarketed in the new Term Rate Period and at the new Term Rate on the first day thereof;

14.05(a)(iv)(E)(5) the CUSIP numbers or other identification information of such Series of 2025 Bonds;

14.05(a)(iv)(E)(6) that all affected Series of 2025 Bonds are subject to mandatory tender for purchase on the first day of the new Term Rate Period (whether or not the proposed new Term Rate Period becomes effective on such date, unless the 2025 Bonds are not supported by a 2025 Credit Support Instrument, then the 2025 Bonds will be purchased only upon a successful remarketing at the new Term Rate) at the Purchase Price; and

14.05(a)(iv)(E)(7) that, to the extent that there shall be on deposit with the Trustee on the first day of the new Term Rate Period an amount of money sufficient to pay the Purchase Price thereof, all such Series of 2025 Bonds not delivered to the Trustee on or prior to such date shall be deemed to have been properly tendered for purchase and shall cease to constitute or represent a right on behalf of the Owner thereof to the payment of principal thereof or interest thereon and shall represent and constitute only the right to payment of the Purchase Price on deposit with the Trustee, without interest accruing thereon after such date.

14.05(a)(iv)(F) End of Term Rate. In the event the Authority has not given a Term Rate Continuation Notice or a Conversion Notice with respect to 2025 Bonds bearing interest at a Term

Rate at the time required by Section 14.05(a)(iv)(B) or Section 14.05(b), as applicable, or if the conditions to the effectiveness of a new Term Rate Period and New Term Rate set forth in Section 14.05(a)(iv)(C) or the conditions to Conversion to another Rate Period are not satisfied, including as a result of the Remarketing Agent failing to establish a Term Rate as herein provided, then on the day following the last day of the current Term Rate Period, a Weekly Rate Period shall automatically commence for such 2025 Bonds; provided that, notwithstanding anything to the contrary in the Indenture, unless a 2025 Credit Support Instrument is in effect with respect to such 2025 Bonds, such 2025 Bonds shall not be subject to optional tender pursuant to Section 15.05(b) and shall bear interest at a rate of interest equal to the Stepped Rate determined on each Stepped Rate Determination Date, subject to the provisions of Section 15.12(c)(ii).

14.05(a)(v) Fixed Rate.

14.05(a)(v)(A) The Interest Rate Determination Method for any Series of 2025 Bonds may be converted from any Variable Rate to a Fixed Rate in accordance with the provisions of Section 14.05(b). After such Conversion, such 2025 Bonds shall bear interest at the Fixed Rate. The interest rate to be borne by such 2025 Bonds of each maturity from the Fixed Rate Conversion Date shall be the rate determined by the Remarketing Agent on the Fixed Rate Computation Date to be the rate which, if borne by such 2025 Bonds, would, in the judgment of the Remarketing Agent having due regard for prevailing market conditions for Tax-Exempt Securities which are comparable to such 2025 Bonds, be the lowest interest rate which would enable such Remarketing Agent to place such 2025 Bonds of such maturity for which the Fixed Rate is to be determined at a price of par on the Fixed Rate Conversion Date.

14.05(a)(v)(B) If the Authority obtains a Favorable Opinion of Bond Counsel with respect to such actions: (i) in determining the Fixed Rate for any 2025 Bond, the Remarketing Agent, subject to the approval of an Authorized Representative, may also determine on or before the Business Day next preceding the determination of the Fixed Rate for such 2025 Bonds, redemption dates and redemption premiums, if any, to be paid upon the optional redemption of such 2025 Bonds which differ from such redemption dates and premiums as are set forth in Section 15.02(a)(iv) hereof, such redemption dates and redemption premiums, if any, to be, in the best judgment of the Remarketing Agent, consistent with then current marketing conditions; and (ii) the Remarketing Agent, subject to the approval of an Authorized Representative, may also determine, on or before the Business Day next preceding the determination of the Fixed Rate for such 2025 Bonds, with respect to any 2025 Bond constituting a Term Bond, a new maturity date for any portion of such 2025 Bond; provided, however, that such new maturity date shall be an April 1 prior to the original maturity date; and provided further that such 2025 Bond shall continue to be subject to mandatory redemption from Sinking Fund Installments established for such 2025 Bond unless, on any Sinking Fund Installment due date for such 2025 Bond, such Sinking Fund Installment is applied to the payment of that portion of such 2025 Bond which now matures on such Sinking Fund Installment due date.

14.05(a)(vi) Index Rate.

14.05(a)(vi)(A) Upon a successful Conversion of any Series of 2025 Bonds to an Index Rate Period pursuant to Section 14.05(b), or upon the continuation of a Series of 2025 Bonds in an Index Rate Period, and until such 2025 Bonds are successfully converted to another Interest

Rate Determination Method pursuant to Section 14.05(b), such 2025 Bonds shall bear interest at the Index Rate applicable to such 2025 Bonds, as determined by the Index Agent. The duration of the Index Rate Period, the Stepped Rate to be applicable to such 2025 Bonds should insufficient funds be available for their purchase at the end of such Index Rate Period, the next Purchase Date, the Index Rate Index, the frequency with which the Index Rate will be recalculated, the Interest Payment Dates applicable to such 2025 Bonds and any alternative Index Rate Determination Dates shall be as specified in the Pricing Notice given with respect to the Conversion of a Series of 2025 Bonds to the Index Rate Period pursuant to Section 14.05(b)(i)(D) or with respect to any new Index Rate and Index Rate Period for 2025 Bonds then bearing interest at an Index Rate pursuant to Section 14.05(a)(vi)(D).

14.05(a)(vi)(B) Determination of Applicable Spread. The Index Rate for a Series of 2025 Bonds shall be based on the Index Rate Index, which shall be designated by the Authority not less than five Business Days prior to the Conversion Date or Purchase Date. The Remarketing Agent shall determine the Applicable Spread to be used in calculating the Index Rate on or before the Index Rate Determination Date preceding the Conversion Date or Purchase Date. The “Applicable Spread” shall be the amount that, when added to or subtracted from the Index Rate Index, will result in the minimum Index Rate that, in the judgment of the Remarketing Agent under then-existing market conditions, will result in the remarketing of such 2025 Bonds on their Conversion Date or Purchase Date at a price equal to 100% of the principal amount thereof. The Remarketing Agent shall provide notice by Electronic means to the Index Agent, the Trustee (if the Trustee is not also the Index Agent) and the Authority of the Applicable Spread. The Remarketing Agent shall offer for sale and use its best efforts to sell such 2025 Bonds on the Conversion Date at a price equal to 100% of the principal amount thereof, as provided herein and in the applicable Remarketing Agreement.

14.05(a)(vi)(C) Calculation of Index Rate. The Index Rate for each Series of Index Bonds shall be calculated on each Index Rate Determination Date (preceding the date on which such Index Rate is to become effective) by the Index Agent and shall be equal to: (A) the Index Rate Index on the Index Rate Determination Date, as determined by the Index Agent, plus (B) the Applicable Spread that was determined pursuant to the preceding paragraph, and such Index Rate shall be rounded to the nearest one hundred thousandth of one percent (0.00001%). Except as may be otherwise specified in a Pricing Notice or in Section 14.04(b) of this Indenture, the initial Index Rate for each Index Rate Period with respect to a 2025 Bond shall apply commencing on the first day of such Index Rate Period, including as applicable the Conversion Date or the Purchase Date, and ending on the following Wednesday, unless such first day is a Wednesday, in which case the initial rate will only apply to such first day, and thereafter, the Index Rate shall be determined on the applicable Index Rate Determination Date and apply to the period commencing on and including Thursday (whether or not a Business Day) to and including the following Wednesday. Notwithstanding anything herein to the contrary, the initial Index Rate may be calculated by the Remarketing Agent, with the approval of the Authority, on any Business Day not more than sixty (60) Business Days nor less than two (2) Business Days prior to such Conversion Date; and thereafter, each Index Rate, as determined above, unless otherwise specified in the Pricing Notice, shall apply to the period commencing on and including Thursday (whether or not a Business Day) to and including the following Wednesday. The Index Agent shall calculate the Index Rate for each Series of Index Bonds as provided above and shall furnish such Index Rate to the Trustee (if the Trustee is not also the Index Agent) and the Authority by Electronic means no later than 8:00



a.m. New York City time on the Business Day next succeeding each Index Rate Determination Date. Upon the request of a Holder, the Trustee shall confirm by Electronic means the Index Rate then in effect. In lieu of the notifications provided in the preceding sentences, the Trustee may make such information available by readily accessible Electronic means.

The Trustee shall, as soon as available and by no later than the Business Day preceding each Interest Payment Date, notify the Authority in writing of the total amount of interest payable with respect to each Series of Index Bonds on such Interest Payment Date.

The determinations of the initial Index Rate and all subsequent Index Rates shall be conclusive and binding upon the Authority, the Trustee, each 2025 Credit Provider, the Remarketing Agent, the Index Agent and the Holders.

14.05(a)(vi)(D) Index Rate Continuation. On any date a Series of 2025 Bonds in an Index Period is subject to optional redemption, or as of the Purchase Date of any Series of 2025 Bonds in an Index Rate Period, unless the Authority has given a Conversion Notice with respect to the Conversion of such Series of 2025 Bonds to another Interest Rate Determination Method pursuant to Section 14.05(b), the Authority may establish a new Index Rate Period for such Series of 2025 Bonds with such right to be exercised by delivery of a written notice of an Authorized Representative (an “Index Rate Continuation Notice”) to the Trustee, the Index Agent (if the Trustee is not the Index Agent), and the Remarketing Agent for such Series of 2025 Bonds no less than thirty-five (35) days prior to the effective date of the new Index Rate Period. The Index Rate Continuation Notice must contain the information required by Sections 14.05(b)(i)(B)(2) and 14.05(b)(iii)(A). The Authorized Representative shall also deliver a Pricing Notice to the Trustee no later than five (5) Business Days prior to the effective date of the new Index Rate Period. The Index Rate Continuation Notice and the Pricing Notice required by this paragraph shall each be accompanied by the proposed form of an Opinion of Bond Counsel proposed to be delivered in connection with the continuation of such Series of 2025 Bonds in the Index Rate Period stating that the new Index Rate Period is authorized and permitted under the Indenture and will not, in and of itself, adversely affect the Tax-Exempt status of the interest on any of such Series of 2025 Bonds.

Each such 2025 Bond shall be subject to mandatory tender on the first day of such new Index Rate Period pursuant to the applicable provisions of Section 15.06 for purchase at its Purchase Price. No new Index Rate Period shall become effective unless the Opinion of Bond Counsel referred to above is delivered on (and as of) the first day of the new Index Rate Period and unless all such Outstanding 2025 Bonds of such Series are successfully remarketed in the new Index Rate Period at the new Index Rate on the first day of the new Index Rate Period.

14.05(a)(vi)(E) Notice to Owners. Upon receipt of an Index Rate Continuation Notice from an Authorized Representative, as soon as possible, but in any event not less than thirty (30) days prior to the first day of the proposed Index Rate Period, the Trustee shall give notice by first-class mail to the Owners of the affected 2025 Bonds, the Index Agent (if the Trustee is not the Index Agent) and the Remarketing Agent, which notice shall (1) state in substance that a new Index Rate Period is to be established for such 2025 Bonds on the applicable Index Rate Conversion Date if the conditions specified in this First Supplemental Indenture (and generally described in such notice) are satisfied on or before such date, (2) state that a new Index Rate Period

shall not be established unless the Opinion of Bond Counsel referred to above is delivered to the Trustee on (and as of) the first day of the new Index Rate Period and all such 2025 Bonds are successfully remarketed in the new Index Rate Period and at the new Index Rate on the first day thereof, and (3) contain the additional information required by Sections 14.05(b)(i)(B)(2) and 14.05(b)(iii)(A).

14.05(a)(vi)(F) End of Index Rate. In the event the Authority has not given an Index Rate Continuation Notice or a Conversion Notice with respect to 2025 Bonds bearing interest at an Index Rate at the time required by Section 14.05(a)(vi)(D) or Section 14.05(b), as applicable, or if the conditions to the effectiveness of a new Index Rate Period and new Index Rate set forth in Section 14.05(a)(vi)(D) or the conditions to Conversion to another Rate Period are not satisfied, then on the day following the last day of the current Index Rate Period, a Weekly Rate Period shall automatically commence for such 2025 Bonds; provided that, notwithstanding anything to the contrary in the Indenture, unless a 2025 Credit Support Instrument is in effect with respect to such 2025 Bonds, such 2025 Bonds shall not be subject to optional tender pursuant to Section 15.05(b) and shall bear interest at a rate of interest equal to the Stepped Rate determined on each Stepped Rate Determination Date, subject to the provisions of Section 15.12(c)(ii).

14.05(a)(vii) Failure to Determine Rate for Certain Rate Periods.

14.05(a)(vii)(A) If, for any reason, the Daily Rate or the Weekly Rate on any 2025 Bond is not established as provided herein by the Remarketing Agent pursuant to Sections 14.05(a)(i) or 14.05(a)(ii) or no Remarketing Agent shall be serving as such hereunder for such 2025 Bonds or any Rate so established is held to be invalid or unenforceable with respect to any such Rate Period, then an interest rate for such Rate Period equal to 100% of the applicable Rate Index, plus ten basis points (0.10%), on the date such Daily Rate or Weekly Rate was (or would have been) determined as provided above shall be established automatically.

14.05(a)(vii)(B) If, for any reason, the Remarketing Agent fails to set the length of any Commercial Paper Rate Period or to establish any Commercial Paper Rate for any 2025 Bond or a court holds any Commercial Paper Rate Period or Commercial Paper Rate for any 2025 Bond to be invalid or unenforceable, a Commercial Paper Rate Period for such 2025 Bond lasting through the next day immediately preceding a Business Day (or until the earlier stated maturity thereof) and an interest rate applicable to such 2025 Bond equal to 100% of the Daily Rate Index, plus ten basis points (0.10%), shall be established automatically.

14.05(a)(viii) Notice of Rates. In a timely fashion following the determination of any Rate, the Remarketing Agent establishing such Rate shall give written notice or notice by Electronic means thereof to the Authority and the Trustee. Such notice shall also include details as to the principal amount of the 2025 Bonds and the Interest Rate Determination Method at the time applicable. Promptly upon receipt of notice from a Remarketing Agent of any Fixed Rate, the Trustee shall give the Owner of each 2025 Bond being converted to a Fixed Rate notice of the Fixed Rate.

14.05(a)(ix) Absence of Remarketing Agent; Binding Determination. If no Remarketing Agent shall be serving hereunder with respect to any Series of 2025 Bonds, the determination of the applicable Rate Index shall be made by the Trustee at the direction of the Authority. The

determination of any Rate or Rate Index by a Remarketing Agent or, as aforesaid, the Trustee, at the direction of the Authority, with respect to any 2025 Bond, shall be conclusive and binding upon the Authority, the Trustee, the Remarketing Agent, any 2025 Credit Provider for such 2025 Bond and the Owner of such 2025 Bond.

14.05(a)(x) No Liability. In determining the interest rate that any 2025 Bond shall bear as provided in this Section 14.05, neither the Remarketing Agent nor the Trustee shall have any liability to the Authority or the Owner of such 2025 Bond, except for its negligence or willful misconduct.

14.05(b) Conversion of Interest Rate Determination Method.

14.05(b)(i)(A) Right of Conversion. The Interest Rate Determination Method for any Series of 2025 Bonds is subject to Conversion from time to time by the Authority, with such right to be exercised by delivery of a written notice of an Authorized Representative (such notice being the "Conversion Notice") to the Trustee, the Index Agent, if any, the Remarketing Agent, and the 2025 Credit Provider for such 2025 Bonds to be converted as follows:

14.05(b)(i)(A)(1) at least four (4) Business Days prior to the thirtieth (30th) day preceding the effective date of such proposed Conversion, in the event of a Conversion to a Daily Rate, Weekly Rate, Commercial Paper Rate, or Index Rate; and

14.05(b)(i)(A)(2) at least five (5) Business Days prior to the thirtieth (30th) day preceding the effective date of such proposed Conversion, in the event of a Conversion to a Term Rate or a Fixed Rate.

Each Authorized Representative is hereby authorized to execute and deliver a Conversion Notice to change the Interest Rate Determination Method at such times or times as the officer executing the Conversion Notice determines to be in the best interests of the Authority, such determination to be conclusively evidenced by such execution.

The Conversion Notice must be accompanied by (i) the proposed form of an Opinion of Bond Counsel stating that the Conversion is authorized and permitted under this Indenture and will not, in and of itself, adversely affect the Tax-Exempt status of the interest on any of such 2025 Bonds to be converted, and (ii) a notice of the new 2025 Credit Provider, if any, and the new 2025 Credit Support Instrument, if any, if at the same time as such 2025 Bonds are being converted there will be a change of 2025 Credit Provider or 2025 Credit Support Instrument with respect to such 2025 Bonds.

14.05(b)(i)(B) Conversion to Index Rate Period. The following provisions shall apply to the Conversion of a Series of 2025 Bonds to an Index Rate Period:

14.05(b)(i)(B)(1) On or prior to the fifth Business Day preceding the Conversion of any 2025 Bond to the Index Rate Period, the Authority, in consultation with the applicable Remarketing Agent, may determine: (a) the duration of the Index Rate Period, (b) the optional redemption provisions applicable to such 2025 Bonds during such Index Rate Period, if any, (c) the Stepped Rate to be applicable to such 2025 Bonds should insufficient funds be available to purchase such bonds at the end of such Index Rate Period, (d) the proposed next Purchase Date, if

any, (e) the Index Rate Index, if other than the SIFMA Swap Index, (f) the frequency with which the Index Rate shall be recalculated, (g) the Interest Payment Dates applicable to such 2025 Bonds while bearing interest in an Index Rate Period, and (h) alternative Index Rate Determination Dates, if any. The Authority shall provide notice to the Trustee of all such determinations in the Pricing Notice delivered pursuant to Section 14.05(b)(i)(D).

14.05(b)(i)(B)(2) The Trustee shall give notice by first-class mail of a proposed conversion of a Series of 2025 Bonds to the Index Rate Period to the Holders of such 2025 Bonds, as provided in Section 14.05(b)(iv). Such notice shall state for such 2025 Bonds: (A) that the interest rate thereon shall be converted to the Index Rate; (B) the proposed Conversion Date; and (C) that such 2025 Bonds are subject to mandatory tender for purchase on the proposed Conversion Date and setting forth the Purchase Price and the place of delivery for the purchase of such 2025 Bonds.

14.05(b)(i)(C) Conversion from Index Rate Period and Term Rate Period at the Option of the Authority. Notwithstanding anything in the Indenture to the contrary, (i) any Series of 2025 Bonds bearing interest in an Index Rate Period shall be subject to Conversion at the option of the Authority on any date such Series of 2025 Bonds are subject to optional redemption or any date on which such 2025 Bonds are subject to mandatory tender pursuant to Section 15.06(a)(vi) or Section 16.01; and (ii) any Series of 2025 Bonds bearing interest in a Term Rate Period shall be subject to Conversion at the option of the Authority on any date such Series of 2025 Bonds are subject to optional redemption or any date on which such 2025 Bonds are subject to mandatory tender pursuant to Section 15.06(a)(iv) or Section 16.01.

14.05(b)(i)(D) Delivery of Pricing Notice. In connection with any Conversion of the 2025 Bonds to a Term Rate or an Index Rate, the Authorized Representative shall also deliver a Pricing Notice to the Trustee specifying the information required by Section 14.05(b)(iii)(B). Such Pricing Notice must be accompanied by the form of an Opinion of Bond Counsel proposed to be delivered in connection with the Conversion stating that the new Term Rate Period or Index Rate Period, as applicable, is authorized and permitted under the Indenture and will not, in and of itself, adversely affect the Tax-Exempt status of the interest on any of such Series of 2025 Bonds.

14.05(b)(ii) Limitations. Any Conversion pursuant to this Section 14.05(b) must comply with the following:

14.05(b)(ii)(A) the Conversion Date must be a date on which such 2025 Bonds are subject to mandatory tender pursuant to the applicable provisions of Section 15.06 or Section 16.01;

14.05(b)(ii)(B) the Conversion Date must be a Business Day and, if the Conversion is from the Commercial Paper Rate, shall be a date determined in accordance with Section 14.05(a)(iii);

14.05(b)(ii)(C) the 2025 Credit Support Instrument for such 2025 Bonds after a Conversion to a Variable Rate must cover (except for conversion to an Index Rate Period or a Term Rate Period) principal plus accrued interest (computed at the Maximum Interest Rate then in effect on the basis of a 365-day year and actual days elapsed or a 360-day year of twelve 30-day months, as applicable) for the maximum number of days between Interest Payment Dates permitted under that Interest Rate Determination Method, plus such additional number of days, if any, as shall be required by each Rating Agency then rating such 2025 Bonds;

14.05(b)(ii)(D) no Conversion shall become effective unless the Opinion of Bond Counsel referred to in Section 14.05(b)(i)(A) is delivered on (and as of) the Conversion Date and all affected Outstanding 2025 Bonds are successfully purchased or deemed purchased and remarketed in the new Interest Rate Determination Method on the Conversion Date; and

14.05(b)(ii)(E) upon Conversion of any Series of 2025 Bonds to a Fixed Rate Period, an Index Rate Period or a Term Rate Period, an Authorized Representative may provide in the Conversion Notice to the 2025 Credit Provider a request for termination of the 2025 Credit Support Instrument with respect to such 2025 Bonds to be effective upon such Conversion to a Fixed Rate Period, an Index Rate Period or a Term Rate Period.

14.05(b)(iii) Contents of Conversion Notice; Pricing Notice.

14.05(b)(iii)(A) The Conversion Notice must specify: (1) the proposed Conversion Date; (2) the new Interest Rate Determination Method to take effect; (3) whether the 2025 Credit Support Instrument then in effect, if any, will remain in effect and, if applicable, the terms upon which the Owners of such 2025 Bonds shall have the option to tender such 2025 Bonds for purchase during the new Interest Rate Determination Method; (4) if a new 2025 Credit Support Instrument will be in effect after the proposed Conversion Date, the form and terms of such 2025 Credit Support Instrument; and (5) if the Conversion is to the Fixed Rate, the redemption dates and redemption prices applicable to such Fixed Rate Period.

14.05(b)(iii)(B) The Pricing Notice delivered in connection with a Conversion to or continuation of a Term Rate must specify: (1) the duration of the Term Rate Period, (2) the optional redemption provisions applicable to such 2025 Bonds during such Term Rate Period, if any, and (3) the Stepped Rate to be applicable to such 2025 Bonds should insufficient funds be available to purchase such bonds at the end of such Term Rate Period. The Pricing Notice delivered in connection with a Conversion to or continuation of an Index Rate must specify: (1) the duration of the Index Rate Period, (2) the optional redemption provisions applicable to such 2025 Bonds during such Index Rate Period, if any, (3) the Stepped Rate to be applicable to such 2025 Bonds should insufficient funds be available to purchase such bonds at the end of such Index Rate Period, (4) the proposed next Purchase Date, if any, (5) the Index Rate Index, if other than the SIFMA Swap Index, (6) the frequency with which the Index Rate shall be recalculated, (7) the proposed Interest Payment Dates applicable to such 2025 Bonds while bearing interest in an Index Rate Period, and (8) alternative Index Rate Determination Dates and Stepped Rate Determination Dates, if any.

14.05(b)(iv) Notice to Owners. Upon receipt of a Conversion Notice from an Authorized Representative, as soon as possible, but in any event not less than thirty (30) days prior to the proposed Conversion Date, the Trustee shall give notice by first-class mail to the affected Owners of 2025 Bonds, which notice shall state in substance:

14.05(b)(iv)(A) that the Interest Rate Determination Method for the applicable 2025 Bonds shall be converted to the specified Variable Rate or the Fixed Rate, as the case may be, on the applicable Conversion Date if the conditions specified in this First Supplemental Indenture (and generally described in such notice) are satisfied on or before such date;

14.05(b)(iv)(B) the applicable Conversion Date;

14.05(b)(iv)(C) that the Authority has delivered to the Trustee the form of an Opinion of Bond Counsel proposed to be delivered to the Trustee in connection with the Conversion;

14.05(b)(iv)(D) that the Interest Rate Determination Method for such 2025 Bonds shall not be converted unless the Opinion of Bond Counsel referred to above is delivered to the Trustee on (and as of) the Conversion Date and all such 2025 Bonds are successfully purchased and remarketed in the new Interest Rate Determination Method on the Conversion Date;

14.05(b)(iv)(E) the CUSIP numbers or other identification information of such 2025 Bonds;

14.05(b)(iv)(F) that all such 2025 Bonds are subject to mandatory tender for purchase on the Conversion Date at the Purchase Price whether or not the proposed Conversion becomes effective on such date, unless converting from an Index Rate Period or a Term Rate Period not supported by a 2025 Credit Support Instrument, in which case the 2025 Bonds subject to mandatory tender will be purchased only upon a successful remarketing at the new Index Rate or Term Rate;

14.05(b)(iv)(G) that, to the extent that there shall be on deposit with the Trustee on the applicable Conversion Date an amount of money sufficient to pay the Purchase Price thereof, all 2025 Bonds to be converted on the Conversion Date not delivered to the Trustee on or prior to the Conversion Date shall be deemed to have been properly tendered for purchase and shall cease to constitute or represent a right on behalf of the Owner thereof to the payment of principal thereof or interest thereon and shall represent and constitute only the right to payment of the Purchase Price on deposit with the Trustee, without interest accruing thereon after the Conversion Date; and

14.05(b)(iv)(H) such additional matters as are required by Section 14.05(b)(i)(B)(2), if applicable.

14.05(b)(v) Failure of Conditions to be Met. If the Authority fails to deliver the Opinion of Bond Counsel required by Section 14.05(b)(ii)(D) to the Trustee on or before the Conversion Date or if the Trustee receives written notice to the effect that the Remarketing Agent has not successfully remarketed all of the Outstanding 2025 Bonds of a Series to be converted to the new Interest Rate Determination Method on the Conversion Date, the Interest Rate Determination Method shall not be converted but, except if converting from an Index Rate Period or a Term Rate Period not supported by a 2025 Credit Support Instrument, such 2025 Bonds of a Series shall be deemed to have been tendered for purchase on the Conversion Date specified in the Conversion Notice and shall be purchased on the Conversion Date specified in the Conversion Notice, and such 2025 Bonds shall continue to bear interest at the Interest Rate Determination Method in effect prior to the proposed Conversion Date specified in the Conversion Notice; provided, however, that, except with respect to 2025 Bonds bearing interest in an Index Rate Period or a Term Rate Period not supported by a 2025 Credit Support Instrument, the rate of interest on such 2025 Bonds shall be determined on the proposed Conversion Date and, if sufficient funds are not available for the purchase of such 2025 Bonds, the provisions of Section 15.12(c) shall apply. In such event, the Authority and the Owners of such 2025 Bonds that were to be converted to another Interest

Rate Determination Method shall be restored (except as aforesaid with respect to the purchase of 2025 Bonds) to their former positions and rights hereunder with respect to such 2025 Bonds, and all rights of the Authority hereunder shall continue as if no such proceedings for the Conversion of the interest rate on such 2025 Bonds had taken place.

With respect to any Conversion of a Series of 2025 Bonds from an Index Rate Period or a Term Rate Period not supported by a 2025 Credit Support Instrument, if the Authority fails to deliver the Opinion of Bond Counsel required by Section 14.05(b)(ii)(D) to the Trustee before the Conversion Date or if the Trustee receives written notice to the effect that the Remarketing Agent has not successfully remarketed all of the Outstanding 2025 Bonds of such Series to be converted to the new Interest Rate Determination Method on the Conversion Date, the Interest Rate Determination Method shall not be converted and such 2025 Bonds shall not be deemed to have been tendered for purchase on the Conversion Date specified in the Conversion Notice and, except as otherwise provided in Section 14.05(a)(iv)(F) or Section 14.05(a)(vi)(F) with respect to failed Conversions on the day following the end of the applicable Index Rate Period or Term Rate Period, such 2025 Bonds shall continue to bear interest at the Interest Rate Determination Method in effect prior to the proposed Conversion Date specified in the Conversion Notice. Unsuccessful Conversions attempted prior to the end of the Index Rate Period or the Term Rate Period do not result in a change in rate and the Owners of the 2025 Bonds will continue to hold such Bonds at the Index Rate or the Term Rate until the end of the interest rate period. Only after the end of the interest rate period will any Series of the 2025 Bonds not remarketed bear interest at the Stepped Rate.

The Trustee shall immediately notify by Electronic means the 2025 Credit Provider and the Remarketing Agent, if any, for such 2025 Bonds of each such failed Conversion.

14.05(b)(vi) Notice Failure No Bar. Failure of an Owner of a 2025 Bond to receive the notice described in Section 14.05(b)(iv), or any defect therein, shall not affect the validity of any Rate or any continuation of or change in the Interest Rate Determination Method for any of the 2025 Bonds or extend the period for tendering any of the 2025 Bonds for purchase, and the Trustee shall not be liable to any Owner of a 2025 Bond by reason of the failure of such Owner to receive such notice or any defect therein.

14.05(b)(vii) No Conversion During Continuance of Event of Default. No Conversion shall occur under this Section 14.05(b) if at the time of such Conversion an Event of Default shall have occurred and be continuing. The Trustee and the Remarketing Agent may conclusively rely upon a certificate of an Authorized Representative that no such default exists.

14.05(b)(viii) Notice to Remarketing Agent. The Authority may not elect a change in the Interest Rate Determination Method for any Series of 2025 Bonds without written notice to the Remarketing Agent for the affected 2025 Bonds.

14.05(b)(ix) Rescission of Election. Notwithstanding anything herein to the contrary, the Authority may rescind any Conversion Notice given pursuant to this Section 14.05(b) by giving written notice thereof to the Trustee, the 2025 Credit Provider for such 2025 Bonds and the Remarketing Agent on or prior to such proposed Conversion Date. If the Trustee receives notice of such rescission prior to the time the Trustee has given notice to the Owners of the affected 2025

Bonds pursuant to Section 14.05(b)(iv), then the Conversion Notice previously delivered by the Authority shall be of no force and effect. If the Trustee receives notice from the Authority of rescission of the Conversion Notice after the Trustee has given notice to the Owners of the affected 2025 Bonds pursuant to Section 14.05(b)(iv), then such 2025 Bonds shall continue to be subject to mandatory tender for purchase on the Conversion Date specified in the Conversion Notice (unless such Bonds are in an Index Rate Mode or in a Term Rate Period not supported by a 2025 Credit Support Instrument prior to such proposed Conversion Date, in which case there will be no purchase or Conversion) and the Rate Period for such 2025 Bonds shall automatically adjust to, or continue as, a Weekly Rate Period on the Conversion Date specified in the Conversion Notice. No Opinion of Bond Counsel shall be required in connection with the automatic adjustment to a Weekly Rate Period pursuant to this paragraph.

14.05(c) Conversion of 2025 Credit Provider Bonds. Notwithstanding anything to the contrary contained in the Indenture, if all of the Outstanding 2025 Bonds of any Series are 2025 Credit Provider Bonds, such 2025 Bonds may be converted to a Fixed Rate on such Conversion Date as shall be acceptable to the applicable 2025 Credit Provider, the Trustee, the Remarketing Agent and the Authority, provided that on such Conversion Date the Authority shall deliver to the Trustee an Opinion of Bond Counsel stating that the Conversion is authorized and permitted under the Indenture and will not, in and of itself, adversely affect the Tax-Exempt status of the interest on any 2025 Bonds of such Series.

14.05(d) Stepped Rate Calculation; Weekly Rate Period Rate.

14.05(d)(i) The Index Agent shall calculate the Stepped Rate to be applicable to any Series of 2025 Bonds on each Stepped Rate Determination Date and furnish such calculations to the Trustee. The Trustee will furnish the Stepped Rate calculations to the Authority by Electronic means on each Stepped Rate Determination Date. The initial Stepped Rate with respect to a 2025 Bond shall be applicable to such Bond during the period from and including the Failed Tender Date to and including the following Wednesday (unless the Failed Tender Date is a Wednesday, in which event the initial rate will only apply to such Wednesday) and, thereafter, the Stepped Rate with respect to a 2025 Bond will apply for each Calendar Week, unless a change in spread occurs within a Calendar Week, until such 2025 Bond is purchased. The Index Agent's calculations of the Stepped Rate or Rates for any Calendar Week shall reflect any applicable changes in the Stepped Rate that, by definition, will occur during such period, including any applicable changes in the spread to be applied to the Stepped Rate Index.

14.05(d)(ii) Notwithstanding anything to the contrary in the Indenture, including Section 14.05(a)(ii) hereof, in a Weekly Rate Period during which a Series of 2025 Bonds bears interest at the Stepped Rate, the rate of interest applicable to such Series of 2025 Bonds during each Calendar Week shall be the Stepped Rate, calculated as set forth in Section 14.05(d)(i), including any applicable changes in the actual rate of interest that occur during such Calendar Week as reflected in such calculations.

**Section 14.06 Conditions to Delivery of 2025 Bonds.** The 2025 Bonds shall be executed and delivered as authorized by this First Supplemental Indenture and Articles II and III of the Indenture upon the delivery of the 2025 Bonds Delivery Certificate by the Authority and upon receipt of payment therefor from the purchaser thereof.



**Section 14.07** **2025 Bonds Delivery Certificate; Reserve Fund.** An Authorized Representative shall execute and deliver to the Trustee at the time of delivery of the 2025 Bonds to the initial purchasers thereof the 2025 Bonds Delivery Certificate, which shall set forth the purchase price for the 2025 Bonds. The Reserve Requirement, calculated with respect to the Bonds that will be Outstanding upon the issuance of the 2025 Bonds will be \$[\_\_\_\_\_].

**Section 14.08** **Disposition of Proceeds of 2025 Bonds.** The net proceeds from the sale of the 2025 Bonds in the amount of \$[\_\_\_\_\_] shall initially be received by the Trustee and deposited in the 2025 Bonds Proceeds Fund, which the Trustee shall establish and hold, and shall then be immediately transferred by the Trustee as follows:

(a) transfer the amount of \$[\_\_\_\_\_] to the 2025 Bonds Construction Fund; and

(b) deposit the remaining amount of \$[\_\_\_\_\_] to the 2025 Bonds Costs of Issuance Fund to pay the costs of issuance associated with the 2025 Bonds.

## **ARTICLE XV REDEMPTION AND PURCHASE OF 2025 BONDS**

**Section 15.01** **Notice of Redemption of 2025 Bonds.** For purposes of the 2025 Bonds, each notice of redemption shall be mailed by the Trustee, not less than twenty (20) nor more than sixty (60) days prior to the redemption date, to each Owner; provided that, in the event an optional redemption of any 2025 Bonds pursuant to Section 15.02 will be funded in whole or in part with a draw on the applicable 2025 Credit Support Instrument, the Authority and the Trustee shall obtain the consent of the applicable 2025 Credit Provider prior to mailing the notice of redemption required by this Section 15.01. Notice of redemption to the Owners shall be given by first class mail. Each notice of redemption shall state the date of such notice, the date of issue of the 2025 Bonds to which such notice relates, the redemption date, the redemption price, the place or places of redemption (including the name and appropriate address or addresses of the Trustee), the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity, the distinctive certificate numbers of the 2025 Bonds of such maturity, to be redeemed and, in the case of 2025 Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on said date there will become due and payable on each of said 2025 Bonds the redemption price thereof, or the redemption price of said specified portion of the principal amount thereof in the case of a Bond to be redeemed in part only, together with interest accrued thereon to the date fixed for redemption, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such 2025 Bonds be then surrendered at the address or addresses of the Trustee specified in the redemption notice. Neither the Authority nor the Trustee shall have any responsibility for any defect in the CUSIP number that appears on any Bond or in any redemption notice with respect thereto, and any such redemption notice may contain a statement to the effect that CUSIP numbers have been assigned by an independent service for convenience of reference and that neither the Authority nor the Trustee shall be liable for any inaccuracy in such numbers. Failure of any Owner to receive any notice of redemption or any defect therein shall not affect the sufficiency of any proceedings for redemption.

The Authority may, at its option, prior to the date fixed for redemption in any notice of redemption rescind and cancel such notice of redemption by Written Request of the Authority to the Trustee and the Trustee shall mail notice of such cancellation to the recipients of the notice of redemption being cancelled.

**Section 15.02 Optional Redemption of 2025 Bonds.**

15.02(a) Redemption of 2025 Bonds.

15.02(a)(i) Optional Redemption – Commercial Paper Rate Period. 2025 Bonds bearing interest at the Commercial Paper Rate are not subject to optional redemption prior to their respective Purchase Dates. 2025 Bonds bearing interest at the Commercial Paper Rate are subject to redemption at the option of the Authority in whole or in part on their respective Purchase Dates at a redemption price equal to the Purchase Price thereof.

15.02(a)(ii) Optional Redemption – Daily Rate Period and Weekly Rate Period. 2025 Bonds bearing interest at the Daily Rate or the Weekly Rate are subject to optional redemption by the Authority, in whole or in part, in Authorized Denominations on any day, at a redemption price equal to the principal amount thereof, plus accrued and unpaid interest, if any, without premium.

15.02(a)(iii) Optional Redemption – Term Rate Period. 2025 Bonds bearing interest at the Term Rate are subject to redemption at the option of the Authority in whole or in part, in Authorized Denominations, on (1) the day following the last day of any Term Rate Period, at a redemption price equal to the principal amount thereof, plus accrued and unpaid interest, if any, without premium; and (2) any day designated by the Authority in the Pricing Notice relating to such Term Rate Period, at a redemption price equal to the principal amount thereof, plus accrued and unpaid interest, if any, with premium, if any, as designated by the Authority in the Pricing Notice.

15.02(a)(iv) Optional Redemption – Fixed Rate Period. Unless the Authority obtains a Favorable Opinion of Bond Counsel as provided in Section 14.05(a)(v)(B), any 2025 Bonds bearing interest at a Fixed Rate are subject to redemption in whole or in part (and if in part, in such order of maturity as the Authority shall specify and within a maturity by lot or by such other method as the Securities Depository shall use, as applicable, or if no such method is prescribed by the Securities Depository, as the Trustee determines to be fair and reasonable, and in Authorized Denominations), on any date, at such times and at such redemption prices as follows:

15.02(a)(iv)(A) If, on the Fixed Rate Conversion Date, the remaining term of such 2025 Bonds is greater than eight years, then such 2025 Bonds will not be subject to optional redemption until the first April 1 or October 1 (whichever is earlier) to follow the eighth (8th) anniversary of the conversion of such 2025 Bonds to a Fixed Rate. On such first April 1 or October 1, such 2025 Bonds will be subject to redemption at 102% of the principal amount thereof, plus accrued interest, if any, to the date of redemption, which redemption price will decline by one percent (1%) per annum on each succeeding anniversary of such first April 1 or October 1 until reaching a redemption price of 100% of the principal amount thereof, plus accrued interest, if any, to the date of redemption, and thereafter at a redemption price of 100% of the principal amount thereof, plus accrued interest, if any, to the date of redemption.

15.02(a)(iv)(B) If, on the Fixed Rate Conversion Date, the remaining term of such 2025 Bonds is less than eight years, then such 2025 Bonds will not be subject to optional redemption.

15.02(a)(v) Optional Redemption – Index Rate Period. 2025 Bonds bearing interest at the Index Rate are subject to redemption at the option of the Authority in whole or in part, in Authorized Denominations, on: (1) the day following the last day of any Index Rate Period, at a redemption price equal to the principal amount thereof, plus accrued and unpaid interest, if any, without premium; and (2) any day designated by the Authority in the Pricing Notice relating to the current Index Rate Period, at a redemption price equal to the principal amount thereof, plus accrued and unpaid interest, if any, with premium, if any, as designated by the Authority in the Pricing Notice.

15.02(a)(vi) Notice to Trustee of Optional Redemption. The Authority shall give the Trustee written notice at least thirty (30) days (or such lesser time period acceptable to the Trustee) before any date fixed for the redemption of any 2025 Bonds called for redemption pursuant to this Section 15.02, designating the maturity or maturities of the 2025 Bonds to be redeemed, the portions thereof to be redeemed and the fact and date of such redemption. Any optional redemption of any 2025 Bonds and notice thereof may be provided as a conditional notice and rescinded and cancelled pursuant to Section 15.02(d).

15.02(b) Selection of 2025 Bonds for Optional Redemption. The Authority shall designate which maturities of such 2025 Bonds are to be called for optional redemption pursuant to Section 15.02(a); provided that 2025 Credit Provider Bonds shall be redeemed prior to any other 2025 Bonds. If less than all 2025 Bonds maturing by their terms on any one date are to be redeemed at any one time, the Trustee shall select the 2025 Bonds of such maturity date to be redeemed, from Outstanding Bonds of such maturity not previously called for redemption, in Authorized Denominations, by lot or by such other method as the securities depository shall use, as applicable, or if no such method is prescribed by the securities depository, as the Trustee determines to be fair and reasonable, and shall promptly notify the Authority in writing of the numbers of the 2025 Bonds so selected for redemption. For purposes of such selection, 2025 Bonds of each maturity shall be deemed to be composed of multiples of minimum Authorized Denominations and any such multiple may be separately redeemed. In the event Term Bonds are designated for redemption, the Authority may designate which Sinking Fund Installments under Section 15.03(a), or portions thereof, are to be reduced as allocated to such redemption.

15.02(c) Sufficient Funds Required for Optional Redemption. Any optional redemption of 2025 Bonds and notice thereof shall be rescinded and cancelled pursuant to the provisions of Sections 15.01 and 15.02(d) if for any reason on the date fixed for redemption moneys are not available in the Redemption Fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on such 2025 Bonds called for redemption.

15.02(d) Conditional Notice of Redemption; Rescission. Any notice of optional redemption of the 2025 Bonds delivered in accordance with Section 15.01 may be conditional and if any condition stated in the notice of redemption shall not have been satisfied on or prior to the redemption date, said notice shall be of no force and effect and the Authority shall not be required to redeem such 2025 Bonds and the redemption shall be cancelled and the Trustee shall within a

reasonable time thereafter give notice, to the persons and in the manner in which the notice of redemption was given, that such condition or conditions were not met and that the redemption was cancelled. In addition, the Authority may, at its option, on or prior to the date fixed for optional redemption in any notice of redemption of the 2025 Bonds, rescind and cancel such notice of redemption by Written Request of the Authority to the Trustee, and any optional redemption of 2025 Bonds and notice thereof shall be rescinded and cancelled and the Trustee shall mail notice of such cancellation to the recipients of the notice of redemption being cancelled pursuant to the provisions of Section 15.01. Any optional redemption of 2025 Bonds and notice thereof shall be rescinded and cancelled if for any reason on the date fixed for optional redemption moneys are not available in the Redemption Fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of, interest, and any premium due on the 2025 Bonds called for optional redemption and such failure to optionally redeem the 2025 Bonds called for redemption shall not be a default hereunder.

**Section 15.03 Mandatory Redemption of 2025 Bonds From Sinking Fund Installments.**

15.03(a) Mandatory Redemption of 2025 Bonds. Except as otherwise provided in Section 14.05(a)(v)(B), 2025 Bonds that are Term Bonds are subject to mandatory redemption prior to their stated maturity, in part, by lot, from Sinking Fund Installments for such 2025 Bonds, on each date a Sinking Fund Installment for such 2025 Bonds is due, and in the principal amount equal to the Sinking Fund Installment due on such date at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium.

Sinking Fund Installments for the 2025 Series A Bonds shall be due in such amounts and on such dates as follows:

**2025 Series A Bonds**

<i>Redemption Date</i> <u>(April 1)</u>	<i>Sinking Fund</i> <u>Installment</u>
	\$

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† Final Maturity

15.03(b) Selection of 2025 Bonds for Mandatory Sinking Fund Redemption. If less than all 2025 Bonds maturing by their terms on any one date are to be redeemed at any one time with Sinking Fund Installments, the Trustee shall select the 2025 Bonds of such maturity to be redeemed, from the Outstanding Bonds of such maturity not previously called for redemption, in Authorized Denominations, by lot or by such other method as the securities depository shall use, or if no such method is prescribed by the securities depository, as the Trustee determines to be fair and reasonable; provided that 2025 Credit Provider Bonds shall be redeemed prior to any other 2025 Bonds. The Trustee shall promptly notify the Authority in writing of the 2025 Bonds so selected for redemption. For purposes of such selection, 2025 Bonds of each maturity shall be deemed to be composed of multiples of minimum Authorized Denominations and any such multiple may be separately redeemed.

**Section 15.04 Purchase In Lieu of Redemption.** The Authority may surrender to the Trustee for cancellation any 2025 Bonds purchased by the Authority (for the avoidance of doubt, such purchases shall have been made from funds of the Authority and not from a draw on or a request to purchase 2025 Bonds made under the 2025 Credit Support Instrument), and such 2025 Bonds shall be cancelled by the Trustee. Notwithstanding the foregoing, 2025 Bonds purchased by the Authority with funds provided under a 2025 Credit Support Instrument for which the Authority is the Credit Provider may, at the option of the Authority and pursuant to specific Written Direction provided by the Authority to the Trustee directing surrender and cancellation of such 2025 Bonds, be surrendered at any time to the Trustee for cancellation and, upon such surrender, such 2025 Bonds shall be cancelled by the Trustee. Upon a cancellation of 2025 Bonds pursuant to this Section 15.04, the Authority may designate the Sinking Fund Installments or portions thereof with respect to any 2025 Bonds that are Term Bonds which are to be reduced as allocated to such cancellation, in an aggregate amount equal to the principal amount of cancelled 2025 Bonds of such maturity, and such Sinking Fund Installments shall be reduced accordingly. For purposes of such selection, 2025 Bonds of such maturity shall be deemed to be composed of multiples of minimum Authorized Denominations and any such multiple may be separately purchased and cancelled. The Authority covenants and agrees that any 2025 Bonds so purchased by the Authority in lieu of mandatory redemption will be surrendered promptly to the Trustee for cancellation.

**Section 15.05 Owner's Option to Tender 2025 Bonds for Purchase.**

15.05(a) During any Daily Rate Period, any 2025 Bond or (subject to subsection 15.05(c) of this Section) a portion thereof, may be tendered for purchase on any Business Day at the applicable Purchase Price, payable in immediately available funds, upon (A) delivery by the Owner or Beneficial Owner of such 2025 Bond to the Remarketing Agent and to the Trustee at its Principal Office of an irrevocable written notice or notice by Electronic means by 11:00 a.m., New York City time, on the Purchase Date, which states the principal amount of such 2025 Bond to be tendered for purchase and the Purchase Date, and (B) delivery of such 2025 Bond to the Trustee on the Purchase Date in accordance with Section 15.07. The Trustee shall keep a written record of the notice described in clause (A) of this subsection 15.05(a).

15.05(b) During any Weekly Rate Period, any 2025 Bond or (subject to subsection 15.05(c) of this Section) a portion thereof, may be tendered for purchase on any Business Day at the applicable Purchase Price, payable in immediately available funds, upon (A) delivery by the Owner or Beneficial Owner of such 2025 Bond to the Remarketing Agent and

to the Trustee at its Principal Office of an irrevocable written notice or notice by Electronic means by 5:00 p.m., New York City time, on any Business Day at least seven (7) days prior to the Purchase Date, which states the principal amount of such 2025 Bond to be tendered for purchase and the Purchase Date, and (B) delivery of such 2025 Bond to the Trustee on the Purchase Date in accordance with Section 15.07 the Trustee shall keep a written record of the notice described in clause (A) of this subsection 15.05(b).

15.05(c) If any 2025 Bond is to be purchased in part pursuant to subsection 15.05(a) or subsection 15.05(b) of this Section, the amount so purchased and the amount not so purchased must each be an Authorized Denomination.

15.05(d) Any instrument delivered to the Trustee in accordance with this Section shall be irrevocable with respect to the purchase for which such instrument was delivered and shall be binding upon DTC and any subsequent Owner or Beneficial Owner of the 2025 Bond to which it relates, including any 2025 Bond issued in exchange therefor or upon the registration of transfer thereof, and as of the date of such instrument, the Owner or Beneficial Owner of the 2025 Bonds specified therein shall not have any right to optionally tender for purchase such 2025 Bonds prior to the date of purchase specified in such notice. The Authority, the Remarketing Agent and the Trustee may conclusively assume that any person (other than an Owner) providing notice of optional tender pursuant to subsection 15.05(a) or subsection 15.05(b) of this Section is the Beneficial Owner of the 2025 Bond to which such notice relates, and none of the Authority, the Remarketing Agent or the Trustee shall assume any liability in accepting such notice from any person whom it reasonably believes to be a Beneficial Owner of 2025 Bonds.

15.05(e) In the event that any 2025 Bonds subject to optional tender pursuant to Section 15.05 are, in accordance with Section 10.02 of the Indenture, deemed paid within the meaning of Section 10.01, such 2025 Bonds shall be paid or redeemed no later than the first optional tender date following deposit of moneys or Government Obligations pursuant to Section 10.02 of the Indenture.

#### **Section 15.06 Mandatory Tender of 2025 Bonds for Purchase.**

15.06(a) The 2025 Bonds shall be subject to mandatory tender for purchase at the applicable Purchase Price, at the following times and upon the occurrence of any of the events stated below:

15.06(a)(i) with respect to all 2025 Bonds, on the Conversion Date for such 2025 Bonds to a new Interest Rate Determination Method specified in a Conversion Notice (whether or not the proposed Conversion becomes effective on such date, unless such 2025 Bonds are being converted from an Index Rate Period or a Term Rate Period not supported by a 2025 Credit Support Instrument and the proposed Conversion does not occur, in which case the 2025 Bonds subject to mandatory tender will not be purchased);

15.06(a)(ii) with respect to 2025 Bonds bearing interest at a Daily Rate, a Weekly Rate or a Commercial Paper Rate: (A) on the fifth (5th) Business Day preceding (i) the scheduled expiration of a 2025 Credit Support Instrument or (ii) the Termination of a 2025 Credit Support Instrument at the election of the Authority as permitted by such 2025 Credit Support Instrument;

and (B) on the date of the provision of a substitute 2025 Credit Support Instrument pursuant to Section 15.15 and the resultant Termination of the existing 2025 Credit Support Instrument [PERMIT SUBSTITUTIONS FROM AUTHORITY-PROVIDED LIQUIDITY TO ANOTHER CREDIT SUPPORT INSTRUMENT WITHOUT MANDATORY TENDER IF \ (I) AUTHORITY PROVIDES THE SUBSTITUTE CSI AND/OR A RATING CONFIRMATION OBTAINED? ALTERNATIVELY, GIVEN RATING AGENCIES MOVE AWAY FROM PROVIDING CONFIRMATIONS, PERMIT AUTHORITY TO UNILATERALLY EXTEND THE TERMINATION DATE OF ITS SBPA WITHOUT TENDER BUT REQUIRE TENDERS IN ALL OTHER CASES?];

15.06(a)(iii) with respect to each 2025 Bond bearing interest at a Commercial Paper Rate, each Interest Payment Date immediately following each Commercial Paper Rate Period for such 2025 Bond;

15.06(a)(iv) with respect to each 2025 Bond bearing interest at a Term Rate, on the Interest Payment Date immediately following each Term Rate Period for such 2025 Bond;

15.06(a)(v) with respect to 2025 Bonds bearing interest at a Daily Rate, a Weekly Rate or a Commercial Paper Rate, upon receipt by the Trustee of written notice from the 2025 Credit Provider for any such 2025 Bonds that an event of default or an event of Termination (other than an immediate termination or suspension) has occurred under the related 2025 Credit Support Instrument or the related Credit Support Agreement with the effect that the obligations of such 2025 Credit Provider to purchase such 2025 Bonds or otherwise provide for the Purchase Price of such 2025 Bonds under such 2025 Credit Support Instrument shall terminate on the date specified in such notice, in which event such 2025 Bonds shall be subject to purchase on a Business Day selected by the Trustee, which date shall be not more than five (5) Business Days after receipt of such notice, but in no event later than the Business Day preceding the termination date specified in the notice received from such 2025 Credit Provider; and

15.06(a)(vi) with respect to 2025 Bonds bearing interest at an Index Rate, on the Purchase Date designated by the Authority pursuant to Section 14.05(a)(vi)(D) or Section 14.05(b)(i)(B)(1).

15.06(b) The Trustee shall give notice by first class mail to the Owners of affected 2025 Bonds of each Termination of a 2025 Credit Support Instrument and each expiration of a 2025 Credit Support Instrument making 2025 Bonds subject to mandatory tender pursuant to Section 15.06(a)(ii), which notice shall (i) state the date of such Termination, substitution or expiration; (ii) state that such 2025 Bonds shall be subject to mandatory tender for purchase on the specified Purchase Date at the applicable Purchase Price (which shall be specified in such notice) [SEE EARLIER QUESTION—NO MTS FROM AUTHORITY-PROVIDED LIQUIDITY FACILITY?]; and (iii) be mailed by the Trustee not later than the fifteenth (15th) day prior to such Termination, substitution or expiration.

15.06(c) No notice need be given to the Owners of any 2025 Bond bearing interest at a Commercial Paper Rate of the mandatory tender for purchase of such 2025 Bond on an Interest Payment Date for such 2025 Bond.

15.06(d) With respect to the expiration of the then current Term Rate Period for a Series of 2025 Bonds, the Trustee shall give notice by first class mail to the Owner of such 2025 Bonds at the address shown on the Bond Register not later than the fifteenth (15th) day prior to the date on which such 2025 Bonds are subject to mandatory tender pursuant to Section 15.06(a)(iv), which notice shall state that such 2025 Bonds are subject to mandatory tender on the specified Purchase Date at the applicable Purchase Price (which shall be specified in such notice).

15.06(e) With respect to a Series of 2025 Bonds in an Index Rate Period, the Trustee shall give notice by first-class mail, not later than the thirtieth (30th) day prior to the date on which such 2025 Bonds are subject to mandatory tender pursuant to Section 15.06(a)(vi), which notice shall state that such 2025 Bonds are subject to mandatory tender for purchase on the specified Purchase Date at the applicable Purchase Price (which Purchase Price shall be specified in such notice).

15.06(f) The Trustee shall give notice by first class mail within two (2) Business Days of receipt of a notice from a 2025 Credit Provider pursuant to Section 15.06(a)(v), to the Owners of the affected 2025 Bonds at their addresses shown on the Bond Register, which notice shall: (1) state such 2025 Bonds are subject to mandatory tender for purchase pursuant to Section 15.06(a)(v) at the applicable Purchase Price (which shall be specified in such notice); and (2) state the Purchase Date.

15.06(g) Notice of mandatory tender for purchase on the Conversion Date shall be given by the Trustee to the Owners as provided in Section 14.05(b)(iv).

15.06(h) For purposes of this First Supplemental Indenture, the Authority may rescind any notice of mandatory tender or Conversion Notice provided to Owners of the 2025 Bonds pursuant to this Section 15.06 in connection with the substitution of a Credit Support Instrument by giving written notice of such rescission to Owners of such 2025 Bonds on or prior to the date set for such substitution and mandatory tender and such notice previously delivered by the Authority shall be of no force and effect.

**Section 15.07 Delivery of Tendered 2025 Bonds.** With respect to any 2025 Bond that is a Book-Entry Bond, delivery of such 2025 Bond to the Trustee in connection with any optional or mandatory tender for purchase pursuant to Section 15.05 or Section 15.06 shall be effected by the making of, or the irrevocable authorization to make, appropriate entries on the books of the Securities Depository for such 2025 Bond or any Participant of such Securities Depository to reflect the transfer of the beneficial ownership interest in such 2025 Bond to the account of the Trustee, the account of the 2025 Credit Provider, or to the account of a Participant of such Securities Depository acting on behalf of the Trustee. With respect to any 2025 Bond that is not a Book-Entry Bond, delivery of such 2025 Bond to the Trustee in connection with any optional or mandatory tender for purchase pursuant to Section 15.05 or Section 15.06 shall be effected by physical delivery of such 2025 Bond to the Trustee at its Principal Office, by 1:00 p.m., New York City time, on the Purchase Date, accompanied by an instrument of transfer thereof, in a form satisfactory to the Trustee, executed in blank by the Owner thereof with the signature of such Owner guaranteed in accordance with the guidelines set forth by one of the nationally recognized medallion signature programs.



**Section 15.08    2025 Bonds Deemed Purchased.**

15.08(a) If moneys sufficient to pay the Purchase Price of 2025 Bonds to be purchased pursuant to Section 15.05 or Section 15.06 shall be held by the Trustee on the applicable Purchase Date, such 2025 Bonds shall be deemed to have been purchased for all purposes of the Indenture, irrespective of whether or not such 2025 Bonds shall have been delivered to the Trustee or transferred on the books of a Participant of the Securities Depository for such 2025 Bonds, and neither the former Owner or Beneficial Owner of such 2025 Bonds nor any other person shall have any claim thereon, under the Indenture or otherwise, for any amount other than the Purchase Price thereof.

15.08(b) In the event of non-delivery of any 2025 Bond to be purchased pursuant to Section 15.05 or Section 15.06, the Trustee shall segregate and hold uninvested the moneys for the Purchase Price of such 2025 Bond in trust, without liability for interest thereon, for the benefit of the former Owners or Beneficial Owners of such 2025 Bond, who shall, except as provided in the following sentence, thereafter be restricted exclusively to such moneys for the satisfaction of any claim for the Purchase Price of such 2025 Bond. Any moneys that the Trustee shall segregate and hold in trust for the payment of the Purchase Price of any 2025 Bond and remaining unclaimed for two (2) years after the date of purchase shall be paid automatically to the Authority. After the payment of such unclaimed moneys to the Authority, the former Owner or Beneficial Owner of such 2025 Bond shall look only to the Authority for the payment thereof.

**Section 15.09    Deposit of 2025 Bonds.** The Trustee agrees to accept and hold all 2025 Bonds delivered to it pursuant to Section 15.05 or Section 15.06 in trust for the benefit of the respective Owners or Beneficial Owners that shall have so delivered such 2025 Bonds until the Purchase Price of such 2025 Bonds shall have been delivered to or for the account of or to the order of such Owners or Beneficial Owners pursuant to Section 15.12. Any 2025 Bonds registered for transfer to new purchasers and delivered to the Trustee as described in Section 15.13 shall be held in trust by the Trustee for the benefit of such new purchasers until delivery to such new purchasers.

**Section 15.10    Remarketing of Tendered 2025 Bonds.**

15.10(a) Daily Put or Commercial Paper Tender Bonds.

15.10(a)(i) Not later than 11:15 a.m., New York City time, on each Business Day on which the Trustee receives a notice from an Owner or Beneficial Owner of a 2025 Bond to be tendered pursuant to Section 15.05(a) (the “Daily Put Bonds”), and on each day any 2025 Bonds bearing interest at a Commercial Paper Rate are subject to mandatory tender pursuant to Section 15.06(a)(iii) (the “Commercial Paper Tender Bonds”), the Trustee shall give notice by Electronic means to the Remarketing Agent and the Authority, specifying the principal amount of 2025 Bonds for which it has received such notice and the names of the Owner or Owners thereof. The Remarketing Agent shall thereupon offer for sale and use its best efforts to find purchasers for

such Daily Put Bonds or Commercial Paper Tender Bonds, other than 2025 Credit Provider Bonds, which shall be remarketed pursuant to Section 15.14.

15.10(a)(ii) Not later than 11:15 a.m., New York City time, on the Purchase Date described in subparagraph (i) above, the Trustee shall give notice by Electronic means to the Remarketing Agent and the Authority of the accrued amount of interest payable with respect to the Daily Put Bonds or Commercial Paper Tender Bonds, as applicable, as of such Purchase Date and confirming the aggregate principal amount of the Daily Put Bonds or Commercial Paper Tender Bonds.

15.10(a)(iii) Not later than 11:30 a.m., New York City time, on any Purchase Date for Daily Put Bonds or Commercial Paper Tender Bonds, the Remarketing Agent shall deliver funds from the Daily Put Bonds or Commercial Paper Tender Bonds that have been remarketed to the Trustee, on such day pursuant to Section 15.11.

15.10(a)(iv) If the Trustee does not receive sufficient funds from the Remarketing Agent pursuant to subparagraph (iii) above to pay the Purchase Price of all of the tendered Daily Put Bonds or Commercial Paper Tender Bonds, the Trustee shall demand payment under the 2025 Credit Support Instrument then in effect with respect to the Tendered Bonds by 11:45 a.m., New York City time, on such Purchase Date so as to provide by 2:45 p.m., New York City time, on such Purchase Date an amount sufficient, together with the remarketing proceeds previously received for such purchase, to pay the Purchase Price of all of the tendered Daily Put Bonds or Commercial Paper Tender Bonds, as applicable. The Trustee shall immediately after such demand for payment give notice by Electronic means to the Authority of the amount, if any, of such demand.

15.10(b) Weekly Put Bonds.

15.10(b)(i) Not later than 10:30 a.m., New York City time, on each Business Day succeeding a day on which the Trustee receives a notice from an Owner or Beneficial Owner of 2025 Bonds to be tendered pursuant to Section 15.05(b) (the “Weekly Put Bonds”), the Trustee shall give notice by Electronic means to the Remarketing Agent and the Authority, specifying the principal amount of 2025 Bonds for which it has received such notice, the names of the Owner or Owners thereof and the Purchase Date. The Remarketing Agent shall thereupon offer for sale and use its best efforts to find purchasers for such Weekly Put Bonds, other than 2025 Credit Provider Bonds, which shall be remarketed pursuant to Section 15.14.

15.10(b)(ii) Not later than 11:00 a.m., New York City time, on the Business Day immediately preceding the Purchase Date described in subparagraph (i) above, the Trustee shall give notice by Electronic means to the Remarketing Agent and the Authority of the accrued amount of interest payable with respect to the Weekly Put Bonds as of such Purchase Date and confirming the aggregate principal amount of the Weekly Put Bonds.

15.10(b)(iii) Not later than 11:30 a.m., New York City time, on any Purchase Date for Weekly Put Bonds, the Remarketing Agent shall deliver funds from the Weekly Put Bonds that have been remarketed to the Trustee, on the Purchase Date pursuant to Section 15.11.

15.10(b)(iv) If the Trustee does not receive sufficient funds from the Remarketing Agent pursuant to subparagraph (iii) above, the Trustee shall demand payment under the 2025 Credit Support Instrument then in effect with respect to the Weekly Put Bonds by 11:45 a.m., New York City time, on such Purchase Date so as to provide by 2:45 p.m., New York City time, on such Purchase Date an amount sufficient, together with the remarketing proceeds previously received for such purchase, to pay the Purchase Price of all of the tendered Weekly Put Bonds. The Trustee shall immediately after such demand for payment give notice by Electronic means to the Authority of the amount, if any, of such demand.

15.10(c) Mandatory Tender Bonds.

15.10(c)(i) Not later than 9:30 a.m., New York City time, on each Purchase Date occurring pursuant to Section 15.06 with the exception of subsection 15.06(a)(iii), the Trustee shall give notice by Electronic means to the Remarketing Agent and the Authority specifying the principal amount of all Outstanding 2025 Bonds that are subject to mandatory tender on such Purchase Date pursuant to any subsection of Section 15.06 except subsection 15.06(a)(iii) (the “Mandatory Tender Bonds”) and the names of the registered Owner or Owners thereof. The Remarketing Agent shall thereupon offer for sale and use its best efforts to find purchasers for such Mandatory Tender Bonds (if there is still an obligation to remarket), other than 2025 Credit Provider Bonds, which shall be remarketed pursuant to Section 15.14.

15.10(c)(ii) Not later than 10:00 a.m., New York City time, on each Purchase Date described in subparagraph (i) above, the Trustee shall give notice by Electronic means to the Remarketing Agent and the Authority of the accrued amount of interest payable with respect to the Mandatory Tender Bonds as of the Purchase Date and confirming the aggregate principal amount of the Mandatory Tender Bonds.

15.10(c)(iii) Not later than 11:30 a.m., New York City time, on any Purchase Date with respect to Mandatory Tender Bonds, the Remarketing Agent shall deliver funds from the Mandatory Tender Bonds that have been remarketed to the Trustee, on the Purchase Date pursuant to Section 15.11.

15.10(c)(iv) If the Trustee does not receive sufficient funds from the Remarketing Agent pursuant to subparagraph (iii) above, the Trustee shall demand payment under the 2025 Credit Support Instrument then in effect with respect to the Mandatory Tender Bonds by 11:45 a.m., New York City time, on such Purchase Date so as to provide by 2:45 p.m., New York City time, on such Purchase Date an amount sufficient, together with the remarketing proceeds previously received for such purchase, to pay the Purchase Price of all of the tendered Mandatory Tender Bonds. The Trustee shall immediately after such demand for payment give notice by Electronic Means to the Authority of the amount, if any, of such demand.

15.10(d) Optional Authority Deposit. If the Trustee does not receive sufficient funds from a Remarketing Agent pursuant to Sections 15.10(a)(iii), 15.10(b)(iii) or 15.10(c)(iii) above, or if the Trustee has received notice from the 2025 Credit Provider that it will not provide sufficient funds from draws on or other requests to purchase 2025 Bonds made under the 2025 Credit Support Instrument, to pay the Purchase Price of all such 2025 Bonds that have not been remarketed by 11:45 a.m., New York City time, on the Purchase Date, the Trustee shall immediately (but in no

event later than 1:45 p.m., New York City time, give notice by Electronic means to the Authority specifying the principal amount and the Purchase Price of such 2025 Bonds for which moneys will not be available in the 2025 Bonds Purchase Fund and requesting the Authority to deposit with the Trustee as soon as possible on such Purchase Date, preferably by 2:45 p.m., New York City time, an amount sufficient to pay that portion of the Purchase Price for which moneys will not be available in the 2025 Bonds Purchase Fund, such notice to be confirmed immediately by Electronic means to the Authority. Such deposit by the Authority shall be at the option of the Authority.

15.10(e) Limitation. The Remarketing Agent shall remarket the 2025 Bonds, as provided herein, at not less than the Purchase Price thereof, except for 2025 Credit Provider Bonds, which shall be remarketed pursuant to Section 15.14.

### **Section 15.11     Deposits Into Accounts in the 2025 Bonds Purchase Fund.**

15.11(a) The terms of any sale by a Remarketing Agent of any 2025 Bond tendered or deemed tendered for purchase pursuant to Section 15.05 or Section 15.06 shall provide for the payment of the Purchase Price for such tendered or deemed tendered 2025 Bond by such Remarketing Agent to the Trustee for deposit in the 2025 Remarketing Account of the 2025 Bonds Purchase Fund in immediately available funds at or before 11:30 a.m., New York City time, on the Purchase Date. The Remarketing Agent shall cause to be paid to the Trustee on each Purchase Date for tendered or deemed tendered 2025 Bonds all amounts representing proceeds of the remarketing of such 2025 Bonds, based upon any deficiency in the amounts received by the Trustee from the Remarketing Agent pursuant to Section 15.10(a)(iii), Section 15.10(b)(iii) or Section 15.10(c)(iii), as the case may be. All such amounts shall be deposited in the 2025 Remarketing Account.

15.11(b) The Trustee shall deposit in the 2025 Credit Support Instrument Purchase Account all amounts received under a 2025 Credit Support Instrument pursuant to Section 15.10(a)(iv), Section 15.10(b)(iv) or Section 15.10(c)(iv), as the case may be, and related to the 2025 Bonds.

15.11(c) Upon receipt of any notice from the Trustee pursuant to Section 15.10(d) that insufficient funds will be on deposit in the 2025 Bonds Purchase Fund to pay the full Purchase Price of all 2025 Bonds to be purchased on a Purchase Date, the Authority shall, at its option, deliver or cause to be delivered to the Trustee immediately available funds in an amount equal to such deficiency prior to 2:45 p.m., New York City time, on the Purchase Date. All such funds shall be deposited in the 2025 Authority Account.

15.11(d) The Trustee shall hold amounts in the 2025 Bonds Purchase Fund uninvested.

### **Section 15.12     Disbursements From the 2025 Bonds Purchase Fund.**

15.12(a) Application of Moneys. Moneys in the 2025 Bonds Purchase Fund (other than the proceeds of any remarketing of 2025 Credit Provider Bonds, which shall be paid to the applicable 2025 Credit Provider on the remarketing date) shall be applied at or before 3:00 p.m., New York City time, to the purchase of 2025 Bonds as provided herein by the Trustee, on each Purchase Date, as follows:

First: Moneys constituting funds in the 2025 Remarketing Account shall be used by the Trustee on any Purchase Date to purchase 2025 Bonds tendered or deemed tendered for purchase pursuant to Section 15.05 or Section 15.06 at the Purchase Price.

Second: In the event such moneys in the 2025 Remarketing Account on any Purchase Date are insufficient to purchase all 2025 Bonds tendered or deemed tendered for purchase pursuant to Section 15.05 or Section 15.06 on such Purchase Date, moneys in the 2025 Credit Support Instrument Purchase Account on such Purchase Date shall be used by the Trustee at that time to purchase such remaining 2025 Bonds at the Purchase Price thereof.

Third: If the amount of money in any 2025 Remarketing Account and 2025 Credit Support Instrument Purchase Account, if applicable, on any Purchase Date is insufficient to pay in full the Purchase Price of all 2025 Bonds tendered or deemed tendered for purchase pursuant to Section 15.05 or Section 15.06 on such Purchase Date, moneys in the 2025 Authority Account on such Purchase Date, if any, shall be used by the Trustee at that time to purchase such remaining 2025 Bonds at the Purchase Price thereof.

Notwithstanding anything to the contrary in this Section, if the 2025 Bonds tendered or deemed tendered for purchase pursuant to Section 15.05 or Section 15.06 are Book-Entry Bonds, payment of the Purchase Price of such 2025 Bonds shall be made in accordance with the rules and procedures of the applicable Securities Depository.

15.12(b) Nondeliveries. The Trustee shall, as to any 2025 Bonds that are not Book-Entry Bonds and that have not been delivered to it as required by Section 15.07, (i) notify the Remarketing Agent in writing of such nondelivery and (ii) place a stop transfer against an appropriate amount of 2025 Bonds registered in the name of the Owner of such 2025 Bonds on the Bond Register. The Trustee shall place and maintain such stop transfer commencing with the lowest serial number 2025 Bond registered in the name of such Owner until stop transfers have been placed against an appropriate amount of 2025 Bonds until the appropriate 2025 Bonds are delivered to the Trustee as required by Section 15.07. Upon such delivery, the Trustee shall make any necessary adjustments to the Bond Register.

15.12(c) Insufficient Funds.

15.12(c)(i) Except as set forth in Section 15.12(c)(ii) with respect to any 2025 Bonds bearing interest in an Index Rate Period or a Term Rate Period and not supported by a 2025 Credit Support Instrument, if sufficient funds are not available for the purchase of all Bonds of a Series of 2025 Bonds tendered or deemed tendered and required to be purchased on any Purchase Date, all 2025 Bonds of such Series shall bear interest at the lesser of the SIFMA Swap Index plus three percent and the Maximum Interest Rate from the date of such failed purchase until all such 2025 Bonds are purchased as required in accordance with this Indenture, and all tendered 2025 Bonds of such Series shall be returned to their respective Owners. Notwithstanding any other provision of this Indenture, such failed purchase and return shall not constitute an Event of Default. Thereafter, the Trustee shall continue to take all such action available to it to obtain remarketing proceeds from the Remarketing Agent and sufficient other funds from the 2025 Credit Provider for such 2025 Bonds, if any. In addition, the Remarketing Agent shall remain obligated to remarket such Series of 2025 Bonds and such Series of 2025 Bonds shall remain subject to optional

and mandatory redemption, mandatory tender for purchase, and Conversion as provided in the Indenture.

15.12(c)(ii) For any Series of 2025 Bonds bearing interest in an Index Rate Period or a Term Rate Period and not supported by a 2025 Credit Support Instrument, if sufficient funds are not available for the purchase of all Bonds of such Series of 2025 Bonds tendered or deemed tendered and required to be purchased on the Purchase Date following the end of the applicable Index Rate Period or Term Rate Period, all 2025 Bonds of such Series shall automatically convert to a Weekly Rate Period and bear interest at a rate of interest equal to the Stepped Rate from such Failed Tender Date until all such 2025 Bonds are purchased as required in accordance with this Indenture, such rate to be determined in accordance with Section 14.05(d) of this First Supplemental Indenture, and all tendered 2025 Bonds of such Series shall be returned to their respective Owners. Notwithstanding anything to the contrary in the Indenture, such 2025 Bonds bearing interest in a Weekly Rate Period at the Stepped Rate shall not be subject to optional tender pursuant to Section 15.05(b). No Opinion of Bond Counsel shall be required in connection with this automatic adjustment to a Weekly Rate Period. Notwithstanding any other provision of this Indenture, such failed purchase and return shall not constitute an Event of Default. In addition, the Remarketing Agent shall remain obligated to remarket such Series of 2025 Bonds and such Series of 2025 Bonds bearing interest at a Stepped Rate shall remain subject to optional and mandatory redemption, mandatory tender for purchase, and Conversion as provided in the Indenture.

### **Section 15.13    Delivery of 2025 Bonds.**

15.13(a) If the 2025 Bonds are not Book-Entry Bonds, a principal amount of 2025 Bonds equal to the amount of 2025 Bonds successfully remarketed by each Remarketing Agent shall be delivered to the Trustee for registration or transfer to such persons as shall be designated by the Remarketing Agent. Such 2025 Bonds shall be held available at the office of the Trustee and shall be picked up at a location in San Francisco, California designated by the Trustee by the applicable Remarketing Agent at or after 1:00 p.m., New York City time, on the Purchase Date against delivery of funds for deposit into the 2025 Remarketing Account of the 2025 Bonds Purchase Fund equal to the Purchase Price of the 2025 Bonds that have been remarketed. If the 2025 Bonds are Book-Entry Bonds, transfer of ownership of the remarketed 2025 Bonds shall be effected in accordance with the procedures of the applicable Securities Depository against delivery of funds for deposit into the 2025 Remarketing Account of the 2025 Bonds Purchase Fund equal to the Purchase Price of the 2025 Bonds that have been remarketed.

15.13(b) Any 2025 Bonds purchased with funds in the 2025 Credit Support Instrument Purchase Account of the 2025 Bonds Purchase Fund shall be delivered and held in accordance with Section 15.14. Any 2025 Bonds purchased with funds in the 2025 Authority Account of the 2025 Bonds Purchase Fund shall be delivered and held in accordance with the instructions of the Authority furnished to the Trustee. Such 2025 Bonds shall be held available for registration of transfer and delivery by the Trustee in such manner as may be agreed between the Trustee and the 2025 Credit Provider or the Authority, as the case may be.

**Section 15.14 2025 Credit Support Instruments; 2025 Credit Provider Bonds.**

15.14(a) Unless all the Outstanding Bonds of any Series of the 2025 Bonds are 2025 Credit Provider Bonds or bear interest at a Fixed Rate, a Term Rate not intended to be supported by a 2025 Credit Support Instrument or an Index Rate, the Authority shall provide, or cause to be provided, to the Trustee a 2025 Credit Support Instrument for such Series of 2025 Bonds. The Authority shall not reduce the amount of a 2025 Credit Support Instrument without obtaining a Rating Confirmation with respect to such action unless such action is considered a substitution of a 2025 Credit Support Instrument subjecting the 2025 Bonds affected thereby to mandatory purchase pursuant to Section 15.06(a)(ii). Each 2025 Credit Support Instrument and each substitute 2025 Credit Support Instrument shall include provisions that are consistent with the timing requirements of this First Supplemental Indenture. The Authority shall have the right at any time to provide, pursuant to Section 15.15, a substitute 2025 Credit Support Instrument for any 2025 Credit Support Instrument then in effect. If there shall have been delivered to the Trustee (i) a substitute 2025 Credit Support Instrument meeting the requirements of Section 15.15 and (ii) the opinions and documents required by Section 15.15, then the Trustee shall accept such substitute 2025 Credit Support Instrument and, if so directed by the Authority, on or after the effective date of such substitute 2025 Credit Support Instrument promptly surrender the 2025 Credit Support Instrument being so substituted in accordance with the respective terms thereof for cancellation; provided the Trustee shall not surrender any 2025 Credit Support Instrument until all draws or requests to purchase 2025 Bonds made under such 2025 Credit Support Instrument have been honored in accordance with the terms thereof, including all draws required to be made in connection with such substitution. In the event that the Authority elects to provide a substitute 2025 Credit Support Instrument, the affected 2025 Bonds shall be subject to the mandatory tender provisions of Section 15.06(a)(ii). Notwithstanding the foregoing, if at any time there shall cease to be any Bonds of any Series of 2025 Bonds Outstanding or if all the Outstanding Bonds of any Series of 2025 Bonds have been converted to a Fixed Rate, an Index Rate or a Term Rate not intended to be supported by a 2025 Credit Support Instrument, or a 2025 Credit Support Instrument shall be terminated pursuant to its terms, the Trustee shall promptly surrender such 2025 Credit Support Instrument in accordance with its terms for cancellation. The Trustee shall comply with the procedures set forth in each 2025 Credit Support Instrument relating to the termination thereof. The termination or suspension of a Credit Support Instrument shall not affect the provisions of this Section 15.14(a) obligating the Authority to provide a Credit Support Instrument to the Trustee.

Notwithstanding anything to the contrary in the Indenture, including without limitation the provisions of this Section 15.14(a), any reduction in the amount of a Credit Support Instrument with respect to a Series of 2025 Bonds may occur: (i) without a Rating Confirmation or a mandatory purchase of such 2025 Bonds in conjunction with the payment of a portion of the principal of such Series of 2025 Bonds pursuant to the Indenture or in conjunction with a redemption or defeasance of all or a portion of such Series of 2025 Bonds pursuant to the Indenture; or (ii) without a Rating Confirmation in connection with the mandatory purchase of all or a portion of such Series of 2025 Bonds by the applicable 2025 Credit Provider upon (A) the conversion of the interest mode of such Series of 2025 Bonds to a rate that is not supported by such Credit Support Instrument, (B) the occurrence of the stated expiration of the such Credit Support Instrument or (C) the passage of a period of time specified in the Credit Support Instrument following the occurrence of an event of default specified in the Credit Support Instrument.

15.14(b) In the event that a 2025 Credit Support Instrument is in effect, the Trustee shall make a demand for payment under such 2025 Credit Support Instrument, subject to and in accordance with its terms, in order to receive payment thereunder on each Purchase Date as provided in Section 15.10(a)(iv), Section 15.10(b)(iv) or Section 15.10(c)(iv), as applicable.

15.14(c) Each such demand for payment shall be made pursuant to and in accordance with this Indenture. The Trustee shall give notice of each such demand for payment to the Authority at the time of each such demand. The proceeds of each such demand shall be deposited in the 2025 Credit Support Instrument Purchase Account within the 2025 Bonds Purchase Fund and used in the order of priority established by Section 15.12. At the time of making any demand under a 2025 Credit Support Instrument pursuant to Section 15.14(b), the Trustee shall direct the applicable 2025 Credit Provider to pay the proceeds of such demand directly to the Trustee for deposit in the 2025 Credit Support Instrument Purchase Account. The Trustee shall comply with all provisions of each 2025 Credit Support Instrument in order to realize upon any demand for payment thereunder, and will not demand payment under any 2025 Credit Support Instrument of any amounts for payment of: (i) 2025 Credit Provider Bonds; or (ii) 2025 Bonds held by the Authority or actually known by the Trustee to be held by any affiliate of the Authority or any nominee of the Authority unless such 2025 Credit Support Instrument specifically permits such demand.

15.14(d) Any 2025 Bonds purchased with payments made under a 2025 Credit Support Instrument pursuant to Section 15.14(b) shall constitute 2025 Credit Provider Bonds and shall be registered in the name of, or as otherwise directed by, the applicable 2025 Credit Provider and delivered to or upon the order of, or as otherwise directed by, such 2025 Credit Provider.

15.14(e) Unless otherwise provided in a 2025 Credit Support Instrument, 2025 Credit Provider Bonds shall be remarketed by the applicable Remarketing Agent prior to any other 2025 Bonds of such Series tendered for purchase pursuant to Section 15.05 or Section 15.06 and shall be remarketed in accordance with the terms of the applicable Remarketing Agreement. Upon (i) receipt by the Authority and the Trustee of written notification from a 2025 Credit Provider that a 2025 Credit Support Instrument has been fully reinstated with respect to principal and interest and (ii) release by the applicable 2025 Credit Provider of any 2025 Credit Provider Bonds that the Remarketing Agent has remarketed, such 2025 Bonds shall be made available to the purchasers thereof and shall no longer constitute 2025 Credit Provider Bonds for purposes of this Indenture. The proceeds of any remarketing of 2025 Credit Provider Bonds shall be paid to the applicable 2025 Credit Provider by the Trustee on such remarketing date in immediately available funds with interest on the sale price being calculated as if such Bond were not a 2025 Credit Provider Bond; provided, however, if all such Bonds are 2025 Credit Provider Bonds, at par plus accrued interest, and the remarketing date will be considered an Interest Payment Date.

15.14(f) Each of the Authority and the Trustee agrees that it will, promptly upon receipt, send to the applicable 2025 Credit Provider (by Electronic means) a copy of every notice received by it hereunder relating to any 2025 Credit Provider Bonds.

15.14(g) Notwithstanding anything to the contrary herein or in the 2025 Bonds, all obligations of the Authority under or in connection with any 2025 Credit Support Instrument (including, without limitation, payment of any 2025 Credit Provider Bonds and any reimbursement obligations under any 2025 Credit Support Instrument and the related Credit Support Agreement)



shall be governed by the terms of the applicable 2025 Credit Support Instrument and reimbursement obligations thereunder shall be Parity Obligations in accordance with Section 5.15 of the Indenture.

15.14(h) The Trustee shall provide to the Remarketing Agent and to each Rating Agency then rating any Series of 2025 Bonds written notice of the extension of any 2025 Credit Support Instrument in effect with respect to such Series of 2025 Bonds.

15.14(i) Whenever requested in writing by the Authority, the Trustee shall submit to the applicable 2025 Credit Provider a reduction certificate or other appropriate documentation necessary under the applicable 2025 Credit Support Instrument to reduce the principal amount of any Series of 2025 Bonds and related interest to reflect any purchase or redemption of such 2025 Bonds by the Authority and the cancellation of such 2025 Bonds.

15.14(j) If at any time any Rating Agency reduces the short-term ratings of a 2025 Credit Provider below “A-1” by S&P or “P-1” by Moody’s or “F1” by Fitch, the Authority shall use its best efforts to replace such 2025 Credit Provider.

15.14(k) Should a 2025 Credit Support Provider deliver notice to the Trustee of an event of default under its 2025 Credit Support Instrument, or the related Credit Support Agreement, resulting in termination of the 2025 Credit Support Instrument, the Trustee shall only accept a waiver of such event of default from the applicable 2025 Credit Provider if the principal and interest components of the 2025 Credit Support Instrument have not been terminated by the 2025 Credit Provider or have been reinstated in full.

15.14(l) All terms and conditions of the 2025 Bonds and any related 2025 Credit Support Instrument remain subject to Sections 5.15 and 5.16 of the Indenture.

### **Section 15.15 Substitute Credit Support Instruments.**

15.15(a) So long as any 2025 Bonds bear interest at a Variable Rate other than an Index Rate, a Term Rate not supported by a 2025 Credit Support Instrument or a Fixed Rate, on or prior to the expiration or termination of any existing 2025 Credit Support Instrument, including any renewals or extensions thereof (other than an expiration of such 2025 Credit Support Instrument at the final maturity of the 2025 Bonds to which such 2025 Credit Support Instrument relates), the Authority shall provide to the Trustee (with a copy to the applicable Remarketing Agent) a renewal or extension of the term of the existing 2025 Credit Support Instrument for such Series of 2025 Bonds or a substitute 2025 Credit Support Instrument meeting the requirements set forth in subsection 15.15(b) of this Section.

15.15(b) The Authority may at any time provide a substitute 2025 Credit Support Instrument in accordance with the provisions hereof and upon delivery to the Trustee of the items specified in subsection 15.15(c) of this Section;

Any such substitute 2025 Credit Support Instrument must meet the following conditions:

15.15(b)(i) The obligations of the 2025 Credit Provider under the substitute 2025 Credit Support Instrument to purchase such 2025 Bonds or otherwise provide for the Purchase Price of

such 2025 Bonds tendered or deemed tendered pursuant to Section 15.05 or Section 15.06 shall not be subject to suspension or termination on less than fifteen (15) days' notice to the Authority and the Trustee; provided, however, that the obligations of a 2025 Credit Provider to purchase 2025 Bonds or otherwise provide for the Purchase Price of such 2025 Bonds may be immediately suspended or terminated (A) without such notice upon the occurrence of such events as may be provided in a 2025 Credit Support Instrument and that are disclosed to the Owners of such 2025 Bonds in connection with the provision of such 2025 Credit Support Instrument or, (B) if applicable, upon the remarketing of such 2025 Bonds upon the mandatory tender thereof as a result of provision of such substitute 2025 Credit Support Instrument pursuant to Section 15.06(a)(ii);

15.15(b)(ii) the substitute 2025 Credit Support Instrument must take effect on or before the Purchase Date for the 2025 Bonds established pursuant to Section 15.06(a)(ii); and

15.15(b)(iii) the substitute 2025 Credit Support Instrument must be in an amount sufficient to pay the maximum Purchase Price of the affected 2025 Bonds that will be applicable during the Rate Period commencing on such substitution.

15.15(c) Prior to the date of the delivery of a substitute 2025 Credit Support Instrument to the Trustee pursuant to subsection 15.15(b) of this Section, the Authority shall cause to be furnished to the Trustee (i) an Opinion of Bond Counsel addressed to the Trustee to the effect that the delivery of such substitute 2025 Credit Support Instrument to the Trustee is authorized under this Indenture and complies with the terms hereof and will not, in and of itself, adversely affect the Tax-Exempt status of interest on the affected 2025 Bonds and (ii) an opinion or opinions of counsel to the 2025 Credit Provider for such substitute 2025 Credit Support Instrument addressed to the Trustee, to the effect that the substitute 2025 Credit Support Instrument has been duly authorized, executed and delivered by the applicable 2025 Credit Provider and constitutes the valid, legal and binding obligation of such 2025 Credit Provider enforceable against such 2025 Credit Provider in accordance with its terms.

15.15(d) The Trustee shall give notice by first class mail to the Owners of the affected 2025 Bonds of the proposed substitution of a 2025 Credit Support Instrument not later than the fifteenth (15th) day prior to the substitution date. Such notice shall specify the type of Credit Support Instrument to be substituted.

15.15(e) Notwithstanding anything to the contrary in the Indenture, including this Section 15.15, a new Credit Support Instrument may not be substituted for an existing Credit Support Instrument that is in the form of a letter of credit unless a mandatory tender and purchase of all of the 2025 Bonds of the Series supported by the existing letter of credit occurs (and such a mandatory tender and purchase must occur whether or not a Rating Confirmation with respect to the substitution is obtained).

15.15(f) Notwithstanding anything to the contrary in the Indenture, including without limitation the provisions of this Section 15.15, in connection with the substitution, pursuant to the terms of the Indenture, of a Credit Support Instrument providing support for any Series of 2025 Bonds bearing interest at the Weekly Rate, the Weekly Rate with respect to such Series of Bonds for the first Calendar Week (or portion thereof) following such substitution shall be set by the

applicable Remarketing Agent on the Business Day immediately preceding the date of such substitution. Such Weekly Rate will be effective only if the substitution is effected.

15.15(g) Notwithstanding anything to the contrary in the Indenture, including without limitation the provisions of this Section 15.15, in connection with the substitution, pursuant to the terms of the Indenture, of a Credit Support Instrument providing support for any Series of 2025 Bonds bearing interest at the Daily Rate, the Daily Rate with respect to such Series of Bonds for the first Business Day (or portion thereof) following such substitution shall be set by the applicable Remarketing Agent on the Business Day immediately preceding the date of such substitution. Such Daily Rate will be effective only if the substitution is effected.

**Section 15.16 Remarketing Agents for the 2025 Bonds.** The Authority shall appoint and employ a Remarketing Agent for the 2025 Bonds in a Daily Rate Period, Weekly Rate Period, a Commercial Paper Rate Period, a Term Rate Period and an Index Rate Period. Initially, the Authority appoints [ ] as the Remarketing Agent for the 2025 Series A Bonds. All references in this First Supplemental Indenture to the term “Remarketing Agent” shall mean the one or more banks, trust companies or members of the Financial Industry Regulatory Authority appointed by the Authority to perform the duties and obligations of the Remarketing Agent hereunder with respect to the 2025 Series A Bonds; provided that any such bank, trust company or member of the Financial Industry Regulatory Authority so appointed shall be organized and doing business under the laws of any state of the United States of America and shall have, together with its parent, if any, a capitalization of at least fifteen million dollars (\$15,000,000) as shown in its or its parent’s most recently published annual report. The Authority shall execute and deliver to each Remarketing Agent a Remarketing Agreement, which shall designate the 2025 Bonds thereof for which it shall act as Remarketing Agent and the Remarketing Agent’s Principal Office and in which such Remarketing Agent shall agree: (i) to perform the duties and comply with the requirements imposed upon it by such Remarketing Agreement and this Indenture; and (ii) to keep such books and records with respect to its activities as Remarketing Agent as shall be consistent with prudent industry practice and to make such books and records available for inspection by each of the Authority and the Trustee at all reasonable times.

## **ARTICLE XVI PURCHASE OF 2025 BONDS AT DIRECTION OF AUTHORITY**

### **Section 16.01 Mandatory Tender for Purchase of 2025 Bonds at Direction of Authority.**

16.01(a) In addition to the provision relating to the mandatory tender for purchase of 2025 Bonds pursuant to Section 15.06, the 2025 Bonds, or any of them, shall be subject to mandatory tender for purchase by the Authority, in whole or in part (such that the portion that is subject to mandatory tender for purchase pursuant to this Section 16.01 and the portion not subject to such mandatory tender shall each be in an Authorized Denomination), at the applicable Optional Purchase Price on each Optional Purchase Date. In the event that the Authority determines to purchase any 2025 Bonds on any Optional Purchase Date, the Authority shall provide the Trustee with written notice of such determination at least thirty-five (35) days prior to the Optional Purchase Date, which notice shall specify the Series of 2025 Bonds and the principal amount of such 2025 Bonds of each maturity that are to be purchased and the Optional Purchase Date on which such purchase is to occur.

16.01(b) When the Trustee shall receive notice from the Authority of its determination to purchase 2025 Bonds pursuant to subsection 16.01(a) of this Section, the Trustee shall give notice, in the name of the Authority, of the mandatory tender for purchase of such 2025 Bonds, which notice shall be mailed, by first class mail, postage prepaid, not more than sixty (60) nor less than twenty (20) days before the Optional Purchase Date to the Owners of any 2025 Bonds or portions of 2025 Bonds to be purchased at their addresses appearing in the Bond Register, with a copy to the applicable Remarketing Agent. Such notice shall specify the Series of 2025 Bonds and the maturities of such 2025 Bonds to be purchased, the Optional Purchase Date, the Optional Purchase Price and the place or places where the Optional Purchase Price due upon such tender for purchase shall be payable and, if less than all of the 2025 Bonds of any Series and like maturity are to be purchased, the letters and numbers or other distinguishing marks of such 2025 Bonds so to be purchased, and, in the case of 2025 Bonds to be purchased in part only, such notice shall also specify the respective portions of the principal amount thereof to be purchased. Such notice shall further state that on such Optional Purchase Date there shall become due and payable upon each 2025 Bond to be purchased, the Optional Purchase Price thereof, or the Optional Purchase Price of the specified portions of the principal amount thereof to be purchased in the case of 2025 Bonds to be purchased in part only, and that from and after such Optional Purchase Date interest on such 2025 Bond for the benefit of the current Owner of such 2025 Bond or the portion of such 2025 Bond to be purchased shall cease to accrue and be payable.

Receipt of such notice of mandatory tender for purchase shall not be a condition precedent to the mandatory tender for purchase of the 2025 Bonds and failure of any Owner of a 2025 Bond to receive any such notice or any defect in such notice shall not affect the validity of the proceedings for the mandatory tender for purchase of the 2025 Bonds pursuant to this Section.

16.01(c) If at the time the Trustee sends any notice of mandatory tender for purchase of the 2025 Bonds pursuant to this Section, the Authority has not deposited with the Trustee an amount sufficient to pay the full Optional Purchase Price of the 2025 Bonds, or the portions thereof, to be purchased, such notice shall state that such mandatory tender for purchase is conditional upon the receipt by the Trustee on or prior to the Optional Purchase Date fixed for such purchase of moneys sufficient to pay the Optional Purchase Price of such 2025 Bonds, or the portions thereof to be purchased, and that if such moneys shall not have been so received said notice shall be of no force and effect and the Authority shall not be required to purchase such 2025 Bonds. In the event that such notice of mandatory tender for purchase contains such a condition and such moneys are not so received, no purchase of the 2025 Bonds identified in the notice of mandatory tender for purchase shall be made and the Trustee shall, within a reasonable time thereafter, give notice, to the Remarketing Agent and to the persons and in the manner in which the notice of tender was given, that such moneys were not so received and that there will be no purchase of 2025 Bonds pursuant to the notice of mandatory tender for purchase.

16.01(d) If less than all of the Outstanding 2025 Bonds of any Series are to be called for mandatory tender for purchase pursuant to this Section, the principal amount and maturity of such 2025 Bonds to be purchased shall be selected by the Authority in its sole discretion. If less than all of the 2025 Bonds of a Series and maturity shall be called for mandatory tender for purchase pursuant this Section, except as otherwise provided in a Representation Letter, the particular 2025 Bonds or portions of 2025 Bonds to be purchased shall be selected at random by the Trustee in such manner as the Trustee in its discretion may deem fair and appropriate; provided, however,

that in selecting portions of 2025 Bonds for purchase, the Trustee shall treat each 2025 Bond of the same Series as representing that number of 2025 Bonds of the minimum Authorized Denomination for the 2025 Bonds that is obtained by dividing the principal amount of such 2025 Bond by the minimum Authorized Denomination for the 2025 Bonds.

**Section 16.02 Delivery of Tendered 2025 Bonds.** With respect to any 2025 Bond that is a Book-Entry Bond, delivery of such 2025 Bond to the Trustee in connection with any mandatory tender for purchase pursuant to Section 16.01 shall be effected by the making of, or the irrevocable authorization to make, appropriate entries on the books of the Securities Depository for such 2025 Bond or any Participant thereof to reflect the transfer of the beneficial ownership interest in such 2025 Bond to the account of the Trustee, on behalf of the Authority, or to the account of a Participant acting on behalf of the Authority. With respect to any 2025 Bond that is not a Book-Entry Bond, delivery of such 2025 Bond to the Trustee in connection with any mandatory tender for purchase pursuant to Section 16.01 shall be effected by physical delivery of such 2025 Bond to the Trustee at its Principal Office, by 1:00 p.m., New York City time, on the Optional Purchase Date, accompanied by an instrument of transfer thereof, in a form satisfactory to the Trustee, executed in blank by the Owner thereof with the signature of such Owner guaranteed in accordance with the guidelines set forth by one of the nationally recognized medallion signature programs.

**Section 16.03 2025 Bonds Deemed Purchased.**

16.03(a) If moneys sufficient to pay the Optional Purchase Price of 2025 Bonds to be purchased pursuant to Section 16.01 on an Optional Purchase Date shall be held by the Trustee on such Optional Purchase Date, such 2025 Bonds shall be deemed to have been purchased for all purposes of this Indenture, irrespective of whether or not such 2025 Bonds shall have been delivered to the Trustee or transferred on the books of the Securities Depository for the 2025 Bonds, and neither the former Owner or former Beneficial Owner of such 2025 Bonds nor any other person shall have any claim thereunder, under this Indenture or otherwise, for any amount other than the Optional Purchase Price thereof.

16.03(b) In the event of non-delivery of any 2025 Bond to be purchased pursuant to Section 16.01, the Trustee shall segregate and hold uninvested the moneys for the Optional Purchase Price of such 2025 Bond in trust, without liability for interest thereon, for the benefit of the former Owners or Beneficial Owners of such 2025 Bond, who shall, except as provided in the following sentence, thereafter be restricted exclusively to such moneys for the satisfaction of any claim for the Optional Purchase Price of such 2025 Bond. Any moneys that the Trustee shall segregate and hold in trust for the payment of the Optional Purchase Price of any 2025 Bond remaining unclaimed for two (2) years after the Optional Purchase Date shall be paid automatically to the Authority. After the payment of such unclaimed moneys to the Authority, the former Owner or former Beneficial Owner of such 2025 Bond shall look only to the Authority for the payment thereof.

**Section 16.04 Deposit of 2025 Bonds.** The Trustee agrees to accept and hold all 2025 Bonds delivered to it pursuant to Section 16.01 in trust for the benefit of the respective Owners or Beneficial Owners that shall have so delivered such 2025 Bonds until the Optional Purchase Price of such 2025 Bonds shall have been delivered to or for the account of or to the order of such

Owners or Beneficial Owners pursuant to Section 16.05. Any 2025 Bonds purchased pursuant to Section 16.01 and registered for transfer to the Trustee shall be held in trust by the Trustee for the benefit of the Authority until delivery to the Authority.

**Section 16.05 Payment of Optional Purchase Price of 2025 Bonds.**

16.05(a) Moneys held by the Trustee for the payment of the Optional Purchase Price of 2025 Bonds subject to mandatory tender for purchase pursuant to Section 16.01 shall be applied at or before 3:00 p.m., New York City time, to the purchase of such 2025 Bonds. Except as otherwise provided with respect to 2025 Bonds that are Book-Entry Bonds, payment of the Optional Purchase Price of 2025 Bonds tendered for purchase pursuant to Section 16.01 shall be made only upon the surrender of such 2025 Bonds to the Trustee. Notwithstanding anything to the contrary in this Section, if the 2025 Bonds to be tendered for purchase pursuant to Section 16.01 are Book-Entry Bonds, payment of the Optional Purchase Price for tendered 2025 Bonds shall be made in accordance with the rules and procedures of the applicable Securities Depository.

16.05(b) The Trustee shall, as to any 2025 Bonds that are not Book-Entry Bonds and that have not been delivered to it as required by Section 16.02, place a stop transfer against an appropriate amount of 2025 Bonds registered in the name of the Owner of such 2025 Bonds on the Bond Register. The Trustee shall place and maintain such stop transfer commencing with the lowest serial number 2025 Bond registered in the name of such Owner until stop transfers have been placed against an appropriate amount of 2025 Bonds until the appropriate 2025 Bonds are delivered to the Trustee. Upon such delivery, the Trustee shall make any necessary adjustments to the Bond Register.

**Section 16.06 2025 Bonds Owned by Authority.**

16.06(a) Any 2025 Bonds purchased by the Authority pursuant to Section 16.01 shall not be cancelled by the Trustee unless such cancellation is directed by an Authorized Representative but shall remain Outstanding for all purposes of the Indenture, except as otherwise provided in Section 9.05 of this Indenture.

16.06(b) The Authority covenants and agrees that it shall not transfer or cause the transfer of any 2025 Bond purchased by the Authority pursuant to Section 16.01 unless the Authority delivers to the Trustee a Favorable Opinion of Bond Counsel with respect to such transfer.

16.06(c) The Authority covenants and agrees that, in the event that at any time there are insufficient funds in the Bond Fund or the Redemption Fund, as applicable, to pay the principal of and interest then due on the Outstanding 2025 Bonds, it will surrender or cause to be surrendered to the Trustee for cancellation any 2025 Bonds held by the Authority.

16.06(d) If all Outstanding 2025 Bonds of any Series bearing interest in a Term Rate Period or in an Index Rate Period are purchased by the Authority pursuant to Section 16.01, then, notwithstanding anything to the contrary in the Pricing Notice or the Indenture, including Section 14.05(a), (i) the date of such purchase by the Authority will be deemed to be the Purchase Date for such Series of 2025 Bonds, and (ii) the Term Rate or Index Rate, as applicable, will be deemed to have expired on the day immediately preceding such Purchase Date. Upon the Authority's successful purchase of such Series of 2025 Bonds, notwithstanding anything to the contrary in the

Indenture, such Series of 2025 Bonds shall be subject to Conversion and remarketing without notice of Conversion being provided by the Authority pursuant to the Indenture.

## **ARTICLE XVII ESTABLISHMENT OF FUNDS AND ACCOUNTS AND APPLICATION THEREOF**

**Section 17.01 Funds and Accounts.** The following funds and accounts are hereby established in connection with the 2025 Bonds:

17.01(a) 2025 Bonds Costs of Issuance Fund. To ensure the proper application of such funds to be applied to pay Costs of Issuance of the 2025 Bonds, there is hereby established the 2025 Bonds Costs of Issuance Fund, such fund to be held by the Trustee.

17.01(b) 2025 Bonds Purchase Fund. To ensure proper application of funds to be applied to the purchase of 2025 Bonds tendered or deemed tendered for purchase pursuant to Section 15.05 or 15.06, there is hereby established the 2025 Bonds Purchase Fund, such fund to be held by the Trustee. There shall also be created and established separate accounts in the 2025 Bonds Purchase Fund designated the “2025 Series A Remarketing Account,” the “2025 Series A Credit Support Instrument Purchase Account,” and the “2025 Series A Authority Account.” Notwithstanding anything else to the contrary in the Indenture, the Trustee may establish additional accounts and sub-accounts within the 2025 Bonds Purchase Fund, including any account established therein, as necessary or convenient in order to accommodate the remarketing, Conversion, payment, or defeasance of, or other actions to be taken pursuant to the Indenture with respect to, any 2025 Bonds.

17.01(c) 2025 Bonds Proceeds Fund. To provide a fund for the proceeds from the sale of the 2025 Bonds to be initially deposited by the Trustee and held prior to being transferred in accordance with Section 14.08, there is hereby established the 2025 Bonds Proceeds Fund, such fund to be held by the Trustee. Following the transfers described in Section 14.08, the 2025 Bonds Proceeds Fund shall be closed.

17.01(d) 2025 Bonds Construction Fund. To ensure the proper application of such portion of proceeds from the sale of the 2025 Bonds to be applied to pay Costs of the 2025 Bonds Project, there is hereby established the 2025 Bonds Construction Fund, such fund to be held by the Trustee.

**Section 17.02 2025 Bonds Costs of Issuance Fund.** The monies set aside and placed in the 2025 Bonds Costs of Issuance Fund shall remain therein until from time to time expended for the purpose of paying the Costs of Issuance of the 2025 Bonds. On [\_\_\_\_\_] 1, 20[\_\_\_] any amounts remaining in the 2025 Bonds Costs of Issuance Fund shall be transferred to the 2025 Bonds Construction Fund and the 2025 Bonds Costs of Issuance Fund will be closed.

17.02(a) Before any payment from the 2025 Bonds Costs of Issuance Fund shall be made by the Trustee, the Authority shall file or cause to be filed with the Trustee a requisition of the Authority (each a “Requisition”), such Requisition to be signed by an Authorized Representative and to include: (i) the item number of such payment; (ii) the name and address of the person to whom each such payment is due, which may be the Authority in the case of reimbursement for costs theretofore paid by the Authority; (iii) the respective amounts to be paid; (iv) the purpose by general classification for which each obligation to be paid was incurred; and (v) that obligations

in the stated amounts have been incurred by the Authority and are presently due and payable and that each item thereof is a proper charge against the 2025 Bonds Costs of Issuance Fund and has not been previously paid from said fund.

**Section 17.03 2025 Bonds Purchase Fund.** Moneys in the 2025 Bonds Purchase Fund shall be applied as provided in this Section.

17.03(a) Remarketing Account. All moneys received by the Trustee on behalf of purchasers of 2025 Bonds pursuant to Section 15.11(a), other than the Authority, shall be (i) deposited in the 2025 Remarketing Account within the 2025 Bonds Purchase Fund, (ii) held in trust in accordance with the provisions hereof and (iii) paid out in accordance with Section 15.12.

17.03(b) Credit Support Instrument Purchase Account. All moneys received by the Trustee as payments under any 2025 Credit Support Instrument for the purchase of 2025 Bonds pursuant to Section 15.10(a)(iv), Section 15.10(b)(iv) or Section 15.10(c)(iv) shall be (i) deposited in the applicable subaccount of the 2025 Credit Support Instrument Purchase Account within the 2025 Bonds Purchase Fund, (ii) held in trust in accordance with the provisions hereof and (iii) paid out in accordance with Section 15.12.

17.03(c) Authority Account. All moneys received by the Trustee from the Authority for the purchase of 2025 Bonds pursuant to Section 15.11(c) shall be (i) deposited in the 2025 Authority Account within the 2025 Bonds Purchase Fund, (ii) held in trust in accordance with the provisions hereof and (iii) paid out in accordance with Section 15.12 hereof.

The moneys in the 2025 Bonds Purchase Fund shall be used solely to pay the Purchase Price of 2025 Bonds as provided herein (or to reimburse a 2025 Credit Provider, if any, for payments made under the applicable 2025 Credit Support Instrument for such purpose) and may not be used for any other purposes. All amounts held in the 2025 Bonds Purchase Fund, and the 2025 Remarketing Account, the 2025 Credit Support Instrument Purchase Account and the 2025 Authority Account therein shall be held in trust by the Trustee for the benefit of the Owners or Beneficial Owners of 2025 Bonds to which such account relates tendered or deemed tendered for purchase pursuant to Section 15.05 and Section 15.06 (provided that any amounts held in the 2025 Remarketing Account that are derived from the remarketing of 2025 Credit Provider Bonds shall be held in trust for the benefit of the applicable 2025 Credit Provider).

Moneys in the 2025 Bonds Purchase Fund shall be held uninvested pending application thereof as provided in this Section 17.03.

**Section 17.04 2025 Bonds Construction Fund.** Moneys in the 2025 Bonds Construction Fund shall be applied as provided in this Section.

17.04(a) Before any payment from the 2025 Bonds Construction Fund shall be made by the Trustee, the Authority shall file or cause to be filed with the Trustee a Requisition, such Requisition to be signed by an Authorized Representative and to include: (i) the item number of such payment; (ii) the name and address of the person to whom each such payment is due, which may be the Authority in the case of reimbursement for costs theretofore paid by the Authority; (iii) the respective amounts to be paid; (iv) the purpose by general classification for which each obligation to be paid was incurred; and (v) that obligations in the stated amounts have been



incurred by the Authority and are presently due and payable and that each item thereof is a proper charge against the 2025 Bonds Construction Fund and has not been previously paid from said fund.

17.04(b) When the Authority determines that the 2025 Bonds Project has been completed, a Certificate of the Authority shall be delivered to the Trustee by the Authority stating: (i) the fact and date of such completion; (ii) that all of the costs thereof have been determined and paid (or that all of such costs have been paid less specified claims that are subject to dispute and for which a retention in the 2025 Bonds Construction Fund is to be maintained in the full amount of such claims until such dispute is resolved); and (iii) that the Trustee is to transfer the remaining balance in the 2025 Bonds Construction Fund, less the amount of any such retention, to the Reserve Fund, to the extent of any deficiency therein, and then to the Bond Fund.

## ARTICLE XVIII MISCELLANEOUS

**Section 18.01 Severability.** If any covenant, agreement or provision, or any portion thereof, contained in this First Supplemental Indenture, or the application thereof to any person or circumstance, is held to be unconstitutional, invalid or unenforceable, the remainder of this First Supplemental Indenture, and the application of any such covenant, agreement or provision, or portion thereof, to other persons or circumstances, shall be deemed severable and shall not be affected thereby, and this First Supplemental Indenture and the 2025 Bonds issued pursuant hereto shall remain valid, and the Owners of the 2025 Bonds shall retain all valid rights and benefits accorded to them under this Indenture, the Act, as applicable, and the Constitution and statutes of the State.

**Section 18.02 Parties Interested Herein.** Nothing in this First Supplemental Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Authority, the Trustee, each 2025 Credit Provider for the 2025 Bonds, and the Owners of the 2025 Bonds, any right, remedy or claim under or by reason of this First Supplemental Indenture or any covenant, condition or stipulation hereof; and all the covenants, stipulations, promises and agreements in this First Supplemental Indenture contained by and on behalf of the Authority shall be for the sole and exclusive benefit of the Authority, the Trustee, the 2025 Credit Provider for the 2025 Bonds, and the Owners of the 2025 Bonds.

**Section 18.03 Headings Not Binding.** The headings in this First Supplemental Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this First Supplemental Indenture.

**Section 18.04 Notice Addresses.** Except as otherwise provided herein, it shall be sufficient service or giving of notice, request, complaint, demand or other paper if the same shall be duly mailed by registered or certified mail, postage prepaid, addressed to the Notice Address for the appropriate party or parties as provided in Exhibit B hereto. Any such entity by notice given hereunder may designate any different addresses to which subsequent notices, certificates or other communications shall be sent, but no notice directed to any one such entity shall be thereby required to be sent to more than two addresses.

**Section 18.05 Notices to Rating Agencies.** The Trustee shall provide notice to the Rating Agencies of the following events with respect to the 2025 Bonds, as applicable:

18.05(a) Change in Trustee or Remarketing Agent;

18.05(b) Amendments to the Indenture;

18.05(c) Expiration, termination, substitution, amendment or extension of a 2025 Credit Support Instrument or any 2025 Credit Provider thereunder;

18.05(d) Conversion of the interest rate period;

18.05(e) Redemption or defeasance of the 2025 Bonds; and

18.05(f) Any mandatory tender of the 2025 Bonds.

**Section 18.06 Indenture to Remain in Effect.** Save and except as amended and supplemented by this First Supplemental Indenture, the Indenture shall remain in full force and effect.

**Section 18.07 Effective Date of First Supplemental Indenture.** This First Supplemental Indenture shall take effect upon its execution and delivery.

**Section 18.08 Execution in Counterparts.** This First Supplemental Indenture may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this First Supplemental Indenture by their officers thereunto duly authorized as of the day and year first written above.

BAY AREA TOLL AUTHORITY

By: \_\_\_\_\_  
Executive Director

Countersigned:

\_\_\_\_\_  
Secretary

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

**FORM OF 2025 SERIES A BOND**

No. R—A-\_\_\_\_\_

\$ \_\_\_\_\_

**Bay Area Toll Authority  
San Francisco Bay Area Toll Bridge Revenue Bond  
2025 Series A**

<b>INTEREST RATE</b>	<b>MATURITY DATE</b>	<b>ISSUE DATE</b>	<b>CUSIP</b>
Variable	[_____] , 20[___]	[_____] , 20[___]	072024__

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS

**BAY AREA TOLL AUTHORITY**, a public entity duly organized and existing under the laws of the State of California (the “Authority”), for value received, hereby promises to pay (but solely from Revenue as hereinafter referred to) in lawful money of the United States of America, to the registered Owner hereof, on the maturity date set forth above, unless redeemed prior thereto as hereinafter provided, the principal amount specified above, together with interest thereon from the Issue Date set forth above until the principal hereof shall have been paid, at the interest rates and on the dates (each, an “Interest Payment Date”) described herein. As long as the 2025 Series A Bonds are book-entry bonds, principal and premium, if any, of and interest on the 2025 Series A Bonds shall be payable by wire transfer to DTC in lawful money of the United States of America. Principal of and premium, if any, on the 2025 Series A Bonds shall be payable when due upon presentation and surrender of this Bond at the principal office of U.S. Bank Trust Company, National Association, as trustee (together with any successor as trustee under the hereinafter defined Indenture, the “Trustee”) in San Francisco, California. Interest on this Bond shall be paid to the registered owner hereof as of the close of business on the Record Date. As used herein, “Record Date” means: (a) for any Interest Payment Date in respect of any Daily Rate Period, Weekly Rate Period, Commercial Paper Rate Period or Index Rate Period, the Business Day next preceding such Interest Payment Date; and (b) for any Interest Payment Date in respect of any Term Rate Period or Fixed Rate Period, the fifteenth (15th) day (whether or not a Business Day) of the month preceding the month in which such Interest Payment Date occurs.

This Bond is one of a duly authorized issue of bonds of the Authority, designated as “Bay Area Toll Authority San Francisco Bay Area Toll Bridge Revenue Bonds” (the “Bonds”), of the series designated above, all of which are being issued pursuant to the provisions of Chapter 4, Chapter 4.3 and Chapter 4.5 of Division 17 of the California Streets and Highways Code (the “Authority Act”) and Chapter 6 of Part 1 of Division 2 of Title 5 of the California Government Code as referenced in Section 30961 of the Authority Act (the “Revenue Bond Law of 1941,” and, together with the Authority Act, hereinafter referred to as the “Act”), and a Second Subordinate Master Indenture, dated as of [\_\_\_\_\_] 1, 2025 (the “Second Subordinate Master Indenture”), as supplemented and amended, including as supplemented by a First Supplemental Indenture, dated as of [\_\_\_\_\_] 1, 2025 (the “First Supplemental Indenture”), each between the

Authority and the Trustee. The Second Subordinate Master Indenture, as supplemented and amended from time to time pursuant to its terms, including as supplemented by the First Supplemental Indenture, is hereinafter referred to as the “Indenture.” Said authorized issue of Bonds is not limited in aggregate principal amount and consists or may consist of one or more series of varying denominations, dates, maturities, interest rates and other provisions, as in the Indenture provided. Capitalized terms used herein and not otherwise defined shall have the meaning given such terms in the Indenture.

**THIS BOND IS A SPECIAL OBLIGATION OF THE AUTHORITY PAYABLE SOLELY FROM REVENUE AS DEFINED AND PROVIDED IN THE INDENTURE AND THE AUTHORITY IS NOT OBLIGATED TO PAY THIS BOND EXCEPT FROM REVENUE. THIS BOND DOES NOT CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF CALIFORNIA, THE METROPOLITAN TRANSPORTATION COMMISSION OR ANY POLITICAL SUBDIVISION OF THE STATE OTHER THAN THE AUTHORITY OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OR OF ANY POLITICAL SUBDIVISION OF THE STATE.**

The pledge of and lien on Revenues and other amounts (as specified in the Indenture) under the Indenture are subordinate to every pledge and lien, heretofore or hereafter made, to secure the payment of the principal and interest on the Senior Bonds and the Subordinate Bonds, and amounts due on other Senior Obligations and Subordinate Obligations.

Reference is hereby made to the Indenture and the Act for a description of the terms on which the Bonds are issued and to be issued, the provisions with regard to the nature and extent of the pledge of Revenue and the rights of the registered Owners of the Bonds and all the terms of the Indenture are hereby incorporated herein and constitute a contract between the Authority and the registered Owner from time to time of this Bond, and to all the provisions thereof the registered Owner of this Bond, by its acceptance hereof, consents and agrees. Additional Bonds may be issued and other indebtedness may be incurred on a parity with the Series of Bonds of which this Bond is a part, but only subject to the conditions and limitations contained in the Indenture.

This Bond is payable both as to principal and interest, and as to any premium upon the redemption hereof, solely from Revenue, which consists primarily of toll revenues and other income allocated to the Authority pursuant to the Authority Act derived from the Bay Area Bridges and not limited or restricted to a specific purpose, including revenues from the seismic retrofit surcharge collected pursuant to the Authority Act that are transferred or paid to the Authority for deposit in the Bay Area Toll Account, all as provided in the Indenture, and the Authority is not obligated to pay this Bond except from Revenue.

### **2025 Credit Support Instrument as Source of Payment**

The Authority has also [obtained][provided] the 2025 Credit Support Instrument with respect to the 2025 Series A Bonds to provide a source of funds for the payment, when due, of the principal of and interest on such Bonds, [and][or] the Purchase Price in connection with the purchase of such Bonds, in each case bearing interest at the Daily Rate or the Weekly Rate.

## **Interest Rate Determination Method, Rate Periods, Interest Payment Dates and Authorized Denominations**

In the manner provided in the Indenture, the term of this Bond will be divided into consecutive Rate Periods, which, as set forth and defined in the Indenture, may be the Daily Rate Period, the Weekly Rate Period, the Commercial Paper Rate Period, the Term Rate Period, the Index Rate Period or the Fixed Rate Period. During each such Rate Period, this Bond shall bear interest at the Daily Rate, the Weekly Rate, the Commercial Paper Rate, the Term Rate, the Index Rate, the Fixed Rate or the Stepped Rate, pursuant to the terms of and as defined in the Indenture.

The initial Rate Period for this Bond shall be a [ ] Rate Period, and during such initial Rate Period this Bond shall bear interest at a [ ] Rate. Subsequent Rate Period(s) and interest rate(s) for this Bond shall be determined in accordance with the provisions of the Indenture.

This Bond shall bear interest payable to the registered Owner hereof from the latest of: (i) its Issue Date; (ii) the most recent Interest Payment Date to which interest has been paid or duly provided for, or (iii) if the date of authentication of this Bond is after a Record Date but prior to the immediately succeeding Interest Payment Date, the Interest Payment Date immediately succeeding such date of authentication. During Daily Rate Periods, Weekly Rate Periods, Index Rate Periods, or Commercial Paper Rate Periods, interest on this Bond shall be computed on the basis of a 365- or 366-day year for the number of days actually elapsed. During a Term Rate Period or the Fixed Rate Period, interest on this Bond shall be computed upon the basis of a 360-day year, consisting of twelve 30-day months. The term “Interest Payment Date” means: (a) with respect to this Bond: (i) in the Daily Rate Period or the Weekly Rate Period, the first Business Day of each calendar month; (ii) in the Commercial Paper Rate Period, the day immediately succeeding the last day of each Commercial Paper Rate Period applicable to this Bond; (iii) each Conversion Date; (iv) in the Term Rate Period or the Fixed Rate Period, each April 1 and October 1 occurring during such Term Rate Period or Fixed Rate Period, respectively; and (v) in the Index Rate Period, the first Business Day of each calendar month, or, if the Authority obtains a Favorable Opinion of Bond Counsel, such other periodic dates as shall be selected by the Authority in accordance with the Indenture; (b) with respect to this Bond while bearing interest at the Daily Rate or the Weekly Rate, as applicable, any mandatory tender date on which a Credit Support Instrument providing support for Bonds of the Series of 2025 Bonds of which this Bond is one is substituted; and (c) in all events, the final maturity date or redemption date of this Bond.

Pursuant to the Indenture, at any one time, each 2025 Series A Bond shall have the same Interest Rate Determination Method and shall bear interest at the same rate, except for 2025 Series A Bonds that are 2025 Credit Provider Bonds, 2025 Series A Bonds during a Commercial Paper Rate Period and 2025 Series A Bonds of different maturities bearing interest at a Fixed Rate. At the times and subject to the conditions set forth in the Indenture, the Authority may elect that the 2025 Series A Bonds shall bear interest based on an Interest Rate Determination Method and for a Rate Period, different from the Interest Rate Determination Method or Rate Period then applicable. Notice of adjustment of the Interest Rate Determination Method or Rate Period shall be given by the Trustee to the Owner of this Bond as set forth in the Indenture.

During each Daily Rate Period, this Bond shall bear interest at the Daily Rate, determined by the Remarketing Agent on each Business Day; provided that the Daily Rate for the first

Business Day following a Conversion Date resulting in a change in the Interest Rate Determination Method to a Daily Rate shall be set by the Remarketing Agent on the Business Day immediately preceding such Conversion Date.

During each Weekly Rate Period except for a Weekly Rate Period in which this Bond is bearing interest at the Stepped Rate, this Bond shall bear interest at the Weekly Rate, determined by the Remarketing Agent by 5:00 p.m., New York City time, on each Wednesday (or the immediately succeeding Business Day, if such Wednesday is not a Business Day) for the next Calendar Week; [provided that the Weekly Rate for the first Calendar Week (or portion thereof) following the Issue Date for the 2025 Series A Bonds shall be set by the Remarketing Agent on the Business Day immediately preceding such Issue Date; and] provided [further] that the Weekly Rate for the first Calendar Week (or portion thereof) following a Conversion Date resulting in a change in the Interest Rate Determination Method to a Weekly Rate shall be set by the Remarketing Agent on the Business Day immediately preceding such Conversion Date.

During each Weekly Rate Period in which this Bond is bearing interest at a Stepped Rate, this Bond shall bear interest at such Stepped Rate or Rates as determined by the Index Agent on the applicable Stepped Rate Determination Date for such Calendar Week or portion thereof as provided in the Indenture.

During each Commercial Paper Rate Period, this Bond shall bear interest at the Commercial Paper Rate or rates applicable to this Bond. The Remarketing Agent shall select the Commercial Paper Rate Period or Periods for each of the 2025 Bonds on a Business Day selected by the Remarketing Agent not more than five (5) Business Days prior to the first day of such Commercial Paper Rate Period and not later than 12:30 p.m., New York City time, on the first day of such Commercial Paper Rate Period. Each Commercial Paper Rate Period shall be a period of not less than one (1) nor more than two hundred seventy (270) days.

During an Index Rate Period, this Bond shall bear interest at the Index Rate calculated on each Index Rate Determination Date by the Index Agent in accordance with the Indenture. The Authority shall determine the Purchase Date, if any, with respect to such Index Rate Period in accordance with the Indenture, and a new Index Rate Period shall take effect upon satisfaction of the conditions in the Indenture.

During a Term Rate Period, this Bond shall bear interest at the Term Rate determined by the Remarketing Agent by 5:00 p.m. on the Term Rate Computation Date. The Authority shall select the duration of each Term Rate Period and each Term Rate Period shall end on a day that precedes a Business Day selected by the Authority that is a minimum of 180 days after commencement of such Term Rate Period but in no event later than the maturity date of this Bond.

During the Fixed Rate Period, this Bond shall bear interest at the Fixed Rate, determined by the Remarketing Agent on the Fixed Rate Computation Date in accordance with the provisions of the Indenture.

In no event shall the interest rate on this Bond be greater than the Maximum Interest Rate.

This Bond shall be deliverable in the form of a fully registered Bond in the following denominations:(a) during any Daily Rate Period, Weekly Rate Period or Commercial Paper Rate Period, \$100,000 and any integral multiple of \$5,000 in excess thereof; and (b) during a Term Rate Period, an Index Rate Period or the Fixed Rate Period, \$5,000 and any multiple thereof; provided, however, that if as a result of a Conversion of a this Bond from a Term Rate Period or an Index Rate Period to a Daily Rate Period, Weekly Rate Period or Commercial Paper Rate Period, it is not possible to deliver all the Bonds of the same Series required or permitted to be Outstanding in a denomination described above, Bonds of this Series may be delivered, to the extent necessary, in different denominations (such denominations being referred to herein as “Authorized Denominations”).

### **Optional and Mandatory Tender Provisions**

Bonds shall be subject to optional and mandatory tender as specified in the Indenture.

### **Optional and Mandatory Redemption Provisions**

Bonds shall be subject to optional and mandatory redemption as specified in the Indenture.

### **Mandatory Tender and Purchase at Direction of Authority**

On each date on which this Bond is subject to redemption at the option of the Authority, this Bond is also subject to mandatory tender for purchase by the Authority, in whole or in part, at a purchase price equal to the amount that would be payable upon the redemption of this Bond at the option of the Authority on such date. Notice of such mandatory tender for purchase shall be given by mail not more than 60 days nor less than 20 days before the date of purchase (the “Optional Purchase Date”). Such notice may be conditional and if conditional notice is given and the Trustee does not have sufficient funds available on the Optional Purchase Date to pay the purchase price of the 2025 Series A Bonds (the “Optional Purchase Price”) subject to mandatory tender for purchase on such Optional Purchase Date, then such purchase shall be cancelled and the Authority shall be under no obligation to purchase this Bond. If moneys sufficient to pay the Optional Purchase Price of the 2025 Series A Bonds subject to mandatory tender for purchase are held by the Trustee on the Optional Purchase Date, all 2025 Series A Bonds subject to mandatory tender for purchase on such Optional Purchase Date shall be deemed purchased by the Authority and neither the former Owner or former Beneficial Owner of this Bond nor any other person shall have any claim thereunder, under the Indenture or otherwise, for any amount other than the Optional Purchase Price.

### **Amendments and Modifications**

The rights and obligations of the Authority and of the Holders and registered Owners of the 2025 Series A Bonds may be modified or amended at any time in the manner, to the extent, and upon the terms provided in the Indenture, which provides, in certain circumstances, for modifications and amendments without the consent of or notice to the registered Owners of Bonds.



## **Transfer and Exchange Provisions**

This Bond is transferable or exchangeable as provided in the Indenture, only upon the Bond Register at the Principal Office of the Trustee, by the registered Owner hereof in person, or by his or her duly authorized attorney, upon surrender of this Bond at the Principal Office of the Trustee, together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered Owner or his or her duly authorized attorney, and thereupon a new 2025 Series A Bond or Bonds of the same series, maturity and in the same aggregate principal amount, shall be issued to the transferee in exchange therefor as provided in the Indenture, upon payment of any charges therein prescribed.

## **Persons Deemed Owners**

The person in whose name this Bond is registered shall be deemed and regarded as the absolute Owner hereof for all purposes, including receiving payment of, or on account of, the principal, Purchase Price or Optional Purchase Price hereof and any redemption premium and interest due hereon.

It is hereby certified and recited that any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the incurring of the indebtedness evidenced by this Bond, and in the issuing of this Bond, exist, have happened and have been performed in due time, form and manner, as required by the Constitution and statutes of the State of California and the Act, and that this Bond, together with all other indebtedness of the Authority payable out of Revenue, is within every debt and other limit prescribed by the Constitution and statutes of the State of California and the Act.

This Bond shall not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication hereon endorsed shall have been manually signed by the Trustee.

IN WITNESS WHEREOF the Bay Area Toll Authority has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of its duly authorized representatives all as of the Issue Date set forth above.

BAY AREA TOLL AUTHORITY

By: \_\_\_\_\_  
Executive Director

Countersigned:

By: \_\_\_\_\_  
Chief Financial Officer

By: \_\_\_\_\_  
Secretary to the Governing Board

**[FORM OF CERTIFICATE OF AUTHENTICATION]**

This Bond is one of the 2025 Series A Bonds described in the within mentioned Indenture and was authenticated on the date set forth below.

Date of Authentication: \_\_\_\_\_

U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION,  
as Trustee

By: \_\_\_\_\_  
Authorized Officer

**[DTC LEGEND]**

Unless this Bond is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any Bond issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered Owner hereof, Cede & Co., has an interest herein.

**[FORM OF ASSIGNMENT]**

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

\_\_\_\_\_  
(Please Print or Type Name and Address of Assignee)

PLEASE INSERT SOCIAL SECURITY OR OTHER  
TAX IDENTIFICATION NUMBER OF ASSIGNEE

\_\_\_\_\_  
the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints

\_\_\_\_\_  
to transfer the within Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated:

Signature: \_\_\_\_\_

(Signature of Assignor)

Notice: The signature on this assignment must correspond with the name of the registered Owner as it appears upon the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

SIGNATURE GUARANTEED:

\_\_\_\_\_  
Notice: Signature must be guaranteed by an eligible guarantor firm.

**EXHIBIT B**

**NOTICE ADDRESSES**

**To the Authority:**

Bay Area Toll Authority  
375 Beale Street, Suite 800  
San Francisco, California 94105  
Attention: Chief Financial Officer  
Telephone No.: (415) 778-6730  
Facsimile No.: (415) 536-9815

**To the Trustee:**

U.S. Bank Trust Company, National Association  
One California Street, Suite 1000  
San Francisco, California 94111  
Attention: Global Corporate Trust  
Telephone No.: (415) 677-3699  
Facsimile No.: (415) 677-3768  
Email: serena.gutierrez@usbank.com

**To the Rating Agencies:**

[Standard & Poor's Ratings Services  
Attention: Surveillance  
55 Water Street, 38th Floor  
New York, New York 10041  
Telephone No.: 212-438-2000  
Facsimile No.: 212-438-2157  
Email: pubfin\_structured@spglobal.com

Moody's Investors Service  
Attention: MSPG Surveillance  
99 Church Street, 9<sup>th</sup> Floor  
New York, New York 10007

Fitch Ratings  
Attention: Surveillance  
One State Street Plaza  
New York, New York 10004

Kroll Bond Rating Agency, LLC  
[\_\_\_\_\_]]