

**EXHIBIT G**

**GENERAL REVENUE BOND RESOLUTION**

**FIRST SUPPLEMENTAL BOND RESOLUTION, 1997**

**SECOND SUPPLEMENTAL BOND RESOLUTION, 2002**



NEW YORK STATE BRIDGE AUTHORITY

GENERAL  
REVENUE BOND RESOLUTION

Adopted December 19, 1996

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**BRIDGE SYSTEM  
REVENUE BOND RESOLUTION**

BE IT RESOLVED by the members of the New York State Bridge Authority, as follows:

**ARTICLE I**

**DEFINITIONS, AUTHORITY AND INTERPRETATION**

Section 1.01. Definitions. In this Resolution unless a different meaning clearly appears from the context:

"Account" shall mean any of the accounts established in Section 5.02 hereof.

"Accreted Value" shall mean, as of any date of computation with respect to any Capital Appreciation Bond, an amount equal to the principal amount of such Bond plus the interest accrued on such Bond from the date of original issuance of such Bond to the Compounding Date for such Capital Appreciation Bond next preceding the date of computation or the date of computation if such date is a Compounding Date, such interest to accrue at the interest rate per annum of the Capital Appreciation Bonds set forth in the Supplemental Resolution authorizing such Bonds, compounded on each Compounding Date, plus, if such date of computation shall not be a Compounding Date, a portion of the difference between the Accreted Value as of the immediately preceding Compounding Date (or the date of original issuance if the date of computation is prior to the first Compounding Date) and the Accreted Value as of the immediately succeeding Compounding Date, calculated based upon an assumption that Accreted Value accrues during any semiannual period (or such other period established by the applicable Supplemental Resolution) in equal daily amounts on the basis of a year of twelve 30-day months.

"Accrued Aggregate Debt Service" shall mean, as of any date of calculation, an amount equal to the sum of the amounts of accrued Debt Service with respect to all Series, calculating the accrued Debt Service with respect to each Series as an amount equal to the sum of (i) interest on the Bonds of such Series accrued and unpaid and to accrue to the end of the then current calendar month, and (ii) Principal Installments due and unpaid and that portion of the Principal Installment for such Series next due which would accrue (if deemed to accrue in the manner set forth in the definition of Debt Service) to the end of such calendar month.

"Act" shall mean the New York State Bridge Authority Act, being Chapter 870 of the Laws of 1939 of the State, as amended, constituting title 2 of article 3 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of the State.

**"Additional Bond Requirement"** shall mean with respect to the authentication and delivery of one or more Series of Additional Bonds or Refunding Bonds an amount equal to the greater of (A) the sum of (i) the sum of the Estimated Aggregate Debt Service and the Subordinated Indebtedness Requirement for any particular Fiscal Year which results in the largest such sum for the current or any future Fiscal Year immediately after the authentication or delivery of such Series of Bonds and (ii) Required Deposits, exclusive of the Subordinated Indebtedness Requirement, for the 12-month period immediately prior to such authentication and delivery; or (B) 1.75 times the Maximum Annual Debt Service with respect to all Bonds Outstanding immediately after such authentication and delivery of the Additional Bonds or Refunding Bonds.

**"Additional Bonds"** shall mean the bonds of the Authority authorized, authenticated and delivered pursuant to Section 2.05.

**"Additional Project"** shall mean (i) the rehabilitation, reconstruction or replacement of or addition to any of the components of the Bridge System other than for the purpose of substantially expanding vehicle capacity of the Bridge System; (ii) the acquisition or construction of any new components of the Bridge System; (iii) the rehabilitation, reconstruction or replacement of any of the components of the Bridge System for the purpose of substantially expanding vehicle capacity of the Bridge System, including any highway connections to or with any of the Bridges, spans, approaches, structures or other components of the Bridge System designated by the Consulting Engineer as necessary or desirable to the continued efficient maintenance and operation of the Bridge System and designated by the Traffic Consultant as not materially adversely affecting the ability of the Authority to fix, charge and collect tolls for use of the Bridge System required by the Act and this Resolution. All Additional Projects shall be (1) located within the corridor bordered on the west by the New York State Thruway (Interstate Route 87) and on the east by the Taconic State Parkway and (2) immediately adjacent to an existing Bridge facility, except that the requirement stated in (2) of this paragraph may be waived by the Authority if the Traffic Consultant in a Professional Certificate determines that any Additional Project (a) is expected to be used in connection with an existing Bridge and (b) shall be likely to reduce annual operating expenses or improve annual Net Revenues of the Authority as a result of the completion of such Additional Project.

**"Aggregate Debt Service"** shall mean, for any period of twelve consecutive calendar months and as of any date of calculation, the sum of the amounts of Debt Service for such period with respect to all Series.

**"Appreciated Value"** shall mean, (i) as of any date of computation with respect to any Deferred Income Bond on or prior to the Current Interest Commencement Date, an amount equal to the principal amount of such Bond plus the interest accrued on such Bond from the date of original issuance of such Bond to the Compounding Date for such Deferred Income Bond next preceding the date of computation or the date of computation if such date is a Compounding Date, such interest to accrue at the interest rate per annum of the Deferred Income Bonds set forth in the Supplemental Resolution authorizing such Bonds, compounded on each

Compounding Date, plus, if such date of computation shall not be a Compounding Date, a portion of the difference between the Appreciated Value as of the immediately preceding Compounding Date (or the date of original issuance if the date of computation is prior to the first Compounding Date) and the Appreciated Value as of the immediately succeeding Compounding Date, calculated based upon an assumption that Appreciated Value accrues during any semiannual period (or such other period established by the applicable Supplemental Resolution) in equal daily amounts on the basis of a year of twelve 30-day months and (ii) as of any date of computation after the Current Interest Commencement Date, the Appreciated Value (determined as set forth in clause (i) above) on the Current Interest Commencement Date.

"Arbitrage and Use of Proceeds Certificate" means, with respect to any Series of Bonds, the interest on which is intended by the Authority to be excluded from gross income for federal income tax purposes, a certificate or certificates executed by an Authorized Officer in connection with the initial issuance and delivery of the Bonds of such Series and containing representations, warranties and covenants of the Authority relating to the federal tax status of such Series of Bonds, as such certificate or certificates may be amended and supplemented from time to time.

"Authenticating Agent" shall mean, in respect of a particular Series, the agent so described in and appointed pursuant to this Resolution or the Supplemental Resolution for such Series.

"Authority" shall mean the New York State Bridge Authority, a body corporate and politic and existing under and pursuant to the Act.

"Authorized Newspapers" shall mean "The Bond Buyer" or such other newspaper or financial journal of general circulation in the Borough of Manhattan, City and State of New York which is customarily published at least once a day for at least five days (other than legal holidays) in each calendar week, printed in the English language containing financial news.

"Authorized Officer" shall mean, in the case of the Authority, the chairperson, vice chairperson, secretary, treasurer or executive director of the Authority, and when used with reference to an act or document, also means any other person authorized by resolution of the Authority to perform such act or sign such document, and, in the case of the Trustee, means the president, any vice president or trust officer of the Trustee.

"Available Revenues" shall mean all Revenues and, simultaneously with the first authentication and delivery of the initial Series of Bonds, any amounts transferred by the Prior Trustee into the Funds and Accounts established under this Resolution as required by the Related Supplemental Resolution.

"Bond" or "Bonds" shall mean any of the bonds, notes or other evidences of indebtedness, as the case may be, of the Authority authenticated and delivered under and

pursuant to this Resolution and a Supplemental Resolution and shall also mean any Parity Reimbursement Obligation, but shall not mean Subordinated Indebtedness.

"Bond Buyer Index Rate" shall mean the yield to maturity of the "Bond Buyer Municipal Bond Index" of 30-year long-term tax exempt revenue bonds published in "The Bond Buyer". If the Bond Buyer Municipal Bond Index shall cease to be published or shall cease to be a measure of long-term tax exempt revenue bond prices and yields, then "Bond Buyer Index Rate" shall mean such replacement index or measure of long-term tax exempt interest rates as shall be selected by an Authorized Officer of the Authority, in a certificate filed with the Trustee and the Consulting Engineer.

"Bond Counsel Opinion" or "Opinion of Bond Counsel" shall mean an opinion signed by an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal bonds selected by the Authority and acceptable to the Trustee.

"Bondholder", "Holder", "holder", "Owner", "owner" or any similar term when used with reference to a Bond or Bonds, shall mean the registered owner of any Outstanding Bond or Bonds.

"Bond Register" shall mean the bond register in which the Authority shall provide for the registration of the Bonds and for the registration of transfers of such Bonds as specified in Article III hereof.

"Bond Registrar" shall mean the Trustee or any other bank or trust company organized under the laws of any state of the United States of America or national banking association appointed by the Authority to perform the duties of Bond Registrar enumerated in Article III hereof.

"Bridges" or "bridges" shall have the meaning ascribed to such term, from time to time, in the Act.

"Bridge System" shall mean the Bridges and any and all incidental spans, approaches, structures, facilities, and other components including highway connections to or with any of the Bridges or approaches determined to be necessary or desirable from time to time to operate and maintain the Bridges pursuant to the Act.

"Capital Appreciation Bonds" shall mean any Bonds issued under this Resolution as to which interest is (i) compounded on each Compounding Date and (ii) payable only at the maturity, earlier redemption or other payment of such Bonds pursuant to this Resolution or the Supplemental Resolution authorizing such Bonds.

"Certificate of Determination" means a certificate of an Authorized Officer of the Authority fixing terms, conditions and other details of Bonds in accordance with the delegation of power to do so under a Supplemental Resolution.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the regulations of the Department of the Treasury promulgated thereunder, as well as the applicable regulations promulgated under the Internal Revenue Code of 1954, as amended.

"Compounding Date" shall mean, with respect to any Capital Appreciation Bond or Deferred Income Bond, each date specified in the Supplemental Resolution authorizing such Bond on which interest on such Bond is to be compounded.

"Construction Fund" shall mean the fund so designated which is created and established by Section 5.02.

"Consulting Engineer" shall mean any independent civil and structural engineers of nationally recognized standing or firms of independent civil and structural engineers of nationally recognized standing selected by the Authority and having a favorable reputation for skill and experience in engineering matters relating to bridge facilities of comparable size and character as the Bridge System.

"Costs" shall mean with respect to the Project or any Additional Project, all costs incurred in providing the payment for and financing of all or a portion of the planning, acquisition, construction, extraordinary maintenance, improvement, enlargement, repair and operation of any of the components of the Bridge System, including, but not limited to, funds for:

- (1) the cost of construction or reconstruction, the cost of acquisition of all land, rights-of-way, property, rights, easements and interests acquired by the Authority for construction or reconstruction, the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved, the cost of relocating or reconstructing highways, highway interchanges, access roads to private property, including the cost of land or easements therefor, the amount of any final award or judgment in, or any settlement or compromise of, any proceeding to acquire lands, rights-of-way, easements or other interests, the payment of damages caused by construction in the manner provided by law;

- (2) the cost of any indemnity and surety bonds and premiums on insurance during construction, the costs and expenses, including discounts to the underwriters and other purchasers thereof, if any, incurred in the issuance and sale of bonds or notes, bond insurance premium, letter of credit fees, or costs of other Credit Facilities or Liquidity Facilities, administrative expenses, legal fees, cost of audits, the cost of all machinery and equipment, initial inventories, fees and expenses of the Fiduciaries and costs of keeping accounts and making reports required by this Resolution or any Supplemental Resolution;

- (3) the cost of traffic estimates and of engineering, financial and legal services, environmental studies, plans, specifications, surveys, estimates of costs and

revenues, and other expenses necessary or incident to determining the feasibility or practicability of constructing the Project or such Additional Project;

(4) the deposit or deposits if any, required by the Resolution or any Supplemental Resolution to be paid into the various Funds and Accounts and payments when due (whether at the maturity of principal or the due date of interest or upon redemption) on any indebtedness of the Authority (other than Bonds), including Subordinated Indebtedness, incurred for the Project or any Additional Project;

(5) interest accruing in whole or in part on Bonds prior to and during construction and for such additional period as the Authority may reasonably determine to be necessary in accordance with the provisions of the Resolution or any Supplemental Resolution;

all to the extent applicable to the Project or such Additional Project and payable by the Authority, and such other expenses payable by the Authority not specified herein as may be necessary or incidental to the construction, reconstruction or financing of such Project or Additional Project and the placing of such Project or Additional Project in operation.

"Counsel's Opinion" or "Opinion of Counsel" shall mean an opinion signed by an attorney or firm of attorneys of recognized standing who may be counsel to the Authority.

"Credit Facility" shall mean a letter of credit, revolving credit agreement, standby purchase agreement, surety bond, insurance policy or similar obligation, arrangement or instrument issued by a bank, insurance company or other financial institution which has been rated not lower than the second highest rating category by Moody's Investors Service and Standard & Poor's and which provides for payment of all or a portion of the Principal Installments or interest due on any Series of Bonds or Subordinated Indebtedness or provides funds for the purchase of such Bonds or Subordinated Indebtedness or portions thereof.

"Current Interest Commencement Date" shall mean, with respect to any particular Deferred Income Bonds, the date specified in the Supplemental Resolution authorizing such Bonds after which interest accruing on such Bonds shall be payable on dates specified in such Supplemental Resolution.

"Debt" shall mean Bonds or Subordinated Indebtedness.

"Debt Service" for any period shall mean, as of any date of calculation and with respect to any Series of Bonds, an amount equal to the sum of (i) interest accruing during such period on Bonds of such Series, except to the extent that such interest is to be paid from deposits in the Debt Service Fund made from the proceeds of Debt (including amounts, if any, transferred thereto from the Construction Fund) and (ii) that portion of each Principal Installment of such Series which would accrue during such period if such Principal Installment were deemed to accrue daily in equal amounts from the next preceding Principal Installment due date for such

Series (or, if (x) there shall be no such preceding Principal Installment or (y) such preceding Principal Installment due date is more than one year prior to the due date of such Principal Installment, then, from a date one year preceding the due date of such Principal Installment or from the date of issuance of the Bonds of such Series, whichever date is later). Such interest and Principal Installments for such Series shall be calculated (x) on the assumption that no Bonds of such Series Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment of each Principal Installment on the due date thereof, and (y) with respect to Variable Rate Bonds, on the basis set forth in the Supplemental Resolution for such Bonds.

"Debt Service Fund" shall mean the fund so designated which is created and established by Section 5.02.

"Debt Service Reserve Fund" shall mean the fund so designated which is created and established by Section 5.02.

"Debt Service Reserve Requirement" shall mean, as of any date of calculation, an amount (which may be in the form of Investment Securities or Financial Guarantees) equal to (A) the maximum amount of principal and interest due to be paid on Bonds then Outstanding in the then current or any future Fiscal Year to which the calculation relates, excluding interest to be paid from deposits in the Debt Service Fund made from the proceeds of Debt (including amounts, if any, transferred thereto from the Construction Fund) or (B) such lesser amount as shall be determined in an Opinion of Bond Counsel delivered to the Trustee to be the maximum amount from proceeds of Bonds that may be deposited in the Debt Service Reserve Fund without causing interest on the Bonds to become includable in the gross income of the owners thereof under the Code; provided, however, that if at any time the Authority at its option shall have established one or more Reserve Deposits in connection with the issuance of any Series of Bonds, the Debt Service Reserve Requirement as of any date of calculation shall be reduced by an amount equal to the sum of all Reserve Deposits not due and payable in such current or future Fiscal Year to which the calculation relates.

"Defeasance Obligations" shall mean (i) any direct and general obligations of, or any obligations guaranteed as to timely payment by, the United States of America, (ii) any obligations of any state of the United States of America or political subdivision of such State (collectively "Municipal Bonds") which Municipal Bonds are (a) fully secured as to principal and interest by an irrevocable pledge of moneys or direct and general obligations of, or obligations guaranteed by, the United States of America, which moneys or obligations are segregated in trust and pledged for the benefit of the holders of the Municipal Bonds, or (b) rated in the highest rating category by Moody's Investors Service and Standard & Poor's, or their successors, (iii) certificates or other instruments that evidence the ownership, the right to payments of the principal of or interest on direct and general obligations of, or obligations guaranteed by, the United States of America, which obligations are held in trust by a commercial bank which is a member of the Federal Reserve System and (iv) United States Treasury Certificates of Indebtedness Notes and Bonds, State and Local Government Series. No such Defeasance Obligations may be subject to redemption prior to maturity other than at the option of the holder

thereof, except for Municipal Bonds under (ii) above, which may be subject to redemption prior to maturity provided that irrevocable instructions have been given to the trustee for such securities as to redemption or maturity date and, provided further, that if such securities are outstanding to maturity date, no sinking or retirement fund will act to redeem any portion of such securities prior to maturity.

**"Deferred Income Bonds"** shall mean any Bonds issued under this Resolution as to which interest accruing prior to the Current Interest Commencement Date is (i) compounded on each Compounding Date and (ii) payable only at the maturity, earlier redemption or other payment of such Bonds pursuant to this Resolution or the Supplemental Resolution authorizing such Bonds.

**"Depository"** shall mean any commercial bank, national banking association or trust company selected by the Authority and appointed in accordance with Section 9.03 hereof as a depository of moneys and Investment Securities held under the provisions of the Resolution.

**"Estimated Aggregate Debt Service"** shall mean for any Fiscal Year and as of any date of calculation, the sum of the amounts of Debt Service for such year with respect to all Series of Bonds then Outstanding; provided, however, that in computing such Estimated Aggregate Debt Service, any Variable Rate Bonds shall be deemed to bear at all times, to the maturity date thereof, the Maximum Interest Rate applicable thereto.

**"Estimated Average Interest Rate"** shall mean with respect to any Variable Rate Bonds the interest rate borne by Bonds of like maturity and equal credit rating, as estimated by the Authority on the date of authorization of such Bonds.

**"Estimated Net Revenue Requirement"** shall mean with respect to any period of time an amount equal to the greater of (i) the sum of the Estimated Aggregate Debt Service and the Required Deposits for such period, or (ii) 1.75 times the Estimated Aggregate Debt Service for such period.

**"Event of Default"** shall mean any event so designated and specified in Section 8.01.

**"Fiduciary"** or **"Fiduciaries"** shall mean the Trustee, any Depository, the Bond Registrar, any Authenticating Agent and any Paying Agent, or any or all of them as may be appropriate.

**"Financial Guarantee"** or **"Financial Guarantees"** shall mean any or all of a surety bond, an insurance policy, a letter of credit or other form of guarantee for the benefit of the holders of Bonds meeting the requirements established by Section 2.05 of this Resolution.

**"Fiscal Year"** shall mean the calendar year or such other period of twelve calendar months designated by the Authority as its fiscal year.

**"Fund"** shall mean any of the funds established pursuant to Section 5.02.

**"General Fund"** shall mean the fund so designated which is created and established by Section 5.02.

**"Independent Accountant"** shall mean any firm of certified public accountants of nationally recognized standing whom the Authority by resolution may select and is acceptable to the Trustee and who may be the accountant or firm of accountants who regularly audit the books of the Authority.

**"Insurance Account"** shall mean the account so designated which is created and established by Section 5.02.

**"Insurance Fund"** shall mean the fund so designated which is created and established by Section 5.02.

**"Investment Securities"** shall mean and include any of the following securities, if and to the extent the same (i) are at the time legal investments by the Authority of the funds to be invested therein and (ii) conform to the policies set forth in any investment guidelines adopted by the Authority and in effect at the time of the making of such investment:

(i) any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America, including obligations of any of the Federal agencies set forth in clause (iii) below to the extent unconditionally guaranteed by the United States of America and any certificates, receipts or any other evidences of an ownership interest in obligations or in specified portions thereof (which may consist of specified portions of the interest thereon) of the character described in this clause (i);

(ii) any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state (a) which are (x) not callable prior to maturity or (y) as to which irrevocable instructions have been given to the trustee of such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified in such instructions, (b) which are secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or bonds or other obligations of the character described in clause (i) hereof which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (c) as to which the principal of and interest on the bonds and obligations of the character described in clause (i) hereof which have been deposited in such fund along with any cash on deposit in such fund are sufficient to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this clause (ii) on the

maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in subclause (a) of this clause (ii), as appropriate, and any certificates or any other evidences of an ownership interest in obligations or specified portions thereof (which may consist of specified portions of the interest thereon) of the character described in this clause (ii);

(iii) bonds, debentures, or other evidences of indebtedness issued or guaranteed by any agency or corporation which has been or may hereafter be created pursuant to an Act of Congress as an agency or instrumentality of the United States of America;

(iv) New Housing Authority Bonds issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States of America; or Project Notes issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America;

(v) obligations of any state of the United States of America, or of any agency, instrumentality or local governmental unit of any such state, provided, that at the time of their purchase under the Resolution, such obligations are rated by Moody's Investors Service and Standard & Poor's (or, if either such firm shall no longer perform the functions of a securities rating organization, such other nationally recognized securities rating organization that the Authority shall designate by notice to the Trustee) (A) if the period from the issuance of any such obligation to its maturity is greater than 365 days, in either of the two highest long-term rating categories of such rating agencies, or (B) if the period from the issuance of any such obligation to its maturity is less than or equal to 365 days, in either of the two highest short-term rating categories of such rating agencies;

(vi) certificates of deposit, whether negotiable or nonnegotiable, issued by any bank or trust company organized under the laws of any state of the United States or any national banking association which is a member of the Federal Deposit Insurance Corporation (including any Trustee or Co-Trustee) and savings and loan associations which are members of the Federal Savings and Loan Insurance Corporation, provided that the aggregate principal amount of all certificates of deposit issued by any such bank, trust company, national banking association or savings and loan association which are purchased with moneys held in any Fund under this Resolution shall not exceed at the time of purchase 10% of the total of the capital, surplus and undivided earnings of such bank, trust company, national banking association or savings and loan association unless such certificates of deposit are (1) fully insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation or (2) secured, to the extent not insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation by such securities as are described in clauses

(i) through (v), inclusive, above having a market value (exclusive of accrued interest, other than accrued interest paid in connection with the purchase of such securities) at least equal to the principal amount of such certificates of deposit (or portion thereof not insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation) which shall be lodged with the Trustee or a Depository, as custodian, by such bank, trust company, national banking association or savings and loan association, and such bank, trust company, national banking association or savings and loan association shall furnish the Trustee with an undertaking satisfactory to it that the aggregate market value of all such obligations securing such certificates of deposit will at all times be an amount which meets the requirements of this clause (2) and the Trustee shall be entitled to rely on each such undertaking;

(vii) bonds, notes, debentures or other evidences of indebtedness issued or guaranteed by any corporation which are, at the time of purchase, rated by Moody's Investors Service and Standard & Poor's (or, if either such firm shall no longer perform the functions of a securities rating organization, such other nationally recognized securities rating organization that the Authority shall designate by notice to the Trustee) in its highest rating category and by the other rating agency in either of its two highest rating categories, for comparable types of debt obligations;

(viii) interests in a portfolio of debt instruments containing obligations described in any of the foregoing clauses in the definition of Investment Securities; and

(ix) common trust funds established under State law for facilitating investments of public entities in the State.

Obligations of the Trustee or an affiliate thereof may be Investment Securities, provided that they otherwise qualify.

"Licensed Professional Engineer" shall mean a person licensed to practice engineering by the Department of Education of the State of New York.

"Liquidity Facility" shall mean any letter of credit, surety bond, loan agreement or other credit arrangement provided by a financial institution or insurance company or association which has been rated not lower than the second highest rating category by Moody's Investors Service and Standard & Poor's, and which is payable on demand in the event the terms under which such Liquidity Facility require payment thereunder.

"Maintenance Reserve Fund" shall mean the fund so designated which is created and established by Section 5.02.

"Maintenance Reserve Payments" shall mean such amounts required to be paid pursuant to Section 7.12.

**"Maximum Annual Debt Service"** shall mean the maximum amount of Estimated Aggregate Debt Service for the then current or any Fiscal Year.

**"Maximum Interest Rate"** shall mean with respect to any Series of Variable Rate Bonds, a numerical rate of interest, which shall be set forth in the Supplemental Resolution authorizing such Series of Bonds, that shall be the maximum rate of interest such Bonds may at any time bear, provided, however, that should the Authority obtain insurance or other coverage which provides that any increase in the variable interest rate above a threshold rate will be reimbursed or paid by the insurer, such threshold rate will be deemed to be the Maximum Interest Rate. The insurer providing such insurance policy shall be an insurer whose claims paying ability is rated in the highest rating category by Standard & Poor's and Moody's Investors Service, or their successors.

**"Minimum Interest Rate"** shall mean, with respect to any Variable Rate Bond, a numerical rate of interest which may (but need not) be set forth in the Supplemental Resolution authorizing such Bond, that shall be the minimum rate of interest such Bond may at any time bear.

**"Net Revenue Requirement"** shall mean, with respect to any period of time, an amount equal to the greater of (i) the sum of the Aggregate Debt Service and the Required Deposits for such period, or (ii) 1.75 times the Aggregate Debt Service for such period.

**"Net Revenues"** shall mean the Available Revenues during such period less all Operating Expenses for such period.

**"Operating Expenses"** shall mean the Authority's expenses for operation and maintenance (including reserves therefor) of the Bridge System and shall include administrative expenses, planning expenses, environmental compliance expenses, accounting and auditing expenses, insurance premiums, legal and engineering expenses, any payments to pension, retirement, group life insurance, health and hospitalization funds or other employee benefit funds, equipment lease rental payments and any other current expenses or obligations required to be paid by the Authority under the provisions of the Resolution or by law to the extent properly and directly attributable to the operation of the Bridge System and the expenses, liabilities and compensation of the Fiduciaries required to be paid under the Resolution, all to the extent properly attributable to the Bridge System including payment of taxes or other governmental charges required by law. Any Operating Expenses shall not include any allowance for depreciation on the Bridge System or the Authority's buildings and equipment or any principal payments on the Bonds or any other debt obligation of the Authority or reserves for replacements.

**"Operating Fund"** shall mean the fund so designated and established in Section 5.02.

**"Option Bond"** shall mean any Bond which by its terms may be tendered by and at the option of the holder thereof for purchase or payment prior to the stated maturity thereof, or the maturities of which may be extended by and at the option of the holder thereof. Option Bonds may (but need not) be Variable Rate Bonds.

**"Outstanding"** shall mean (a) when used with reference to subordinated Indebtedness, "Outstanding" as such term is defined in the resolution, indenture or other instrument of the Authority authorizing the issuance of such Subordinated Indebtedness or not otherwise paid or deemed to be paid in accordance with the terms of such Subordinated Indebtedness; and (b) when used with reference to Bonds (or a Series of Bonds), as of any date, all Bonds (or all Bonds of such Series), theretofore or thereupon being authenticated and delivered under the Resolution; except:

- (1) Any Bonds, cancelled by the Trustee, at or prior to such date;
- (2) Bonds (or portions of Bonds), for the payment or redemption of which moneys, equal to the principal amount or Redemption Price thereof, as the case may be, with accrued interest to the date of maturity or redemption date, shall be held in trust under the Resolution and set aside for such payment or redemption (whether at or prior to the maturity or redemption date); provided that if such Bonds (or portions of Bonds) are to be redeemed, notice of such redemption shall have been given as in Article IV provided or provision satisfactory to the Trustee shall have been made for the giving of such notice;
- (3) Bonds, in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to Sections 3.04, 3.06, 3.07, 3.08, 3.09, 4.06 or 11.06 hereof;
- (4) Bonds deemed to have been paid as provided in subsection (b) of Section 13.01 hereof; and
- (5) Option Bonds deemed tendered in accordance with the provisions of the Supplemental Resolution authorizing such Bonds on the applicable adjustment or conversion date, if interest thereon shall have been paid through such applicable date and the purchase price thereof shall have been paid or amounts are available for such payment as provided in such Supplemental Resolution.

**"Parity Reimbursement Obligation"** shall mean a Reimbursement obligation the payment of which is secured on a parity with the lien created by Section 5.01.

**"Paying Agent"** shall mean, in respect of a particular Series of Bonds, any bank, national banking association or trust company designated by the Authority to pay the principal of, premium, if any, or interest on such Bonds, and any successor or successors appointed under the Resolution.

**"Principal Installment"** shall mean, as of any date of calculation and with respect to any Series, so long as any Bonds thereof are Outstanding, (i) the principal amount of Bonds (including (x) the principal amount of any Option Bonds which may be tendered to the Authority for purchase or payment prior to the stated maturity thereof in accordance with the terms of the Supplemental Resolution authorizing such Option Bonds, unless such amount is secured by a Credit Facility which is not in default and (y) the principal amount of any Parity Reimbursement Obligation) of such Series due (or which may be so tendered for purchase or payment) on a certain future date for which no Sinking Fund Installments have been established, or (ii) the unsatisfied balance (determined as provided in Section 5.04) of any Sinking Fund Installments due on a certain future date for Bonds of such Series, plus the amount of the sinking fund redemption premiums, if any, which would be applicable upon redemption of such Bonds on such future date in a principal amount equal to said unsatisfied balance of such Sinking Fund Installments, or (iii) if such future dates coincide as to different Bonds of such Series, the sum of such principal amount of Bonds and of such unsatisfied balance of Sinking Fund Installments due on such future date plus such applicable redemption premiums, if any.

**"Prior Bonds"** shall mean the outstanding bonds of the Authority issued under the Prior Resolution.

**"Prior Resolution"** shall mean the Bridge System Revenue Bond Resolution, adopted by the Authority on January 18, 1989, as amended and supplemented.

**"Prior Trustee"** shall mean the banking organization serving as "Trustee" under the Prior Resolution.

**"Professional Certificate"** shall mean either a certificate signed by the Consulting Engineer, a Licensed Professional Engineer or the Traffic Consultant, as the context may indicate.

**"Project"** shall mean those individual construction, reconstruction and rehabilitation projects which are to be financed by the proceeds of the sale of the first Series of Bonds issued pursuant to the Resolution and identified as such in the related Supplemental Resolution.

**"Purchase Contract"** shall mean for any Series of Bonds, the particular purchase contract by and between the Authority and the representatives of the municipal securities dealers named therein, relating to each Series of Bonds.

**"Rebate Fund"** shall mean the fund so designated which is created and established by Section 5.02.

**"Record Date"** shall mean, with respect to a particular Series of Bonds, the fifteenth (15th) day of the calendar month (whether or not a business day), if the interest payment date for such Series is the first day of the month, or the first (1st) day of the calendar

month (whether or not a business day), if the interest payment date for such Series is the fifteenth day of the month, next preceding each interest payment date for such Series, unless otherwise provided by the Supplemental Resolution authorizing such Series.

**"Redemption Price"** shall mean, with respect to any Bond, the principal amount thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or the Resolution and, unless the context indicates to the contrary, includes the Sinking Fund Redemption Price.

**"Refunding Bonds"** shall mean the Bonds authorized, authenticated and delivered pursuant to Section 2.06 hereof.

**"Reimbursement Obligation"** shall mean the obligation of the Authority described in Section 2.08(d) to directly reimburse the issuer of a Credit Facility for amounts paid by such issuer thereunder, whether or not such obligation to so reimburse is evidenced by a promissory note or other similar instrument.

**"Required Deposits"** shall mean, for any period, amounts of Net Revenues payable into the Debt Service Reserve Fund, the Subordinated Indebtedness Fund, and the Insurance Fund, in accordance with this Resolution.

**"Reserve Deposit"**, in respect of any Series of Bonds, shall mean an amount which shall be deposited monthly into the Debt Service Reserve Fund for such Series of Bonds equal to the product of a fraction, the numerator of which shall be one and the denominator of which shall equal the number of months (which shall be not greater than twelve (12) months), designated by the Authority in the Supplemental Resolution authorizing the issuance of each Series of Bonds, in which the Reserve Deposit for such Series of Bonds is to be paid, times the excess of the Debt Service Reserve Requirement on such date on all Bonds Outstanding including such Series of Bonds, over the Debt Service Reserve Requirement on all Bonds Outstanding excluding such Series of Bonds, such excess to be reduced by (i) the amount, if any, by which the amount on deposit in the Debt Service Reserve Fund on the date of issuance of such Series of Bonds exceeds the Debt Service Reserve Requirement on all Bonds Outstanding excluding such Series of Bonds being issued, and (ii) the amount of proceeds of the Series of Bonds being issued or other funds, if any, deposited in the Debt Service Reserve Fund on the date of issuance of the Series of Bonds being issued; provided, however, that the Reserve Deposit may be reduced whenever any additional deposit allocable to the Reserve Deposits for such Series is made into the Debt Service Reserve Fund.

**"Resolution"** shall mean this General Revenue Bond Resolution as from time to time amended and supplemented.

**"Revenue Fund"** shall mean the fund so designated and established in Section 5.02.

**"Revenues"** shall mean (i) all tolls, revenues, rates, fees, charges, rents and other income and receipts, in each case derived by or for the account of the Authority from the operation of the Bridge System or from the ownership or the holding of certain properties constituting a part of the Bridge System, (ii) proceeds of any insurance covering business interruption loss relating to the Bridge System, (iii) proceeds of the investment of any and all of the foregoing and (iv) the investment proceeds of any and all amounts in Funds and Accounts held by the Trustee, other than the Subordinated Indebtedness Fund and the Rebate Fund, pursuant to the Resolution. Revenues shall include the proceeds of any gifts, grants or other income to the Authority from the government of the United States, the State or any public instrumentality of the State or any other individual or entity, to the extent (i) the Authority is not precluded by law, the grant or other operative contract or instrument from pledging or applying such amounts as Revenues, (ii) such amounts have been realized by the Authority or are reasonably expected by the Authority to be realized in the amounts and at the times taken into account pursuant to law or a legal obligation of the other party and (iii) are not subject to appropriation by the Congress of the United States, the Legislature of the State or any other legislative body of a governmental entity.

**"Secretary"** shall mean and include the secretary and any assistant secretary of the Authority.

**"Securities Depository"** shall mean The Depository Trust Company (Municipal Calls Department); Midwest Securities Trust Company (Capital Structures - Call Notification Department); Pacific Securities Depository Trust Company; Philadelphia Depository Trust Company (Reorganization Department); and any other similar or successor securities depository registered under the Securities Exchange Act of 1934.

**"Serial Bonds"** shall mean Bonds of a Series which mature in successive annual installments.

**"Series"** shall mean all Bonds authenticated and delivered on original issuance and identified pursuant to the Supplemental Resolution authorizing such Bonds as a separate Series of Bonds or any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds hereunder, regardless of variations in maturity, interest rate, Sinking Fund Installments or other provisions.

**"Sinking Fund Installment"** shall mean each amount so designated which is established pursuant to a Supplemental Resolution.

**"Sinking Fund Redemption Price"** shall mean, with respect to any Bond, the principal amount thereof, plus the applicable premiums, if any, payable, upon the redemption thereof from moneys accumulated in the Debt Service Fund by reason of the payment of Sinking Fund Installments.

**"State"** shall mean the State of New York.

**"Subordinated Indebtedness"** shall mean any bonds, notes or other evidences of indebtedness of the Authority issued pursuant to and complying with the provisions of Section 5.08 hereof.

**"Subordinated Indebtedness Fund"** shall mean the Fund so designated and established in Section 5.02 hereof.

**"Subordinated Indebtedness Requirement"** shall mean with respect to any period of time, the amount required to be deposited into the Subordinated Indebtedness Fund pursuant to the resolutions, indentures or other instruments of the Authority adopted by the Authority in accordance with Section 5.09 hereof and providing for all payments with respect to Subordinated Indebtedness.

**"Substantially Equal Debt Service"** shall mean, with respect to any period of years for any Subordinated Indebtedness, that the greatest Debt Service for any Fiscal Year in such period is not in excess of one hundred and ten percent of the smallest Debt Service for any year in such period.

**"Supplemental Resolution"** shall mean any resolution of the Authority adopted pursuant to Article X.

**"Traffic Consultant"** shall mean such independent traffic consultant or firm of independent traffic consultants of recognized standing selected by the Authority and appointed pursuant to a resolution of the Authority and having a favorable reputation for skill and experience in traffic engineering or consulting matters relating to bridge facilities of comparable size and character as the Bridge System.

**"Trustee"** shall mean United States Trust Company of New York and its successor or successors and any other corporation which may at any time be substituted in its place pursuant to the Resolution.

**"Underwriters"** shall mean the municipal securities dealers named in the Purchase Contract.

**"Variable Rate Bonds"** shall mean any Bond not bearing interest throughout its term at a specified rate or specified rates determined at the time of issuance of the series of instruments of which it is one. Variable Rate Bonds may (but need not) be Option Bonds.

Section 1.02. Authority for the Resolution. This General Revenue Bond Resolution is adopted pursuant to the provisions of the Act and of the Prior Resolution.

Section 1.03. Interpretation. (a) Articles and Sections mentioned by number only herein are the respective Articles and Sections of the Resolution so numbered;

(b) As used in the Resolution, the terms "herein", "hereunder", "hereby", "hereto", "hereof", and any similar terms refer to the Resolution; the term "heretofore" shall mean before the time of adoption of the Resolution; and the term "hereafter" shall mean after the time of adoption of the Resolution;

(c) As used in the Resolution, words importing persons include firms, associations and corporations, and words importing the singular include the plural and vice versa;

(d) This Resolution may be cited, or otherwise referred to as the "General Revenue Bond Resolution"; and

(e) Whenever, in the Resolution, the Authority is named or referred to, it shall and shall be deemed to include its Successors and assigns whether so expressed or not. All of the Covenants' stipulations, obligations and agreements by or on behalf of, and other provisions for the benefit of, the Authority contained in the Resolution shall bind and inure to the benefit of such successors and assigns and shall bind and inure to the benefit of any officer, board, commission, authority, agent or instrumentality to whom or to which there shall be transferred by or in accordance with law, or who or which is empowered to exercise or perform, any right, power or duty of the Authority, or of its successors or assigns, the possession of which is necessary or appropriate in order to comply with or perform any of the covenants, stipulations, obligations, agreements or other provisions of the Resolution or to comply with or fulfill any conditions set forth in the Resolution.

Section 1.04. Resolution to Constitute Contract. In consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued hereunder by those who shall hold the same from time to time, the Resolution shall be deemed to be and shall constitute a contract between the Authority and the holders from time to time of the Bonds; and the pledge made in the Resolution and the covenants and agreements therein set forth to be performed on behalf of the Authority shall be for the equal benefit, protection and security of the holders of any and all of the Bonds, all of which, regardless of the time or times of their authentication and delivery or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or permitted by the Resolution.

## ARTICLE II

### AUTHORIZATION AND ISSUANCE OF BONDS

Section 2.01. Authorization of Bonds. (a) This Resolution creates an issue of Bonds of the Authority to be designated as "General Revenue Bonds" which may be issued in one or more Series as hereinafter provided and creates a continuing pledge and lien to secure the full and final payment of the Principal Installments or Redemption Price of and interest on the Bonds. The Bonds shall be direct and general obligations of the Authority, and the full faith and credit of the Authority are hereby pledged for the payment of the Principal Installments, Redemption Price and interest on the Bonds. The aggregate principal amount of the Bonds which may be executed, authenticated and delivered under the Resolution is not limited except as provided in the Resolution or as limited by the Act.

(b) The Bonds may be issued in one or more Series, with such further appropriate particular designations added to or incorporated in such title for the Bonds of any particular Series, as the Authority may determine and as may be necessary to distinguish such Bonds from the Bonds of any other Series. Each Bond shall bear upon its face the designation so determined for the Series to which it belongs.

(c) The issuance of Bonds of a Series shall be authorized pursuant to a Supplemental Resolution adopted pursuant to Article X hereof. Each Supplemental Resolution shall, to the extent then permitted by the Act and subject to the express limitations of the Resolution, specify the following items or delegate the determination of such items to an Authorized Officer (which determination shall be set forth in a Certificate of Determination delivered on or prior to the date of delivery of such Series of Bonds):

(i) the authorized principal amount and Series designation of such Series and the Credit Facility, if any, related thereto;

(ii) the purpose or purposes for which such Series is being issued, which shall be the purpose or purposes specified in Section 2.05 or Section 2.06;

(iii) the date, maturity dates and amounts of each maturity, the Sinking Fund Installment payment dates, if any, the amount of each Sinking Fund Installment, if applicable, and the first and all subsequent interest payment dates of the Bonds of such Series or the manner of determining the same;

(iv) if such Bonds are interest bearing bonds, the interest rate or rates of the Bonds of such Series or the manner of determining such rate or rates and the interest payment dates therefor, and in the case of Variable Rate Bonds, the limitation, if any, on the numerical rate or rates of interest which such Bonds may bear at any time and the assumptions to be used in the calculation of, or the method of calculating, interest on such Bonds for purposes of the definition of Debt Service herein;

(v) minimum denomination or the manner of dating, numbering and lettering the Bonds of such Series, provided, that all such Bonds shall be in denominations equal to the minimum denomination or any multiple thereof, as authorized by such Supplemental Resolution and provided further that Capital Appreciation Bonds and Deferred Income Bonds shall be denominated in terms of the minimum amount due at maturity thereof or any multiple thereof, as authorized by such Supplemental Resolution;

(vi) the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, of the Bonds of such Series and the place or places of payment of the principal or Redemption Price, if any, of and interest on the Bonds of such Series;

(vii) direction for the application and disbursement of the proceeds of the Bonds of such Series;

(viii) provisions for the sale of the Bonds of such Series;

(ix) a description of the Additional Project, if any, to be financed by the Bonds of such Series;

(x) the forms of the Bonds of such Series and the form of the Trustee's certificate of authentication;

(xi) with regard to Option Bonds, provisions regarding tender and payment thereof and authorization of the Credit Facility, if any, related thereto;

(xii) with regard to Capital Appreciation Bonds or Deferred Income Bonds, the Compounding Date for such Bonds;

(xiii) the amount (or the method of determining the amount), if any, to be deposited from the proceeds of such Series of Bonds in the Debt Service Fund;

(xiv) the amount, if any, to be deposited in the Debt Service Reserve Fund, and, if the Authority desires to establish a Reserve Deposit in respect of such Series of Bonds, the number of months over which such Reserve Deposit shall be paid and the amount of such Reserve Deposit;

(xv) the amount, if any, to be deposited from the proceeds of such Series of Bonds in the Insurance Fund, the Maintenance Reserve Fund and the General Fund and any other Funds or Accounts established by this Resolution or by the Supplemental Resolution for such Series; and

(xvi) any other provisions deemed advisable by the Authority, in addition to, in lieu of or in substitution for the provisions of this Resolution, which may include

variations of the form of Bonds to be issued under the Supplemental Resolution and such modifications as may be necessary to provide for the issuance of Bonds without certificates and evidenced in book-entry form.

An Authorized Officer to whom a Supplemental Resolution has delegated the power to determine any of the foregoing shall execute a Certificate of Determination evidencing such determinations or other actions taken pursuant to such delegation, and such Certificate of Determination shall be conclusive evidence of the determinations or actions of such Authorized Officer as to the matters stated therein, and such Certificate of Determination shall be considered to be a part of such Supplemental Resolution as though set forth in full therein.

(d) All the Bonds of each Series or subseries of like maturity shall be identical in all respects, except as to denominations, numbers and letters. After the original issuance of Bonds of any Series, no Bonds of such Series shall be issued except in lieu of or in substitution for other Bonds of such Series pursuant to Sections 3.04, 3.06, 3.07, 3.08, 3.09, 4.06 or 11.06.

(e) Nothing in this Resolution shall be deemed to preclude or prevent the consolidation into a single Series for purposes of issuance and sale of Bonds otherwise permitted by the Resolution to be issued at the same time in two or more separate Series, provided that solely for the purpose of satisfying the requirements of Section 2.02 or Section 2.03, as the case may be, the Bonds otherwise permitted by the Resolution to be issued as a separate Series shall be considered separately as if such Bonds were to be issued as a separate Series. In the event that separate Series are combined for purposes of issuance and sale, they may be issued under a single Supplemental Resolution notwithstanding any other provision of the Resolution.

Section 2.02. General Provisions for Issuance of the Bonds. The Bonds shall be executed by the Authority and delivered to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the Authority or upon its order, but only upon the receipt by the Trustee at or prior to such authentication, of:

(a) A Bond Counsel Opinion to the effect that (i) the Authority has the right and power under the Act to adopt the Resolution, and the Resolution has been duly and lawfully adopted by the Authority, is in full force and effect and is valid and binding upon the Authority and enforceable against the Authority in accordance with its terms, and no other authorization therefor is required; (ii) the Resolution creates the valid pledge which it purports to create of the moneys, securities and funds held or set aside under the Resolution and of the Net Revenues; and (iii) the Bonds are valid and binding obligations of the Authority as provided in the Resolution, enforceable against the Authority in accordance with their terms and the terms of the Resolution and entitled to the benefits of the Resolution and of the Act, and the Bonds have been duly and validly authorized and issued in accordance with the Act and the Resolution; provided, however, insofar as such opinion relates to the enforceability of the Bonds, the Resolution, or any Supplemental Resolution, it may be qualified by reference to bankruptcy, insolvency, reorganization, moratorium or other laws affecting the rights of creditors generally and the enforcement thereof and by principles of equity relating to the availability of remedies;

(b) A written order as to authentication and the delivery of the Bonds setting forth the disposition of the proceeds of the sale of the Bonds as in the Resolution provided, signed by an Authorized Officer of the Authority;

(c) In the case of each Series of Bonds, a copy of the Supplemental Resolution authorizing such Bonds, certified by an Authorized Officer of the Authority, together with the Certificate of Determination (if any);

(d) If a Series of Bonds shall be issued containing an option which requires the Authority to purchase or redeem Bonds at the election of the Bondholder at such time or times and in such amount or amounts as the Bondholder may elect, then the Authority shall furnish to the Trustee a Liquidity Facility in such an amount that would accommodate an election by all Bondholders to cause the Authority to purchase or redeem the entire aggregate Outstanding principal amount of such Series of Bonds;

(e) A copy of the Resolution, certified by an Authorized Officer;

(f) The amounts, if any, required by the Supplemental Resolution to be deposited in any of the Funds and Accounts;

(g) In case clause (B) of the definition of "Debt Service Reserve Requirement" is applicable to such Series of Bonds, a certificate of an Authorized Officer of the Authority to the effect that the issuance of such Series of Bonds would not cause the rating category assigned to the then Outstanding Bonds to be adversely affected upon such issuance; and

(h) Such further documents, moneys and securities as are required by the provisions of Section 2.05 and Section 2.06 hereof and as may be required by the Supplemental Resolution.

Section 2.03. Satisfaction of Debt Service Reserve Requirement. In lieu of the required deposits into the Debt Service Reserve Fund referred to in Sections 2.02, 2.05 and 5.03 hereof, the Authority may, at any time, cause to be deposited into the Debt Service Reserve Fund any of a surety bond or an insurance policy for the benefit of the holders of Bonds or a letter of credit or other form of guarantee or any combination thereof (collectively, the "Financial Guarantees"), in each such case in an amount equal to the difference between the Debt Service Reserve Requirement and the sums then on deposit in the Debt Service Reserve Fund, if any. The Financial Guarantees shall be payable upon the giving of notice as required thereunder) on or before any interest payment date on which moneys will be required to be withdrawn from the Debt Service Reserve Fund and applied to the payment of principal or Redemption Price of or interest on any Bonds and such withdrawal cannot be met by other amounts on deposit in the Debt Service Reserve Fund or provided from any other available Fund under the Resolution. The insurer providing such surety bond or insurance policy shall be an insurer whose municipal bond insurance policies insuring the payment, when due, of the principal of and interest on the municipal bond so insured results in such issue being rated in the

highest rating category by Standard & Poor's and Moody's Investors Service or their successors. The letter of credit issuer or the guarantor under the other form of guarantee shall be a bank or trust company which is rated not lower than the second highest rating category by Standard & Poor's and Moody's Investors Service or their successors, and the letter of credit or other form of guarantee itself shall be rated not lower than the second highest rating category of both such rating agencies. In the event the letter of credit issuer or guarantor of the other form of guarantee shall fall below the second highest rating category of both Standard & Poor's and Moody's Investors Service or their successors, the Authority shall, within 120 days, obtain an alternate letter of credit issuer or guarantor rated not lower than the second highest rating category of such rating agency; provided, however, that if the alternate letter of credit issuer or guarantor of the other form of guarantee is not obtained within 120 days, the Authority shall deposit in the Debt Service Reserve Fund, Net Revenues in the amount referred to in Section 5.03 hereof. If a disbursement is made pursuant to a Financial Guarantee provided pursuant to this subsection, the Authority shall be obligated either (i) to reinstate the maximum limits of such surety bond, insurance policy, letter of credit or other form of guarantee or (ii) to deposit into the Debt Service Reserve Fund, funds in the amount of the disbursement made under such surety bond, insurance policy, letter of credit or other form of guarantee, or a combination of such alternatives, as shall provide that the amount in the Debt Service Reserve Fund equals the Debt Service Reserve Requirement within a time period not longer than would be required to restore the Debt Service Reserve Fund by application of moneys in the Revenue Fund.

Section 2.04. Application of Bond Proceeds and Allocation Thereof. Upon receipt thereof, the Trustee shall apply the proceeds of a Series of Bonds as provided in the applicable Supplemental Resolution.

Section 2.05. Additional Bonds. (a) To the extent permitted by law, after authentication and delivery of the first Series of Bonds, one or more Series of Additional Bonds may be authenticated and delivered upon original issuance at any time or from time to time for one or more of the purposes of (i) financing the Cost of any Additional Project, (ii) financing the Costs of completing the Project, any Additional Project or an individual project constituting a discreet portion of either of the foregoing, (iii) refunding any outstanding Series of Bonds, or (iv) in connection with the issuance of a Series of Bonds for any purpose stated in this paragraph, providing funds for deposit in the Funds and Accounts, including the Debt Service Reserve Fund and paying the cost incident to the issuance of a Series of Bonds.

(b) The Bonds of any such Series authorized for a purpose described in clause (i) of subsection (a) of this Section shall be authenticated and delivered by the Trustee only upon receipt by it (in addition to the documents and moneys required by Section 2.02) of:

(1) A certificate of an Authorized Officer of the Authority setting forth (i) the Net Revenues for any period of twelve (12) consecutive months out of the eighteen (18) calendar months next preceding the authentication and delivery of the Bonds of such Series (provided that, if any adjustment of toll rates shall have been put into effect during

or after the end of such twelve (12) month period, such Net Revenues shall be adjusted to reflect Revenues which the Traffic Consultant estimates (pursuant to clause (ii) of paragraph (3) below) would have resulted had such toll rate adjustment been in effect for the entire twelve (12) month period) and the Additional Bond Requirement for such 12 calendar months and demonstrating that such Net Revenues less investment earnings on amounts held in the General Fund and the Construction Fund included therein equal or exceed the Additional Bond Requirement; (ii) the Debt Service Reserve Requirement with respect to all Bonds Outstanding immediately after the authentication and delivery of said Series of Bonds, (iii) the Estimated Aggregate Debt Service for the then current Fiscal Year and each of the five Fiscal Years following the then current Fiscal Year and (iv) the other estimated Required Deposits for the current and the next five Fiscal Years;

(2) A certificate of the Traffic Consultant stating whether, to the best of its knowledge, any Federal, State or other agency is then projecting or planning the construction, improvement, or acquisition of any bridge or other facility which, in the opinion of the Traffic Consultant, may be materially competitive with any part of the Bridge System and which may materially and adversely affect Revenues, and the estimated date of completion of such bridge or other facility;

(3) A certificate of the Traffic Consultant setting forth, for the then current and the next five Fiscal Years, estimates of Revenues after taking account of (i) the construction of the Project or any Additional Projects not yet completed if the Cost to complete such Project or Additional Project has been provided, or will be provided from the issuance of such Additional Bonds, (ii) any adjustment of toll rates which shall have been placed in effect subsequent to the beginning of the 12 month period referred to in subparagraph (1) of this Section, as if such toll rate adjustment had been in effect from the beginning of such period until the effective date of any subsequent adjustment presumed necessary and (iii) any adjustment of toll rates which, in the opinion of the Traffic Consultant, would be necessary to comply with the provisions of Section 7.13, as if such adjustment were to be in effect from its effective date to the effective date of any other such adjustment;

(4) If applicable, a certificate of the Consulting Engineer setting forth (i) the estimated total Cost of the Project or such Additional Project and (ii) the estimated date of completion of the Project or the Additional Project;

(5) A certificate of an Authorized Officer of the Authority setting forth (i) the estimated Revenues and estimated Operating Expenses (based on the certificates delivered pursuant to subparagraphs (3) and (4) above) for the current and the next five Fiscal Years, taking into account the construction of the Project or any Additional Project not yet completed if the Cost to complete the Project or such Additional Project has been provided, or will be provided from the issuance of such Additional Bonds, and (b) the opinion that such estimated Net Revenues less investment earnings on amounts held in the General Fund and the Construction Fund included therein for the current and the next

five Fiscal Years equal or exceed the Estimated Net Revenue Requirement (based on the certificate delivered pursuant to subparagraph (1) above) for each such year and that estimated Net Revenues less investment earnings on amounts held in the General Fund and the Construction Fund included therein in such fifth full Fiscal Year equal or exceed that sum of Estimated Aggregate Debt Service and the Subordinated Indebtedness Requirement for any particular year which results in the largest such sum for the then current or any future year immediately after the authentication and delivery of the Bonds being issued; and

(6) The amount, if any, to be deposited in the Debt Service Reserve Fund so that the balance in such Fund shall equal the Debt Service Reserve Requirement immediately after delivery of such Additional Bonds.

(c) The Bonds of any such Series authorized for a purpose described in clause (ii) of subsection (a) of this Section 2.05 shall be authenticated and delivered by the Trustee upon receipt by it, in addition to the requirements of Section 2.02 hereof, of:

(1) a certificate signed by an Authorized Officer of the Authority stating that the moneys on deposit in the applicable Account of the Construction Fund are insufficient to pay such Costs, and

(2) a certificate signed by the Consulting Engineer stating that the proceeds of such Additional Bonds are sufficient to complete, as appropriate, the Project, such Additional Project or an individual project constituting a discreet portion of either of the foregoing.

Section 2.06. Refunding Bonds. (a) To the extent then permitted by law, one or more Series of Refunding Bonds may be issued at any time (i) to refund the principal and interest or principal only or interest only of Outstanding Bonds of one or more Series, or (ii) to refund one or more maturities within a Series or any Bonds of one or more maturities within one or more Series, or (iii) to refund any Prior Bonds, or (iv) to refund any Outstanding Subordinated Indebtedness. Refunding Bonds shall be issued in a principal amount sufficient, together with other moneys available therefor, to accomplish such refunding and to make the deposits in the Funds and Accounts under the Resolution required by the provisions of the Supplemental Resolution authorizing such Bonds. Refunding Bonds may be issued for the purpose described in clause (iv) above if the Authority meets the tests described in Section 2.05 hereof. Refunding Bonds may be issued for any of the purposes described in clauses (i) through (iii) above without meeting the tests required in Section 2.05 hereof if the present value of the Aggregate Debt Service after giving effect to the issuance of such Refunding Bonds does not exceed the present value of the Aggregate Debt Service immediately prior to the date of authentication and delivery of such Refunding Bonds. For purposes of determining the present value of Aggregate Debt Service under the Resolution, present value shall be calculated by using the effective interest rate of the Refunding Bonds which shall be a rate determined by doubling the semi-annual interest rate (compounded semi-annually) necessary to discount the Debt Service

payments on the Refunding Bonds from the payment dates thereof to the date of issuance of the Refunding Bonds and to the price bid including estimated accrued interest or proceeds, including estimated accrued interest from the sale thereof.

(b) Refunding Bonds of each Series shall be authenticated and delivered by the Trustee only upon receipt by the Trustee (in addition to the documents required by Section 2.02) of:

(1) A certificate of an Authorized Officer of the Authority to the Trustee, satisfactory to the Trustee, to give due notice of redemption, if applicable, of all the Bonds to be refunded on a redemption date or dates specified in such instructions, subject to the provisions of Section 13.01 hereof;

(2) If the Bonds to be refunded are not by their terms subject to redemption or will not be redeemed within the next succeeding 60 days, instructions to the Trustee, satisfactory to it, to mail the notice provided for in Section 13.01 to the holders of the Bonds being refunded;

(3) Either (i) moneys in an amount sufficient, as provided in Section 13.01, to effect payment at the applicable Redemption Price of the Bonds to be refunded, together with accrued interest on such Bonds to the redemption date, which moneys shall be held by the Trustee or any one or more of the Paying Agents in a separate account irrevocably in trust for the benefit of and assigned to the respective holders of the Bonds to be refunded, or

(ii) Defeasance Obligations and any moneys, in such principal amounts, of such maturities, bearing such interest, and otherwise having such terms and qualifications, as shall be necessary to comply with the provisions of subsection (b) of Section 13.01, which Defeasance Obligations and moneys shall be held in trust and use) only as provided in said sub-section (b);

(4) A certificate of an Authorized Officer of the Authority containing (i) the calculation required by Section 2.06(a) for the issuance of Refunding Bonds under subclauses (i) through (iii) thereof, or (ii) evidence that the test required to issue Refunding Bonds under subclause (iv) thereof has been met;

(5) Such further documents and moneys as are required by the provisions of any Supplemental Resolution adopted pursuant to Section 10.01.

(c) The proceeds, including accrued interest, of the Refunding Bonds of each Series shall be applied, simultaneously with the delivery of such Bonds, for the purposes of making deposits in such Funds and Accounts under the Resolution as shall be provided by the Supplemental Resolution authorizing such Series of Refunding Bonds and shall be applied to the refunding purposes thereof in the manner provided in said Supplemental Resolution.

**Section 2.07. Liquidity Facilities.** (a) In connection with the issuance of any Series of Bonds hereunder, the Authority may obtain or cause to be obtained one or more Liquidity Facilities, to the extent the same is then permitted by law. Such Liquidity Facilities shall provide for payment on demand in the event the terms of such Liquidity Facility require payment thereof. In connection therewith the Authority may enter into agreements with the issuer of such Liquidity Facility providing for, inter alia: (i) the payment of fees and expenses to such issuer for the issuance of such Liquidity Facility; (ii) the terms and conditions of such Liquidity Facility and the Series of Bonds affected thereby; and (iii) the security, if any, to be provided for the issuance of such Liquidity Facility.

(b) The Authority may secure such Liquidity Facility by an agreement providing for the purchase of the Series of Bonds secured thereby with such adjustments to the rate of interest, method of determining interest, maturity, or redemption provisions as specified by the Authority in the applicable Supplemental Resolution. The Authority may also in an agreement with the issuer of such Liquidity Facility agree to directly reimburse such issuer for amounts paid under the terms of such Liquidity Facility, together with interest thereon (the "Reimbursement Obligation"); provided, however, that no Reimbursement Obligation shall be created, for purposes of this Resolution, until amounts are paid under such Liquidity Facility. Any such Reimbursement Obligation (a "Parity Reimbursement Obligation") may be secured on a parity with the pledge created by Section 5.01. Any such Parity Reimbursement Obligation shall be deemed to be a part of the Series of Bonds to which the Liquidity Facility which gave rise to such Parity Reimbursement Obligation relates.

(c) Any such Liquidity Facility shall be for the benefit of and secure such Series of Bonds or portion thereof as specified in the applicable Supplemental Resolution.

**Section 2.08. Credit Facilities.** (a) The Authority may include such provisions in a Supplemental Resolution or related Certificate of Determination authorizing the issuance of a Series of Bonds secured by a Credit Facility as the Authority deems appropriate, including:

(1) So long as the Credit Facility is in full force and effect, and payment on the Credit Facility is not in default and the issuer of the Credit Facility is qualified to do business, and (a) no proceeding shall have been instituted in a court having jurisdiction in the premises seeking a decree or order for relief in respect of the issuer of the Credit Facility in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or for the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator (or other similar official) for the issuer of the Credit Facility or for any substantial part of its property or for the winding up or liquidation of the affairs of the issuer of the Credit Facility and such proceeding shall remain undismissed or unstayed and in effect for a period of sixty (60) days or such court shall enter a decree or order granting the relief sought in such proceeding, or (b) the issuer of the Credit Facility shall not have commenced a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, shall not have consented to the entry of an order for relief in an involuntary case under any

such law, or shall not have consented to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator (or other similar official) for the issuer of the Credit Facility or for any substantial part of its property, or shall not have made a general assignment for the benefit of creditors, or shall not have failed generally to pay its debts as they become due, or shall not have taken any corporate action with respect to any of the foregoing, then, in all such events, the issuer of the Credit Facility shall be deemed to be the sole Holder of the Outstanding Bonds the payment of which such Credit Facility secures when the approval, consent or action of the Bondholders for such Bonds is required or may be exercised under the Resolution, including, without limitation, Articles X and XI hereof, and following a default under Article VIII hereof. Notwithstanding the foregoing, no issuer of a Credit Facility may be deemed to be the sole Bondholder in connection with any amendment of (i) this Section 2.08, (ii) the provisions of a Supplemental Resolution or Certificate of Determination authorized by this Section 2.08 or (iii) any provision of the Resolution, a Supplemental Resolution or a Certificate of Determination whereby said amendment would reduce, eliminate or delay amounts payable under the related Credit Facility.

In the event that the issuer of any such issuer of a Credit Facility exercises rights granted pursuant to this Section 2.08(a) (1) to approve, consent or take action as if it were the sole Holder of Outstanding Bonds, including without limitation, Articles X and XI hereof and following default Article VIII hereof, the issuer of the Credit Facility shall provide to the Trustee at the time of exercise of such rights a certificate of an authorized officer of the issuer of the Credit Facility that such issuer is entitled pursuant to a Supplemental Resolution and this Section 2.08(a) (1) to exercise such rights. Upon receipt of such certificate, the Trustee shall be entitled to conclusively assume that (a) the issuer has authority to act as the sole Holder of the Bonds and shall be fully protected in relying on such certificate, and (b) any such approval, consent or action is valid and binding and has the same force and effect as if taken by all Holders of the Bonds.

(2) In the event that the principal, Sinking Fund Installments, if any, and Redemption Price, if applicable, and interest due on any Bonds Outstanding shall be paid under the provisions of a Credit Facility, all covenants, agreements and other obligations of the Authority to the Bondholders of such Bonds shall continue to exist and such issuer of the Credit Facility shall be subrogated to the rights of such Bondholders in accordance with the terms of such Credit Facility.

(b) In addition, such Supplemental Resolution or applicable Certificate of Determination may establish such provisions as are necessary (i) to comply with the provisions of each such Credit Facility, (ii) to provide relevant information to the issuer of the Credit Facility, (iii) to provide a mechanism for paying Principal Installments and interest on such Series of Bonds under the Credit Facility, and (iv) to make provision for any events of default or for additional or improved security required by the issuer of a Credit Facility.

(c) In connection therewith the Authority may enter into such agreements with the issuer of such Credit Facility providing for, inter alia: (i) the payment of fees and expenses to such issuer for the issuance of such Credit Facility; (ii) the terms and conditions of such Credit Facility and the Series of Bonds affected thereby; and (iii) the security, if any, to be provided for the issuance of such Credit Facility.

(d) The Authority may secure such Credit Facility by an agreement providing for the purchase of the Series of Bonds secured thereby with such adjustments to the rate of interest, method of determining interest, maturity, or redemption provisions as specified by the Authority in the applicable Supplemental Resolution. The Authority may also in an agreement with the issuer of such Credit Facility agree to directly reimburse such issuer for amounts paid under the terms of such Credit Facility, together with interest thereon (the "Reimbursement Obligation"); provided, however, that no Reimbursement Obligation shall be created, for purposes of this Resolution, until amounts are paid under such Credit Facility. Any such Reimbursement Obligation (a "Parity Reimbursement Obligation"), which may include interest calculated at a rate higher than the interest rate on the related Bond, may be secured by a pledge of, and a lien on, items pledged under the Resolution on a parity with the lien created by Section 5.01. Parity Reimbursement Obligations may be evidenced by Bonds designated as "Bank Bonds." Any such Parity Reimbursement Obligation shall be deemed to be a part of the Series of Bonds to which the Credit Facility which gave rise to such Parity Reimbursement Obligation relates.

(e) Any such Credit Facility shall be for the benefit of and secure such Series of Bonds or portion thereof as specified in the applicable Supplemental Resolution.

**Section 2.09. Issuance of Subordinated Indebtedness.** (a) The Authority may, at any time, or from time to time, issue Subordinated Indebtedness for any lawful purpose payable out of and which may be secured by a security interest in and pledge and assignment of such amounts in the Subordinated Indebtedness Fund or the General Fund as may from time to time be available for the purpose of payment thereof as provided in Section 5.08; provided, however, that any security interest and pledge and assignment shall be, and shall be expressed to be, subordinate in all respects to the security interest in and pledge and lien created by this Resolution as security for the Bonds. Subordinated Indebtedness may not be issued unless, in connection therewith, an Authorized Officer of the Authority shall file with the Trustee a certificate setting forth the estimated Net Revenues for each of the five full Fiscal Years following the incurring of the Subordinated Indebtedness and demonstrating that, after the payment of any required debt service on the Subordinated Indebtedness, such estimated Net Revenues will be sufficient to satisfy the provisions of Section 7.13 hereof. Such Net Revenues shall be estimated by an Authorized Officer in accordance with Section 2.05 hereof.

(b) For purposes of rendering the certificate referred to in Subsection (a) above, such Authorized Officer shall apply the following procedures and assumptions:

(i) Any Option Bond shall be assumed to bear interest at the Bond Buyer Index Rate, as in effect on the date of calculation; provided that, for any period

for which the interest rate on any Option Bond is known on the date of calculation, such known interest rate shall be used for such period.

(ii) Subordinated Indebtedness in the form of commercial paper notes shall be assumed to bear interest as follows: (A) if such Subordinated Indebtedness is secured by a Credit Facility, at an interest rate equal to the higher of (1) the interest rate on such Subordinated Indebtedness and (2) the Bond Buyer Index Rate, in either case as in effect on the date of calculation; provided that, for any period for which the interest rate on such Subordinated Indebtedness is known on the date of calculation, such known interest rate shall be used; and (B) if such Subordinated Indebtedness is not secured by a Credit Facility, then for the first three (3) years, such Subordinated Indebtedness will be deemed to bear interest at the rate determined as set forth in clause (A) of this Subsection, and thereafter shall be deemed to bear interest at the Bond Buyer Index Rate as in effect on the date of calculation.

(iii) Subordinated Indebtedness in the form of notes having a maturity of 3 years or less which does not constitute Variable Rate Bonds, Option Bonds or commercial paper notes shall be deemed to bear interest at its actual interest rate to maturity, and to be refinanced at maturity with Debt having Substantially Equal Debt Service and a maturity of 25 years and bearing interest at the Bond Buyer Index Rate as in effect on the date of calculation.

Section 2.10. Additional Limitations on Certain Forms of Indebtedness. Option Bonds must be secured by a Credit Facility providing for the payment of the purchase price of such Option Bonds tendered by the holders thereof. Variable Rate Bonds need not be secured by a Credit Facility unless such Variable Rate Bonds are also Option Bonds.

## ARTICLE III

### GENERAL TERMS AND PROVISIONS OF BONDS

#### Section 3.01. Medium of Payment; Form and Date; Letters and Numbers.

(a) The Bonds shall be payable, with respect to interest, principal and Redemption Price, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

(b) The Bonds of each Series shall be issued only in fully registered form without coupons unless otherwise authorized by a Supplemental Resolution. The Bonds of each Series shall be substantially in the form set forth in the Supplemental Resolution authorizing such Series, or may be evidenced in book-entry form without certificates as provided in Section 3.11 hereof. Any Supplemental Resolution may contain such additional provisions regarding registration, discharge and transfer of Bonds of such Series as are not inconsistent with this Resolution.

(c) The principal and Redemption Price of any Bond shall be payable, upon surrender of such Bond, at such offices or agencies of the Trustee or such other office as designated by the Authority as are provided for in the applicable Supplemental Resolution. Interest on any Bond shall be payable by check or draft mailed to the holder thereof unless some other method of payment shall be provided for in the applicable Supplemental Resolution. Additionally, interest on the Bonds of any Series may be authorized to be paid, at the option of the registered owner of at least one million dollars (\$1,000,000) in principal amount of such Bonds, by wire transfer to such registered owner at the wire transfer in the continental United States to which such registered owner has, not less than five (5) days before the Record Date, directed the Trustee to wire such interest payment. Interest on any Bond which is payable, and is punctually paid or provided for, on any interest payment date shall be paid to the person in whose name that Bond is registered at the close of business on the Record Date for such interest.

(d) Each Bond shall be numbered and lettered as provided in this Resolution or the Supplemental Resolution authorizing the Series of which such Bond is a part and so as to be distinguished from every other Bond.

(e) The Bonds of each Series shall have a dated date which reflects the first date from which interest is to be paid on such Series and shall be dated the date of authentication thereof by the Trustee. The Bonds of each Series shall bear interest from the last interest payment date to which interest has been paid, or, if no interest has been paid on the Bonds of any Series, from the first date from which interest is to be paid as provided in the Resolution or the Supplemental Resolution under which such Bonds were issued.

Section 3.02. Legends. The Bonds of each Series may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of the Resolution as may be necessary or desirable to comply with custom, the rules of any

securities exchange or commission or brokerage board, or otherwise, as may be determined by the Authority prior to the authentication and delivery thereof.

**Section 3.03. Execution and Authentication.** (a) The Bonds shall be executed in the name of the Authority by the manual or facsimile signature of its chairman or other Authorized Officer of the Authority, and its corporate seal (or a facsimile thereof) shall be impressed, imprinted, engraved or otherwise reproduced thereon and attested by the manual or facsimile signature of its secretary or other Authorized Officer of the Authority, or in such other manner as may be required or permitted by law. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer before the Bonds so signed and sealed shall have been authenticated and delivered by the Trustee, such Bonds, may, nevertheless, be authenticated and delivered as herein provided, and may be issued as if the persons who signed or sealed such Bonds had not ceased to hold such offices. Any Bond of a Series may be signed and sealed on behalf of the Authority by such persons as at the time of the execution of such Bond shall be duly authorized or hold the proper office in the Authority, although at the date of such Bond such person may not have been so authorized or have held such office.

(b) The Bonds of each Series shall bear a certificate of authentication, substantially in the form set forth in the applicable Supplemental Resolution, executed manually by the Trustee or Authenticating Agent. Only such Bonds as shall bear such manually executed certificate of authentication shall be entitled to any right or benefit under the Resolution, and no Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee or Authenticating Agent. Such certificate of the Trustee upon any Bond executed on behalf of the Authority shall be conclusive evidence that the Bond so authenticated has been duly authenticated and delivered under the Resolution and that the holder thereof is entitled to the benefits of the Resolution.

In the case of any Series of Bonds for which the Bond Registrar is other than the Trustee for such Series of Bonds or the Authority, and such Bond Registrar has not theretofore been appointed as an Authenticating Agent for such Series, the Trustee may appoint the Bond Registrar as an Authenticating Agent with the power to act on such Trustee's behalf and subject to its direction in the authentication and delivery of Bonds in connection with transfers, exchanges and redemptions under Sections 3.04, 3.06 and 4.06 and the authentication and delivery of Bonds by an Authenticating Agent pursuant to this Section shall, for all purposes of the Resolution, be deemed to be the authentication and delivery by the Trustee. Either the Trustee, or the Authenticating Agent for a Series of Bonds, shall authenticate all Bonds of such Series upon their initial issuance and any Bonds of the Series issued in substitution for other Bonds pursuant to Section 3.08.

**Section 3.04. Interchangeability of Bonds.** Unless otherwise provided in a Supplemental Resolution in respect of any Series of Bonds, the holder of any Bond or Bonds of one or more denominations shall have the right to exchange such Bond or Bonds for a new Bond or Bonds of any denomination of the same aggregate principal amount and Series and maturity

as the surrendered Bond or Bonds. Such Bond or Bonds shall be exchanged for a new Bond or Bonds upon the request of the holder thereof in person or by his attorney duly authorized in writing, upon surrender of such Bond or Bonds at the principal office of the Bond Registrar together with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or his attorney duly authorized in writing, and upon payment of any charges which the Bond Registrar may make as provided in Sections 3.06 and 3.07.

**Section 3.05. Bond Registrar and Bond Register.** The Bonds of a Series shall be registered upon original issuance and upon subsequent transfer or exchange as provided in this Resolution. Any Supplemental Resolution may contain such additional provisions regarding the registration, transfer and exchange of Bonds of a Series as are not inconsistent with this Resolution.

The Authority shall designate, in respect of each Series of Bonds, a person to act as Bond Registrar for such Series. The Bond Registrar appointed for any Series of Bonds may be either the Authority, the Trustee, the Authenticating Agent or the Paying Agent for such Series of Bonds.

Any person, including the Authority, undertaking to act as Bond Registrar in respect of a Series of Bonds shall accept the duties of Bond Registrar under the Resolution and the applicable Supplemental Resolution in a certificate signed by an officer of the Bond Registrar, which certificate shall be filed with the Trustee for that Series.

The Bond Registrar in respect of each Series of Bonds shall act as registrar and transfer agent for all Bonds of such Series. The Authority shall cause to be kept at an office of the Bond Registrar for a Series of Bonds a Bond Register in which, subject to such reasonable regulations as it may prescribe, the Authority shall provide for the registration of the Bonds of such Series and for the registration of transfers of such Bonds. The Authority shall cause the Bond Registrar to designate, by a written notification to the Trustee, a specific office location (which may be changed from time to time, upon similar notification) at which the Bond Register is kept.

The Bond Registrar for a Series of Bonds shall, in any case where it is not also the Trustee in respect of such Series, forthwith following each Record Date in respect of such Series and at any other time as reasonably requested by the Authority or the Trustee for such Series, certify and furnish to such Trustee and to the Authority, and to any Paying Agent for such Series, as such Trustee or the Authority shall specify, the names, addresses, and holdings of Bondholders and any other relevant information reflected in the Bond Register, and the Trustee (in its capacity as Trustee) and any such Paying Agent (in its capacity as Paying Agent) shall for all purposes be fully entitled to rely upon the information so furnished to it and shall have no liability or responsibility in connection with the preparation thereof.

**Section 3.06. Negotiability, Transfer and Registry.** (a) Each Bond shall be transferable only upon the books of the Authority, which shall be kept for the purpose at the

principal office of the Bond Registrar, by the registered owner in person or by his attorney duly authorized in writing, upon surrender with a written instrument of transfer satisfactory to the Bond Registrar and duly executed by the registered owner or such duly authorized attorney. Upon the transfer of any such Bond, the Authority shall issue in the name of the transferee a new Bond or Bonds of any authorized denominations, registered in the name of the transferee and of the same aggregate principal amount and maturity as the surrendered Bond or Bonds. For the purposes of the Resolution, Option Bonds which are required to be tendered pursuant to the provisions of the Resolution shall be deemed surrendered for transfer even though such Bonds have not been actually delivered.

(b) The Authority and each Fiduciary may deem and treat the person in whose name any Bond shall be registered upon the books of the Authority, as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price, if any, of and interest on such Bond and for the payment of the purchase price of any Option Bond tendered to the Authority and for all other purposes, and all such payments so made to any such registered owner or upon his order, shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Authority nor any Fiduciary shall be affected by any notice to the contrary. The Authority agrees to indemnify and save each Fiduciary harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, acting in good faith and without negligence under the Resolution, in so treating such registered owner.

**Section 3.07. Regulations With Respect to Exchanges and Transfers.** In all cases in which the privilege of exchanging Bonds or transferring Bonds is exercised, the Authority shall execute and the Trustee or Authenticating Agent shall authenticate and deliver Bonds in accordance with the provisions of the Resolution. All Bonds surrendered to the Bond Registrar in any such exchanges or transfers shall forthwith be delivered to and cancelled by the Trustee. For every such exchange or transfer of Bonds, whether temporary or definitive, other than the first such exchange or transfer with respect to each Bond, the Authority or the Bond Registrar may make a charge sufficient to reimburse it for any printing costs, tax, fee or other government charge required to be paid. Neither the Authority nor the Bond Registrar shall be required (a) to transfer or exchange Bonds during a period beginning at the opening of business on the Record Date next preceding an interest payment date on the Bonds or next preceding the date (as determined by the Trustee) of any selection of Bonds of a particular Series to be redeemed and ending on such interest payment date, or for a period of fifteen (15) days next preceding the date (as determined by the Trustee) of any selection of Bonds to be redeemed or thereafter until after the first mailing of notice of redemption of any proposed redemption of Bonds; or (b) to transfer or exchange any Bonds called for redemption; provided, however, that the Authority and the Bond Registrar shall be required to make any exchange, registration or transfer of any Bond or Option Bond remarketed in accordance with the Supplemental Resolution providing for such remarketing of Bonds.

Section 3.08. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Authority shall execute, and thereupon the Trustee or Authenticating Agent shall authenticate and deliver, a new Bond of like maturity and principal amount as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, upon filing with the Trustee evidence satisfactory to the Authority and the Trustee that such Bond has been destroyed, stolen or lost, and proof of ownership thereof, and upon furnishing the Authority and the Trustee with indemnity satisfactory to them and complying with such other reasonable regulations as the Authority and the Trustee may prescribe and paying such expenses as the Authority and Trustee may incur, including printing expenses. All Bonds so surrendered to the Trustee shall be cancelled by it. Any such new Bonds issued pursuant to this Section in substitution for Bonds alleged to be destroyed, stolen or lost be at any time enforceable by anyone, shall be entitled to equal and proportionate benefits with all other Bonds issued under the Resolution and shall be equally secured by the moneys or securities held by the Authority or the Fiduciaries for the benefit of the Bondholders.

Section 3.09. Temporary Bonds. (a) Until the definitive Bonds of any Series are prepared, the Authority may execute in the same manner as is provided in Section 3.03, and, upon the request of the Authority, the Trustee or Authenticating Agent shall authenticate and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds except as to the denominations thereof, one or more temporary Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in fully registered form in denominations of \$5,000 or any integral multiples thereof authorized by the Authority, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The installments of interest payable on such temporary Bonds shall be payable by check or draft mailed to the registered owner thereof, unless some other method of payment shall be provided in the applicable Supplemental Resolution for any such Series in respect of which temporary Bonds have been issued. The Authority at its own expense shall prepare and execute and, upon the surrender of such temporary Bonds, the Trustee or Authenticating Agent shall authenticate and, without charge to the Holder thereof, deliver in exchange therefor, definitive registered Bonds, of the same aggregate principal amount, and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds authenticated and issued pursuant to the Resolution.

(b) If the Authority shall authorize the issuance of temporary Bonds in more than one denomination, the Holder of any temporary Bond or Bonds may, at his option, surrender the same to the Trustee in exchange for another temporary Bond or Bonds of like aggregate principal amount and maturity of any other authorized denomination or denominations, and thereupon the Authority shall execute and the Trustee or Authenticating Agent shall authenticate and, in exchange for the temporary Bond or Bonds so surrendered and upon payment of the taxes, fees and charges provided for in Section 3.07, shall deliver a temporary

Bond or Bonds of like aggregate principal amount and maturity in such other authorized denomination or denominations as shall be requested by such Holder.

(c) All temporary Bonds surrendered in exchange either for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith cancelled by the Trustee.

Section 3.10. Inapplicability of Article. The provisions of this Article III shall not apply to any Parity Reimbursement Obligation, unless any one or more of the provisions hereof are made applicable by the Supplemental Resolution authorizing the Series of Bonds of which such Parity Reimbursement Obligation is deemed to be a part pursuant to Section 2.05.

Section 3.11. Non-Certificated Form. (a) The Authority hereby provides that the Bonds of any Series may be issued in book-entry form. For each Series of Bonds issued in book-entry form, the Underwriters shall inform the Authority that the initial owner of such Series of Bonds shall be Cede & Co., on behalf of The Depository Trust Company, which shall hold one or more immobilized certificates representing each maturity of such Series of Bonds. All transfers of such Series of Bonds shall be effected as set forth in Section 3.06 of the Resolution; provided that the Authority understands and agrees that The Depository Trust Company shall establish procedures with its participants for recording and transferring the ownership of beneficial interests in each such Series of Bonds. The Authority and the Trustee may enter into a letter of representation and other documentation necessary or desirable to effectuate the issuance of each such Series of Bonds in book-entry form.

(b) For purposes of determining the consents of owners of each such Series of Bonds under Articles VIII, XI or XII and Section 13.02 of this Resolution, the Trustee shall establish a record date for determination of ownership of such Bonds, and shall give to the depository agent at least fifteen (15) calendar days' notice of any record date so established.

(c) The Authority may hereafter amend this Resolution without notice to or consent of the Owners of any of the Series of Bonds in order (i) to offer to Owners the option of receiving any Series of Bonds in certificated form or (ii) to require the execution and delivery of certificates representing a portion or all of any Series of Bonds, (A) if The Depository Trust Company shall cease to serve as depository and no successor can be found to serve upon terms satisfactory to the Authority, or (B) if the Authority determines that it would be in its best interest or in the best interests of Owners of any Series of Bonds that they obtain certificates; provided that such amendment is in form reasonably satisfactory to the Trustee.

## ARTICLE IV

### REDEMPTION OF BONDS

The provisions contained in the following Sections of this Article IV are applicable to each Series of Bonds, except as may be otherwise set forth in a Supplemental Resolution authorizing such Series.

Section 4.01. Privilege of Redemption and Redemption Price. Bonds subject to redemption prior to maturity pursuant to the Resolution shall be redeemable, upon notice as provided in this Article IV, at such time, at such Redemption Prices and upon such terms in addition to the terms contained in Article IV as may be specified in the Resolution or any Supplemental Resolution for any Series.

Section 4.02. Redemption at the Election or Direction of the Authority. In the case of any redemption of Bonds at the election or discretion of the Authority, the Authority shall give written notice to the Trustee of its election or direction so to redeem and specifying the redemption date, the Series and the principal amounts of the Bonds of each maturity of such Series to be redeemed. Such notice shall be given at least sixty (60) days prior to the redemption date or such shorter period as shall be acceptable to the Trustee. In the event notice of redemption shall have been given as in Section 4.05 provided, there shall be paid from the Debt Service Fund or from any other available source, on or prior to the redemption date to the appropriate Fiduciaries an amount in cash which, in addition to other moneys, if any, available and held therefor, will be sufficient to redeem all of the Bonds to be redeemed on the redemption date at their Redemption Price plus interest accrued and unpaid to the redemption date.

Section 4.03. Redemption Otherwise Than at Authority's Election or Direction. Whenever by the terms of the Resolution or any Supplemental Resolution in respect of a Series the Trustee is required or authorized to redeem Bonds otherwise than at the election or direction of the Authority, the Bond Registrar shall sixty (60) days prior to the redemption date select the Bonds to be redeemed and notify the Trustee of the Bonds so selected. The Trustee shall give the notice of redemption and, on the redemption date, pay the Redemption Price thereof, plus interest accrued and unpaid to the redemption date, to the appropriate Paying Agents in accordance with the terms of Article IV and, to the extent applicable, Section 5.04.

Section 4.04. Selection of Bonds to be Redeemed. The Authority may elect to redeem less than all Outstanding Bonds of any Series. If the Authority elects to redeem less than all Outstanding Bonds of any Series, such Bonds shall be redeemable in inverse order of maturity or such other order as specified by an Authorized Officer of the Authority in writing to the Bond Registrar delivered no later than the date of delivery of the notice of redemption pursuant to Section 4.02 hereof. If less than all of the Bonds of any Series of like maturity shall be called for prior redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Bond Registrar; provided, however, that the portion of any Bond of

a denomination of more than \$5,000 to be redeemed shall be in the principal amount of \$5,000 or an integral multiple thereof, and that, in selecting portions of such Bonds for redemption, the Bond Registrar shall treat each such Bond as representing that number of Bonds of \$5,000 denominations which is obtained by dividing the principal amount of such Bonds to be redeemed in part by \$5,000. The Bond Registrar shall notify the Trustee of the Bonds so selected.

**Section 4.05. Notice of Redemption.** (a) When any Bonds are to be redeemed, by Sinking Fund Installments or otherwise, the Trustee shall give notice of the redemption of the Bonds in the name of the Authority specifying (i) the Series of Bonds to be redeemed; (ii) the redemption date; (iii) the Redemption Price; (iv) the numbers and other distinguishing marks of the Bonds to be redeemed (except in the event that all of the Outstanding Bonds of any Series are to be redeemed) and CUSIP numbers of the maturities from which any Bonds are to be redeemed; (v) the place or places where amounts due upon such redemption will be payable; (vi) in the case of fully registered Bonds to be redeemed in part only, the respective portions of the principal thereof to be redeemed; and (vii) any conditions precedent to such redemption. Such notice shall state further that, assuming the due satisfaction of all conditions precedent, if any, to the redemption, on such date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, together with interest accrued to the redemption date, and that, from and after such date, interest thereon shall cease to accrue. Except as otherwise provided in the related Supplemental Resolution for a Series of Bonds some or all of which bear interest payable more frequently than semi-annually, in the penultimate sentence of this Section 4.05(a), such notice shall be given by publication once a week for at least two successive weeks in an Authorized Newspaper, the first such publication to be not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. In addition, except as otherwise provided in the related Supplemental Resolution, the Trustee shall (x) mail a copy of such notice, first class mail, postage prepaid, not less than thirty (30) days nor more than sixty (60) days before the redemption date, to the registered owners of any Bonds or portions of Bonds to be redeemed at their last addresses appearing upon the registration books, and such notice shall be deemed conclusively to be received by the registered Holder whether or not such notice is actually received; and (y) send to each Securities Depository, by overnight delivery service, a copy of such notice. Any copies sent to Securities Depositories shall be sent at least two (2) business days prior to mailing the notice described in (x). The giving of the notices required by this subsection (a) shall not be a condition precedent to such redemption, and failure so to mail any such notice to any of such registered owners or to notify any Securities Depository shall not affect the validity of the proceedings for the redemption of the Bonds. If all the Bonds to be redeemed are at that time fully registered Bonds, such notice by mail shall be sufficient and published notice of the call for redemption need not be given. The obligation of the Trustee to give the notice required by this Section 4.05 shall not be conditioned upon the prior payment to the Trustee of moneys or Defeasance Obligations sufficient to pay the Redemption Price of the Bonds or portions thereof to which such notice relates or the interest thereon to the redemption date.

(b) Notice of redemption having been given as provided in subsection (a) of this Section 4.05 and all conditions precedent, if any, specified in such notice having been

satisfied, the Bonds or portions thereof so to be redeemed shall become due and payable on the date fixed for redemption at the Redemption Price specified therein plus accrued interest to the redemption date. On and after the redemption date (unless the Authority shall default in the payment of the Redemption Price and accrued interest), (i) such Bonds shall cease to bear interest, and (ii) such Bonds shall no longer be considered as Outstanding under this Resolution. If moneys sufficient to pay the Redemption Price and accrued interest have not been made available by the Authority to the Trustee or the appropriate alternate Paying Agent or Paying Agents on the redemption date, such Bonds shall continue to bear interest at the respective rates specified thereon until such moneys are delivered to the Trustee.

Section 4.06. Payment of Redeemed Bonds. Notice having been given in the manner provided in Section 4.05, the Bonds or portions thereof so called for redemption shall become due and payable on the redemption date so designated at the Redemption Price' plus interest accrued and unpaid to the redemption date, and, upon presentation and surrender thereof at any place specified in such notice, such Bonds, or portions thereof, shall be paid at the Redemption Price, plus interest accrued and unpaid to the redemption date. If there shall be drawn for redemption less than all of a Bond, the Authority shall execute and the Trustee or Authenticating Agent shall authenticate and the appropriate Fiduciary shall deliver, upon the surrender of such Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount of the Bond so surrendered, Bonds of like maturity in any authorized denominations. If, on the redemption date, moneys for the redemption of all the Bonds or portions thereof of any like Series and maturity to be redeemed, together with interest to the redemption date, shall be held by the Paying Agents so as to be available therefor on said date and if notice of redemption shall have been given and published as aforesaid, then, from and after the redemption date, interest on the Bonds or portions thereof of such maturity so called for redemption shall cease to accrue and become payable. If said moneys shall not be so available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

## ARTICLE V

### ESTABLISHMENT OF FUNDS AND ACCOUNTS AND APPLICATION THEREOF

**Section 5.01. The Pledge Effected by the Resolution.** (a) There are hereby pledged for the payment of the principal and Redemption Price of, and interest on the Bonds in accordance with their terms and the provisions of the Resolution, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution, (i) the proceeds of sale of the Bonds, (ii) all Net Revenues, and (iii) all Funds and Accounts, other than the Operating Fund, the Subordinated Indebtedness Fund and the Rebate Fund, established by the Resolution.

(b) Such proceeds of the sale of the Bonds, the Net Revenues and the other moneys and securities hereby pledged shall immediately be subject to the lien of this pledge without any physical delivery or further act, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority, irrespective of whether such parties have notice thereof.

**Section 5.02. Establishment of Funds and Accounts.** (a) The following Funds are hereby established:

- (1) Revenue Fund, to be held by the Trustee;
- (2) Debt Service Fund, to be held by the Trustee;
- (3) Debt Service Reserve Fund, to be held by the Trustee;
- (4) Maintenance Reserve Fund, to be held by the Trustee;
- (5) General Fund, to be held by the Trustee;
- (6) Subordinated Indebtedness Fund, to be held by the Trustee;
- (7) Construction Fund, to be held by the Trustee;
- (8) Rebate Fund, to be held by the Trustee;
- (9) Operating Fund, to be held by the Authority; and
- (10) Insurance Fund, to be held by the Trustee.

(b) There is hereby established in the Construction Fund a separate Account to be known as the "Insurance Account". The Trustee shall, upon receipt of a written direction

signed by an Authorized Officer of the Authority, establish, in the Insurance Account, a sub-account for each Series of Bonds for which the Insurance Account has been provided by the Supplemental Resolution authorizing such Series.

(c) In addition to the Account established in subsection (b) above, the Trustee shall, at the request of the Authority, establish within any Fund held by the Trustee such Accounts as shall be designated in the written instructions of an Authorized Officer of the Authority and shall in like manner establish within any Account such sub-accounts for the purposes of such Accounts as shall be so designated.

(d) Unless otherwise expressly provided in this Resolution, all of the Funds and Accounts shall be held by the Trustee, except the Operating Fund, which shall be held by the Authority.

Section 5.03. Disposition of Revenues. (a) From and after the time of delivery by the Trustee of the first Bond authenticated and delivered under the Resolution, all Revenues (except as provided in Section 6.03(b) hereof regarding the proceeds of the investment of amounts in certain Funds and Accounts) received by the Authority shall be deposited promptly in the name of the Trustee, as Trustee, with one or more Depositaries designated by a resolution of the Authority and shall be credited by the Trustee to the Revenue Fund.

(b) After the tenth (10th) and on or before the last day of the month the Trustee shall pay from the Revenue Fund to the Authority to be credited to the Operating Fund an amount certified by an Authorized Officer of the Authority as not more than sufficient, with the amounts then in the Operating Fund, to provide for the reasonable and necessary Operating Expenses for the remainder of the current month and the ensuing two months and shall apply such amounts as provided in Section 5.13 hereof.

(c) The Trustee shall, on or before the tenth (10th) day of each month, and except as provided in (d) below, transfer and allocate the entire balance of moneys in the Revenue Fund to the following Funds in the following order of priority:

First: To the Debt Service Fund, if and to the extent required so that the balance in the Debt Service Fund shall equal the Accrued Aggregate Debt Service for all Bonds Outstanding on said date;

Second: To the Debt Service Reserve Fund, if and to the extent required so that the balance in said Fund shall equal the Debt Service Reserve Requirement for all Bonds Outstanding on said date;

Third: To the Subordinated Indebtedness Fund, the amount, if any, equal to the Subordinated Indebtedness Requirement theretofore accrued and unpaid and not met from any other source and to accrue and become payable during the succeeding calendar month and not met from any other source;

Fourth: To the Insurance Fund, if and to the extent required so that the amount in the Insurance Fund shall equal such amount as set forth in a certificate, filed with the Trustee, of an Authorized Officer of the Authority as the amount determined by a resolution of the Authority as necessary to comply with Section 7.14 hereof;

Fifth: To the Maintenance Reserve Fund, if and to the extent required, so that the amount in the Maintenance Reserve Fund shall equal the amount set forth in a certificate, filed annually with the Trustee, of an Authorized Officer of the Authority as the amount determined by resolution of the Authority as that amount necessary to enable the Authority to comply with the covenant contained in Section 7.12 hereof, and which shall not be less than the amount recommended by the Consulting Engineer in an accompanying Professional's Certificate;

Sixth: To the Construction Fund, such amounts as set forth in a certificate, filed with the Trustee, of an Authorized Officer of the Authority; and

Seventh: To the General Fund, any remaining balance of such moneys withdrawn from the Revenue Fund.

(d) Upon receipt of a certificate from an Authorized Officer of the Authority reciting the terms determined in a resolution of the Authority, the Trustee shall permit a Revenue Fund Depository to retain in the Revenue Fund an amount not to exceed the greatest aggregate monthly deposit made during any month by the Authority with that Depository (or a predecessor Depository which had received deposits regarding the same Bridge) during the previous twelve (12) months.

Section 5.04. Debt Service Fund. (a) The Trustee shall pay out of the Debt Service Fund to the respective Paying Agents (i) before each interest payment date for any of the Bonds the amount required for the interest payable on such date; (ii) on or before each interest payment date, an amount equal to the Principal Installment, if any, due on such date by reason of maturity or by reason of the payment of any Sinking Fund Installment; and (iii) on or before any redemption date for the Bonds, the amount required for the payment of the Redemption Price and interest on the Bonds then to be redeemed. Such amounts shall be applied by the Paying Agents on and after the due dates thereof. The Trustee shall also pay out of the Debt Service Fund the accrued interest included in the purchase price of Bonds purchased for retirement.

(b) Amounts accumulated in the Debt Service Fund by reason of the payment of any Sinking Fund Installment may, and if so directed in writing by an Authorized Officer of the Authority shall, be applied by the Trustee, on or prior to the 60th day preceding the due date of such Sinking Fund Installment, to (i) the purchase of Bonds of the maturity for which such Sinking Fund Installment was established, or (ii) the redemption of such Bonds at the applicable Sinking Fund Redemption Price, if then redeemable by their terms. All such purchases of Bonds shall (i) be made at prices not exceeding the applicable Sinking Fund Redemption Price of such

Bonds plus accrued interest, and (ii) be made by the Trustee as arranged by the Authority in such manner and from such sellers or brokers at such prices as the Authority shall determine and (iii) insure that delivery of the Bonds so purchased shall not occur later than the sixtieth (60th) day next preceding the redemption date to which such Bonds are to be applied. The applicable Sinking Fund Redemption Price of any Bonds (or principal amount of maturing bonds) so purchased or redeemed shall be deemed to constitute part of the Debt Service Fund until such Sinking Fund Installment date, for the purpose of calculating the amount of such Fund. As soon as practicable after the 60th day preceding the due date of any such Sinking Fund Installment, the Trustee shall proceed to call for redemption on such due date Bonds of the maturity for which such Sinking Fund Installment was established (except in the case of Bonds maturing on a Sinking Fund Installment date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment after making allowance for any Bonds purchased or redeemed pursuant to this Section 5.04 which the Authority has directed the Trustee to apply as a credit against such Sinking Fund Installment as provided in subsection (d) of this Section 5.04. The Trustee shall pay out of the Debt Service Fund to the appropriate Paying Agents, on or before the redemption date the amount required for the redemption of the Bonds so called for redemption, and such amount shall be applied by such Paying Agents to such redemption.

(c) The amount, if any, deposited in the Debt Service Fund from the proceeds of sale of the Bonds shall be set aside in such Fund and applied to the payment of interest on the Bonds as the same becomes due and payable.

(d) Upon any purchase or redemption pursuant to subsection (b) of this Section of Bonds of any Series and maturity for which Sinking Fund Installments shall have been established, (i) if the principal amount of the Bonds so purchased is less than or equal to the next succeeding Sinking Fund Installment for such Series there shall be credited to the next such Sinking Fund Installment an amount equal to the principal amount of the Bonds of such Series so purchased; and (ii) if the principal amount of the Bonds so purchased is greater than the next succeeding Sinking Fund Installment, there shall be credited toward each such Sinking Fund Installment thereafter to become due an amount bearing the same ratio to such Sinking Fund Installment as the total principal amount of such Bonds so purchased or redeemed bears to the total principal amount of all such Sinking Fund Installments to be so credited or, at the option of the Authority, an amount equal to the next succeeding Sinking Fund Installment. The portion of any such Sinking Fund Installment remaining after the deduction of any such amounts credited toward the same (or the original amount of any such Sinking Fund Installment if no such amounts shall have been credited toward the same) shall constitute the unsatisfied balance of such Sinking Fund Installment for the purpose of calculation of Sinking Fund Installments due on a future date.

**Section 5.05. Debt Service Reserve Fund.** (a) If on the day preceding any interest payment date the amount in the Debt Service Fund shall be less than Accrued Aggregate Debt Service for all Bonds Outstanding, the Trustee shall apply amounts from the Debt Service Reserve Fund to the extent necessary to satisfy the deficiency.

(b) Whenever the moneys on deposit in the Debt Service Reserve Fund shall exceed the Debt Service Reserve Requirement, the Trustee, at the written direction of an Authorized Officer of the Authority, shall withdraw the amount of such excess and deposit such excess to the credit of the Revenue Fund.

(c) Whenever the amount in the Debt Service Reserve Fund, together with the amount in the Debt Service Fund, is sufficient to pay in full all Outstanding Bonds in accordance with their terms, the funds on deposit in the Debt Service Reserve Fund shall be transferred to the Debt Service Fund. Prior to said transfer, all investments held in the Debt Service Reserve Fund shall be liquidated by the Trustee to the extent necessary to provide for timely payment of the principal or Redemption Price of and interest on Bonds.

Section 5.06. Maintenance Reserve Fund. (a) Moneys shall be deposited to the credit of the Maintenance Reserve Fund only as provided in paragraph 5 of subsection (c) of Section 5.03. Moneys to the credit of the Maintenance Reserve Fund may be applied to the Cost of additions, improvements or betterments to, or the reconstruction of, the Bridge System, emergency repairs of the Bridge System, extraordinary repairs, renewals or replacements of the Bridge System, and for purchases of vehicles and equipment necessary to operate and maintain the Bridge System upon receipt by the Trustee of a Professional Certificate of the Consulting Engineer or of a Licensed Professional Engineer setting forth the Cost and stating that the expenditure is necessary (i) to restore or prevent physical damage to the Bridge System or any part thereof, (ii) for the safe and efficient operation of the Bridge System or (iii) to prevent loss of Revenues. Payments from the Maintenance Reserve Fund shall be made upon receipt by the Trustee of written instructions signed by two Authorized Officers of the Authority stating that such payment is due and owing and designating to whom the payment is to be made.

(b) If, upon notice from the Trustee or Depository, as the case may be, as in Section 5.11 provided, the moneys in the Debt Service Fund, the Debt Service Reserve Fund and the General Fund shall be insufficient to pay the interest and Principal Installments becoming due on the Bonds, the Trustee shall transfer from the Maintenance Reserve Fund to the Debt Service Fund the amount necessary (or all the moneys in said Fund if less than the amount necessary) to satisfy such deficiency. The Trustee immediately shall notify the Authority of any such transfer.

(c) If upon the last day of each calendar month the moneys and Investment Securities in the Debt Service Reserve Fund are less than the Debt Service Reserve Requirement and the transfer referred to in subsection (b) of this Section 5.06 shall have theretofore been made, the Trustee shall transfer from the Maintenance Reserve Fund to the Debt Service Reserve Fund the amount necessary (or all the moneys in said Fund if less than the amount necessary) to satisfy such deficiency. The Trustee immediately shall notify the Authority of any such transfer.

(d) If the moneys on deposit in the Subordinated Indebtedness Fund are less than the Subordinated Indebtedness Requirement and the transfers referred to in subsections (b)

and (c) of this Section shall have theretofore been made, the Trustee shall transfer from the Maintenance Reserve Fund to the Subordinated Indebtedness Fund the amount necessary (or all the moneys in said Fund if less than the amount necessary) to satisfy such deficiency. The Trustee immediately shall notify the Authority of any such transfer.

**Section 5.07. General Fund.** (a) The Trustee shall transfer from the General Fund (i) to the Debt Service Fund and the Debt Service Reserve Fund the amount necessary (or all the moneys in the General Fund if less than the amount necessary) to satisfy any deficiencies in payments to said Funds required by clauses (1) and (2), respectively, of subsection (c) of Section 5.03; (ii) in the event of any transfer of moneys from the Debt Service Reserve Fund to the Debt Service Fund, to the Debt Service Reserve Fund the amount of any resulting deficiency in such Fund; (iii) provided that all transfers referred to in clauses (i) and (ii) of this subsection (a) shall have heretofore been made, to the Subordinated Indebtedness Fund the amount, if any, necessary to satisfy any deficiency in the Subordinated Indebtedness Requirement; (iv) such amount as the Authority may, in its discretion in a written direction to the Trustee by an Authorized Officer of the Authority, determine to set aside in reserve for meeting the deficiencies referred to in clauses (i) through (iii) of this subsection (a); (v) provided that all transfers and reserves therefor referred to in clauses (i) through (iv) of this subsection (a) shall have heretofore been made, to the Maintenance Reserve Fund the amount, if any, to satisfy the deficiency in such Fund.

(b) Amounts in the General Fund not required to meet a deficiency referred to in subsection (a) of this Section 5.07 shall be applied by the Trustee pursuant to a written direction of an Authorized Officer of the Authority to any other lawful corporate purpose of the Authority.

**Section 5.08. Subordinated Indebtedness.** (a) The Authority may, now or hereafter, at any time or from time to time, issue evidences of indebtedness payable out of, and which may be secured by a pledge of, such amounts in the Subordinated Indebtedness Fund or the General Fund as may from time to time be available for the purpose of payment thereof. The Authority may, by resolution, provide for various priorities in the liens and pledges securing Subordinated Indebtedness, and nothing in the Resolution shall be construed so as to require that the payment of, or pledges securing, Subordinated Indebtedness be on a parity inter se.

(b) The Authority may also, at any time or from time to time, issue Subordinated Indebtedness to refund any Subordinated Indebtedness issued as provided in this Section or to refund Outstanding Bonds of one or more Series or one or more maturities within a Series. Such Subordinated Indebtedness issued for refunding purposes may be payable out of, and may be secured by a pledge of, such amounts in the Subordinated Indebtedness Fund or General Fund as may from time to time be available therefor.

(c) The resolution, indenture or other instrument securing or evidencing each issue of Subordinated Indebtedness shall contain provisions (which shall be binding on all holders

of such Subordinated Indebtedness) not more favorable to the holders of such Subordinated Indebtedness than the following:

(1) In the event of any insolvency or bankruptcy proceedings, and any receivership, liquidation, reorganization or other similar proceedings in connection therewith, relative to the Authority or to its creditors, as such, or to its property, and in the event of any proceedings for voluntary liquidation, dissolution or other winding up of the Authority, the holders of all Bonds then Outstanding shall be entitled to receive payment in full of all principal and interest on all such Bonds before the holders of the Subordinated Indebtedness are entitled to receive any payment from the trust estate under the Resolution consisting of the Available Revenues and Funds held under the Resolution (hereinafter in this subsection (c) referred to as the "Trust Estate") on account of principal (and premium, if any) or interest upon the Subordinated Indebtedness.

(2) In the event that any issue of Subordinated Indebtedness is declared due and payable before its expressed maturity because of the occurrence of an event of default (under circumstances when the provisions of (1) above shall not be applicable), the owners of all Bonds Outstanding at the time such Subordinated Indebtedness so becomes due and payable because of such occurrence of such an event of default shall be entitled to receive payment in full of all principal and interest on all such Bonds before the holders of the Subordinated Indebtedness are entitled to receive any accelerated payment from the Trust Estate of principal (and premium, if any) or interest upon the Subordinated Indebtedness.

(3) If any Event of Default with respect to the Bonds shall have occurred and be continuing (under circumstances when the provisions of (a) above shall not be applicable), the owners of all Bonds then Outstanding shall be entitled to receive payment in full of all principal and interest on all such Bonds before the holders of the Subordinated Indebtedness are entitled to receive any accelerated payment from the Trust Estate of principal (and premium, if any) or interest upon the Subordinated Indebtedness.

(4) No Bondholder shall be prejudiced in his right to enforce subordination of the Subordinated Indebtedness by any act or failure to act on the part of the Authority.

(5) The Subordinated Indebtedness may provide that the provisions of (1), (2), (3) and (4) above are solely for the purpose of defining the relative rights of the owners of the Bonds on the one hand, and the owners of Subordinated Indebtedness on the other hand, and that nothing therein shall impair, as between the Authority and the owners of the Subordinated Indebtedness, the obligation of the Authority, which is unconditional and absolute, to pay to the owners thereof the principal thereof and premium, if any, and interest thereon in accordance with its terms, nor shall anything therein prevent the holders of the Subordinated Indebtedness from exercising all remedies otherwise permitted by applicable law or thereunder upon default thereunder, subject to the rights under (1), (2), (3) and (4) above of the owners of Bonds to receive cash, property or

securities otherwise payable or deliverable to the holders of the Subordinated Indebtedness; and the Subordinated Indebtedness may provide that, insofar as a trustee or paying agent for such Subordinated Indebtedness is concerned, the foregoing provisions shall not prevent the application by such trustee or paying agent of any moneys deposited with such trustee or paying agent for the purpose of the payment of or on account of the principal (and premium, if any) and interest on such Subordinated Indebtedness if such trustee or paying agent did not have knowledge at the time of such application that such payment was prohibited by the foregoing provisions.

(d) Any issue of Subordinated Indebtedness may have such rank or priority with respect to any other issue as may be provided in the resolution, indenture or other instrument securing such issue of Subordinated Indebtedness and may contain such other provisions as are not in conflict with the provisions of the Resolution.

**Section 5.09. Subordinated Indebtedness Fund.** The Trustee shall at all times maintain in the Subordinate Indebtedness Fund an amount equal to the Subordinated Indebtedness Requirement. Moneys on deposit in the Subordinated Indebtedness Fund shall be applied by the Trustee solely in accordance with the provisions of, and subject to the priorities and limitations and restrictions provided in, the resolution, indenture or other instrument of the Authority securing or evidencing such Subordinated Indebtedness. Any moneys deposited in the Subordinated Indebtedness Fund shall immediately be free and clear of the lien and pledge created by the Resolution.

**Section 5.10. Construction Fund.** (a) There shall be paid into the Construction Fund the amounts required to be so paid by the provisions of the Resolution or any Supplemental Resolution or Certificate of Determination, and there may be paid into the Construction Fund, at the option of the Authority, any moneys received for or in connection with the Bridge System by the Authority from any other source.

(b) Amounts in each separate account established for the Project or an Additional Project shall be applied by the Trustee to Costs and to any other purposes specified in this Resolution or the Supplemental Resolution authorizing the Bonds issued to finance the Project or an Additional Project, or, if no Bonds are so issued, to the purpose or purposes specified in a resolution of the Authority. Payments from the Construction Fund shall be made upon receipt by the Trustee of written instructions signed by two Authorized Officers of the Authority stating that such payment is due and owing and designating to whom and the account from which the payment is to be made.

(c) Moneys in the Construction Fund shall be invested by the Trustee upon instructions from the Authority to the fullest extent practicable in Investment Securities maturing in such amounts and at such times as may be necessary to provide funds when needed to pay Costs or such other costs as may be required to be paid from such moneys. The Trustee may, and to the extent required for payments from the Construction Fund shall, sell any such Investment Securities at any time, and the proceeds of such sale, and of all payments at maturity

and upon redemption of such investments, shall be held in the applicable account in the Construction Fund. Interest received on moneys or securities in any separate account in such Fund may be held in such account or may be transferred to any other account within the Construction Fund as the Authority shall direct the Trustee in written instructions of an Authorized Officer of the Authority.

(d) The completion, substantial completion or abandonment of construction of the Project or any Additional Project shall be evidenced by a certificate of a Licensed Professional Engineer, which shall be filed promptly with the Authority and the Trustee, stating the date of such completion, anticipated completion or abandonment and the amount, if any, required in the opinion of the signer for the payment of any remaining part of the Cost of such Project or an Additional Project, and, if such Project or an Additional Project has been completed, further stating that it has been constructed in accordance with the plans and specifications applicable thereto. Upon the filing of such certificate and upon instructions from the Authority, the balance in the separate account in the Construction Fund established therefor in excess of the amount, if any, stated in such certificate shall be deposited by the Trustee in any other account in the Construction Fund or in the Debt Service Reserve Fund, if and to the extent necessary to make the amount in such Fund equal to the Debt Service Reserve Requirement. Any balance remaining after such payment and deposit shall be returned by the Depository to the Trustee for deposit into the Revenue Fund, if so directed by the Authority, and otherwise into the Maintenance Reserve Fund.

Section 5.11. Valuation of Funds and Accounts. (a) The Trustee shall, as of the close of business on the last day of each month, compute in the manner set forth in Section 6.04 hereof the value of the moneys and Investment Securities in all of the Funds and Accounts held by the Trustee and shall as promptly as practicable thereafter notify the Authority as to the result of such computation and the amount of deficiency or surplus in such Fund or Account as of such date.

(b) In the circumstance that any Fund or Account established by this Resolution is held by a Depository other than the Trustee or the Authority, such Depository shall, as of the close of business on the last day of each month, compute in the manner set forth in Section 6.04 hereof the value of the moneys and Investment Securities in all of the Funds and Accounts held by such Depository, and shall as promptly as practicable thereafter notify the Authority as to the result of such computation and the amount of any deficiency or surplus in such Funds and Accounts as of such date.

Section 5.12. Rebate Fund. (a) The Authority shall deposit or cause to be deposited the Rebate Requirement (as defined in the Arbitrage and Use of Proceeds Certificate) into the Rebate Fund at the times and in the manner set forth in the Arbitrage and Use of Proceeds Certificate.

(b) The Authority shall direct the Trustee to rebate to the Internal Revenue Service (or such other agency of the United States as may be prescribed pursuant to Section

148(f) of the Code) all moneys held in the Rebate Fund as are required to be rebated or paid to reduce yield in accordance with the Arbitrage and Use of Proceeds Certificate.

Section 5.13. Operating Fund. The Authority shall pay out of the Operating Fund such amounts as may be required for reasonable and necessary Operating Expenses.

Section 5.14. Insurance Fund. (a) There shall be paid into the Insurance Fund the amounts required to be so paid by the provisions of the Resolution, any Supplemental Resolution, or other resolution of the Authority.

(b) The Trustee shall hereafter establish, if necessary, within the Insurance Fund one or more separate accounts in which to deposit such amounts specified in a resolution of the Authority pursuant to Section 7.14 hereof. The Trustee shall deposit, invest, transfer, pay out or otherwise apply such amounts as specified in a resolution of the Authority and upon instructions to the Trustee in a certificate of an Authorized Officer of the Authority.

(c) Any balance remaining after such deposit, investment, transfer, payment or other application shall be transferred by the Trustee to the Revenue Fund, upon instructions to the Trustee in a certificate of an Authorized Officer of the Authority, and otherwise to the Maintenance Reserve Fund.

## ARTICLE VI

### DEPOSITARIES, SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

Section 6.01. Depositaries. (a) All moneys held by the Trustee under the provisions of the Resolution shall be deposited with the Trustee or with one or more Depositaries in trust for the Trustee. All moneys held by the Authority under the Resolution shall be deposited with one or more Depositaries in the name of the Authority. All moneys deposited under the provisions of the Resolution with the Trustee or any Depositary shall be held in trust and applied only in accordance with the provisions of the Resolution, and each of the Funds established by the Resolution shall be a trust fund.

(b) Each Depositary shall be a commercial bank or trust company organized under the laws of any state of the United States or a national banking association, each having capital stock, surplus and undivided earnings of \$50,000,000 or more and willing and able to accept such office on reasonable and customary terms and authorized by law to act in accordance with the provisions of the Resolution.

(c) The Trustee shall keep and maintain adequate records pertaining to the Funds and Accounts established hereunder which are to be held by the Trustee, including records of all deposits to, disbursements from and investments of all amounts held in said Funds and Accounts. The Trustee shall retain in its possession all certifications and other documents presented to it, all such records and all records of principal, premium and interest paid on the bonds and investments of all amounts in all Funds and Accounts held by the Trustee, subject to the inspection of the Authority and the Bondholders and their representatives at all reasonable times. At least monthly or as otherwise requested by the Authority, the Trustee shall submit to the Authority a detailed report of all deposits to, disbursements from and investments of all amounts in all Funds and Accounts held by the Trustee.

Section 6.02. Deposits. (a) All moneys held by any Depositary under the Resolution may be placed in demand or interest bearing time deposits or other Investment Securities, as directed by the Authority, provided that such deposits shall permit the moneys so held to be available for use when needed. Any such deposit may be made in the commercial banking department of any Fiduciary which may honor checks and drafts on such deposit as if it were not a Fiduciary. All moneys held by any Fiduciary may be deposited with its banking department on demand or, if and to the extent directed by the Authority, in interest bearing time deposits or other Investment Securities, provided that such moneys on deposit be available for use when needed. Such Fiduciary shall allow and credit on such moneys such interest, if any, as it customarily allows upon similar funds of similar size.

(b) All moneys held under the Resolution by the Trustee or any Depositary shall be continuously and fully insured, or to the extent not insured secured for the benefit of the Authority and the Bondholders, either (i) by the Authority causing to be lodged with the

Trustee as collateral security, direct obligations of or obligations guaranteed by the United States of America having a market value (exclusive of accrued interest) not less than the amount of such moneys, or (ii) in such other manner as may then be required by applicable Federal or state laws and regulations to provide security for the deposit of trust funds or to grant a preference to the depositor thereof; provided, however, that it shall not be necessary for the Fiduciaries to give security under this subsection (b) for the deposit of any moneys with them held in trust and set aside by them for the payment of the principal or Redemption Price of or interest on any Bonds, or for the Trustee or any Depository to give security for any moneys which shall be represented by obligations or certificates of deposit purchased as an investment of such moneys.

(c) All moneys deposited with the Trustee and each Depository shall be credited to the particular Fund or Account to which such moneys belong.

Section 6.03. Investment of Certain Funds. (a) Moneys held in the Debt Service Fund and the Debt Service Reserve Fund shall be invested and reinvested by the Trustee at the direction of the Authority to the fullest extent practicable in Investment Securities maturing or redeemable at the option of the holder thereof no later than necessary to provide moneys when needed for payments to be made from such Funds; provided, however, that moneys in the Debt Service Fund and the Debt Service Reserve Fund shall only be invested in Investment Securities of the types described in clauses (i) and (ii) of the definition thereof and shall not be invested in any Investment Security maturing or redeemable at the option of the holder thereof later than five years from the date of purchase. Moneys in the Revenue Fund may be invested and reinvested by the Trustee, in Investment Securities which mature not later than such times as shall be necessary to provide moneys when needed for payments to be made from such Fund. Moneys in the General Fund and Maintenance Reserve Fund may be invested by the Trustee in Investment Securities which mature not later than necessary to provide moneys when needed for payments from such Funds. The Trustee, or the Depository, shall make all such investments of moneys held by it in accordance with oral instructions, immediately confirmed by written instructions received from any Authorized Officer of the Authority. In making any investment of moneys in any Fund or Account, the Authority may instruct the Trustee or Depository to combine such moneys with moneys in any other Fund or Account, but solely for the purpose of making such investment in Investment Securities and provided that a pro rata share of such investment shall be credited to each such Fund or Account.

(b) Interest (net of that which represents a return of accrued interest paid in connection with the purchase of any investment) earned or any gain realized on any moneys or investments in the Debt Service Reserve Fund shall be held therein and applied semi-annually on December 31 and June 30 of each year as in Section 5.05 provided. Interest earned (net of that which represents a return of accrued interest paid in connection with the purchase of any investment) or any gain realized on any moneys or investments in the Debt Service Fund shall be applied semi-annually on December 31 and June 30 of each year as in Section 5.04 provided. Interest (net of that which represents a return of accrued interest paid in connection with the purchase of any investment) earned or any gain realized on any moneys or investments in the Construction Fund shall be applied as in Section 5.10 provided. Interest earned (net of that

which represents a return of accrued interest paid in connection with the purchase of any investment) or any gain realized from the investment of moneys in all other Funds and Accounts shall be retained therein and applied as a credit against the next succeeding deposit required to be made pursuant to Section 5.03 hereof; provided, however, that any amounts in such Funds and Accounts which on June 30 and on December 31 of each year are determined by the Trustee to be in excess of the next succeeding deposit required by Section 5.03 hereof shall be transferred to the Revenue Fund for application pursuant to Section 5.03.

(c) Notwithstanding anything herein to the contrary, investments in all Funds and Accounts shall be subject to the provisions of Section 5.12 hereof.

Section 6.04. Valuation or Sale of Investments. (a) Investment Securities in any Fund or Account created under the provisions of the Resolution shall be deemed at all times to be part of such Fund or Account and any profit realized from the liquidation of such investment shall be credited to such Fund or Account and any loss resulting from liquidation of such investment shall be charged to such Fund or Account. Any net profits remaining after accumulating the sum of all profits realized and losses suffered from the liquidation of such investments in any Fund or Account during each quarterly period shall be transferred or paid as provided in subsection (b) of Section 6.03 hereof.

(b) In computing the amount in any Fund or Account, Investment Securities therein shall be valued at cost or market, whichever is lower.

(c) Except as otherwise provided in the Resolution, the Trustee or any Depository shall use its best efforts to purchase or sell at the best price obtainable, or present for redemption, any Investment Security held in any Fund or Account whenever it shall be necessary, and upon oral request (later confirmed in writing from an Authorized Officer of the Authority) in order to provide moneys to meet any payment or transfer from such Fund or Account. The Trustee or any Depository shall not be liable or responsible for any loss resulting from any such investment, sale, liquidation or presentation for investment made in the manner provided above.

## ARTICLE VII

### PARTICULAR COVENANTS OF THE AUTHORITY

The Authority covenants and agrees with the Trustee and the Bondholders as follows:

Section 7.01. Payment of Bonds. The Authority shall duly and punctually pay or cause to be paid the principal or Redemption Price, if any, of every Bond and the interest thereon, at the dates and places and in the manner mentioned in the Bonds, according to the true intent and meaning thereof and shall duly and punctually pay all Sinking Fund Installments.

Section 7.02. Extension of Payment of Bonds. The Authority shall not extend or assent to the extension of the maturity of any Bond or installment of interest, and if the maturity of any Bond or installment of interest shall be extended, such Bond or installment of interest shall not be entitled, in case of any default under the Resolution, to the benefit of the Resolution or to payment out of Revenues or Funds established by the Resolution or moneys held by Fiduciaries (except moneys held in trust for the payment of such Bond or installment of interest) until the prior payment of the principal of all Bonds Outstanding the maturity of which has not been extended and of such portion of the accrued interest on the Bonds as shall not be represented by such extended claims for interest. Nothing herein shall be deemed to limit the right of the Authority to issue Refunding Bonds and such issuance shall not be deemed to constitute an extension of maturity of Bonds.

Section 7.03. Concerning Prior Bonds. From and after the date of adoption of this Resolution the Authority will not issue any additional Prior Bonds under the Prior Resolution. Immediately upon the date on which the Prior Bonds are paid, or deemed to be paid, within the meaning and with the effect expressed in the Prior Resolution, the Authority shall cause the transfer of all of the revenues, moneys, securities and funds then remaining in all funds established under the Prior Resolution to those Funds established by this Resolution in accordance with Section 5.03 hereof.

Section 7.04. Further Assurance. At any and all times the Authority shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, pledging, assigning and confirming all and singular the rights, Net Revenues and other moneys, securities and funds hereby pledged or assigned, or which the Authority may become bound to pledge or assign. Furthermore, the Authority shall not undertake or fund the construction or operation of any facility or project which will materially adversely affect the security or rights of the Bondholders.

Section 7.05. Power to Issue Bonds and Pledge Revenues and other Funds and Accounts. The Authority is duly authorized under all applicable laws and the Prior Resolution

to issue the Bonds and to adopt the Resolution and to pledge the Net Revenues and other moneys, securities and funds purported to be pledged by the Resolution in the manner and to the extent provided in the Resolution. Except as provided in Section 5.01, the Net Revenues and other moneys, securities and funds so pledged are and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge created by the Resolution, and all corporate or other action on the part of the Authority to that end has been and will be duly and validly taken. The Bonds and the provisions of the Resolution are and will be valid and legally enforceable obligations of the Authority in accordance with their terms and the terms of the Resolution. The Authority shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Net Revenues and other moneys, securities and funds pledged under the Resolution and all the rights of the Bondholders under the Resolution against all claims and demands and to that end will at all times keep a copy of the Resolution in its record.

**Section 7.06. Power to Operate Bridge System and Collect Tolls and Charges.**

The Authority has, and will have so long as any Bonds are Outstanding, good, right and lawful power to construct, reconstruct, improve, maintain, operate and repair the Bridge System and, subject to the approval under the Act of the New York State Commissioner of Transportation, to fix, maintain and collect tolls and other charges for their use, as provided in the Resolution.

**Section 7.07. Indebtedness and Liens.** So long as the Bonds of any Series shall be Outstanding, the Authority shall not issue any bonds or other evidences of indebtedness, other than the Bonds and Subordinated Indebtedness, which are payable from or secured by a pledge of the Revenues or of the moneys, securities or funds held or set aside by the Authority or by the Trustee under the Resolution, and shall not create or cause to be created any lien or charge on the Revenues or such moneys, securities or funds ranking prior to or on a parity with the lien and pledge created by this Resolution and with any applicable Supplemental Resolution; provided, however that nothing contained in the Resolution shall prevent the Authority from entering into or issuing (i) evidences of indebtedness payable from, or secured by the pledge of Revenues to be derived on and after such date as the pledge of Net Revenues provided in the Resolution shall be discharged and satisfied as provided in Section 13.01, or (ii) all such indebtedness and any pledge securing the same as shall be, and as shall be expressed to be, subordinate in all respects to the Bonds and the pledge created by the Resolution.

**Section 7.08. Sale, Lease and Encumbrance of Property.** (a) No part of any real property, fixtures or facilities constituting part of the Bridge System owned or held by the Authority shall be sold, mortgaged, leased, exchanged or otherwise disposed of, provided that the Authority may sell, lease, exchange or otherwise dispose at any time or from time to time any such real property, fixtures or facilities constituting part of the Bridge System and not useful in the operation thereof as determined (1) in the opinion of the Traffic Consultant, stated in a Professional's Certificate to be filed with the Trustee, (2) in the opinion of the Consulting Engineer in a Professional's Certificate to be filed with the Trustee and (3) in a certificate of an Authorized Officer of the Authority to be filed with the Trustee, but any proceeds of any such sale, lease, mortgage, exchange or other disposition not used to acquire other property necessary

or desirable for the safe or efficient maintenance and operation of the Bridge System shall be deposited into the Revenue Fund. Such Professional Certificate of the Traffic Consultant required above in this Section 7.08(a) shall state that the sale, lease, mortgage, exchange or other disposition is in accordance with prudent practice and shall contain statements required by Section 2.05(b)(3) of this Resolution, as if the date of the sale, lease, mortgage or other disposition were a date of issuance of Bonds. Such certificate of the Consulting Engineer required above in this Section 7.08(a) shall state that the sale, lease, mortgage, exchange or other disposition is in accordance with prudent practice for this type of transportation facility and is in compliance with Section 7.12 hereof. Such certificate of an Authorized Officer of the Authority required above in this Section 7.08 shall contain statements required by Section 2.05(b)(5) hereof, as if the date of the sale, lease, mortgage or other disposition were a date of issuance of Bonds.

(b) No part of any personal property constituting part of the Bridge System owned or held by the Authority shall be sold, leased or otherwise disposed of, provided that the Authority may sell, lease, exchange or otherwise dispose at any time or from time to time any such personal property constituting part of the Bridge System and not useful in the operation thereof as determined by a resolution of the Authority to be filed with the Trustee, but any proceeds of any such sale, lease, exchange or other disposition not used to acquire other property necessary or desirable for the safe or efficient maintenance and operation of the Bridge System shall be deposited in the Revenue Fund.

Section 7.09. Eminent Domain. If any portion of the properties of the Bridge System is taken by eminent domain, any moneys received by the Authority as a result shall be paid to the Trustee for deposit in the Debt Service Reserve Fund to the extent necessary to cause the amount in the Debt Service Reserve Fund to equal the Debt Service Reserve Fund Requirement and any balance shall be paid into the Revenue Fund if the balance is not in excess of one percent (1%) of the principal amount of the Outstanding Bonds. If the balance exceeds one percent (1%) of the principal amount of the Outstanding Bonds, it shall be deposited, as the Authority shall determine in written instructions from an Authorized Officer to the Trustee, in the Construction Fund, the Maintenance Reserve Fund, or the General Fund.

Section 7.10. Engineers and Consultants. The Authority shall, until the Bonds shall have been paid or provision for such payment shall have been made, (a) for the purpose of performing and carrying out the duties imposed on the Consulting Engineer by the Resolution, employ an independent engineer or engineering firm or corporation (other than the Traffic Consultant) having a favorable reputation for skill and experience in such duties and (except in the case of the Consulting Engineer employed by the Authority at the time of the adoption of the Resolution) approved by the Trustee in a certificate filed with the Authority, and (b) for the purpose of performing and carrying out the duties imposed on the Traffic Consultant by the Resolution, the Authority, from time to time, may employ an independent consultant or consulting firm or corporation having a favorable reputation for skill and experience in such duties and approved by the Trustee in a certificate filed with the Authority. For the purpose of performing and carrying out the duties imposed on any Licensed Professional Engineer by the

Resolution, the Authority, from time to time, may employ one or more Licensed Professional Engineers each having a favorable reputation for skill and experience in such duties relating to terms and payment of contracts.

Section 7.11. Limitations on Operating Expenses. The Authority shall not pay Operating Expenses in any year in excess of the reasonable and necessary amount thereof, and shall not expend any amount for Operating Expenses for such year in excess of the amounts provided in the report of financial condition in accordance with Section 7.13 hereof, unless the Authority pursuant to a resolution shall adopt and file with the Trustee an amended report of financial condition. Nothing in this Section contained shall limit the amount which the Authority may expend for Operating Expenses in any year provided any amounts expended therefor in excess of such annual report of financial condition or such amended report of financial condition shall be received by the Authority from a source other than Revenues and the Authority shall not make or receive any reimbursement therefor out of Revenues.

Section 7.12. Operation and Maintenance of Bridge Facilities. (a) The Authority shall at all times operate or cause to be operated the Bridge System properly and in a sound and economical manner and shall maintain, preserve, reconstruct and keep the same or cause the same to be so maintained, preserved, reconstructed and kept, with the appurtenances and every part and parcel thereof, in good repair, working order and condition, and shall from time to time make, or cause to be made, all necessary and proper repairs, replacements and renewals so that at all times the operation of the Bridge System may be properly and advantageously conducted.

(b) The Authority shall determine by resolution at least annually the amount necessary to comply with subsection (a) above and shall instruct the Trustee, pursuant to a certificate of an Authorized Officer of the Authority, to deposit such amount at such time or times determined in a resolution of the Authority in accordance with Section 5.03(c) hereof.

Section 7.13. Tolls and Charges. (a) The Authority shall at all times fix, charge and collect tolls and other charges for the use of the Bridge System at rates not less than those set forth in any schedule of tolls and other charges then in effect.

(b) The Authority shall at all times fix, charge and collect such tolls and other charges for the use of the Bridge System as shall be required by the Act and as shall be required in order that in each Fiscal Year Net Revenues less investment earnings on amounts held in the General Fund and the Construction Fund included therein shall at least equal the Net Revenue Requirement for such year.

(c) The Authority shall, on or before the sixtieth day preceding the first day of each Fiscal Year, complete a review of its financial condition for the purpose of estimating whether Net Revenues less investment earnings on amounts held in the General Fund and the Construction Fund included therein for such year and for the next succeeding year will be sufficient to comply with subsection (b) of this Section 7.13 and shall by resolution make a determination with respect thereto (computing interest on Variable Rate Bonds using the actual

interest rate to the date of such review and the Estimated Average Interest Rate for the following year). A copy of such resolution, certified by an Authorized Officer of the Authority, together with a certificate of such Authorized Officer of the Authority setting forth a reasonably detailed statement of the actual and estimated Revenues, Operating Expenses and any other estimates or assumptions upon which such determination was based, shall be filed with the Trustee on or before the sixtieth day preceding the first day of the next Fiscal Year. If the Authority determines that the Net Revenues less investment earnings on amounts held in the General Fund and the Construction Fund included therein may not be so sufficient, it shall (1) promptly cause the Traffic Consultant to make a study for the purpose of recommending a schedule of tolls and other charges for the Bridge System which, in the opinion of the Traffic Consultant, will cause sufficient Revenues to be collected in the following Fiscal Year to comply with said subsection (b) and will cause additional Revenues to be collected in such following and later calendar years sufficient to restore the amount of any deficiency at the earliest practicable time, and (2) as promptly as practicable but no later than the first day of the fourth month of the next Fiscal Year, adopt and place in effect the schedule of tolls and other charges recommended by the Traffic Consultant.

(d) The Authority shall not at any time reduce any toll or other charge fixed for the use of the Bridge System except after 30 days' notice to the Trustee and then only if, accompanying said notice, there shall be filed with the Trustee:

(1) A certificate of the Traffic Consultant stating whether, to the best of their knowledge, any federal, state or other agency, or other entity is then projecting or planning the construction, improvement or acquisition of any highway or other facility which, in the opinion of the Traffic Consultant, may be materially competitive with any part of the Bridge System and the estimated date of completion of such highway or other facility, and setting forth estimates of Revenues, giving effect to the completion of any uncompleted Additional Project, for the then current and each future calendar year to and including the latest maturity of the Bonds (but in no event more than ten (10) years from the date of such certificate) on the following assumptions: (i) that any such competing highway or other facility will be completed on such estimated date and will thereafter be in operation during the period covered by such estimates, and (ii) that no additional traffic will result from such proposed reduction;

(2) A certificate of the Consulting Engineer setting forth, for the years and on the assumptions specified in the certificate of the Traffic Consultant delivered pursuant to clause (1) of this subsection, estimates of Operating Expenses, giving effect to the completion of any uncompleted Additional Project; and

(3) A certificate of an Authorized Officer setting forth (i) the Aggregate Debt Service (without excluding Bond interest the payment of which shall have been provided by payments or deposits out of Bond proceeds) for the next preceding Fiscal Year, (ii) the Aggregate Debt Service for the then current and each future Fiscal Year, and (iii) the Net Revenues for the next preceding Fiscal Year and stating (iv) that such Net

Revenues have at least equaled 1.75 times the Aggregate Debt Service on all Bonds Outstanding for such preceding year, (v) that the estimated Net Revenues (based on the certificates filed pursuant to clauses (1) and (2) of this subsection) for the then current and each future Fiscal Year (but in no event more than ten (10) years from the date of such certificate) are at least equal to 1.75 times the Aggregate Debt Service on all Bonds projected to be Outstanding for each such year; (vi) that the Authority is not in default in the performance of any of the covenants or conditions in the Bonds or the Resolution and (vii) that the amount in the Debt Service Reserve Fund is at least equal to the Debt Service Reserve Requirement.

(e) The Authority may adjust, reclassify or increase tolls or other charges or establish special tolls or other charges at any time and from time to time upon the written recommendation of the Traffic Consultant, as evidenced by their certificate filed with the Trustee; provided that such action will not result in a reduction of Net Revenues for the then current or any future Fiscal Year, as determined by certificates, filed with the Trustee, of the Traffic Consultant setting forth estimated Revenues, and the Authority setting forth the estimated Operating Expenses.

(f) The Authority shall forthwith upon the adoption of any schedule of tolls or other charges or revision thereof file certified copies thereof with the Trustee.

(g) The failure in any Fiscal Year to comply with the covenant in subsection (b) of this Section shall not constitute an Event of Default if the Authority shall comply with subsection (c) of this Section; provided that if the Traffic Consultant (relying upon the certificate of the Authority hereinafter mentioned in this subsection) shall be of the opinion, as shown by their certificate filed with the Trustee, that a schedule of tolls or other charges for the Bridge System which would provide funds to meet the requirements specified in subsection (b) of this Section is impracticable at that time or would violate subsection (e) of this Section, and the Authority therefore cannot comply with subsection (c) of this Section, then the Authority shall fix and establish such schedule of tolls or other charges as is recommended in such certificate by the Traffic Consultant or comply as nearly as practicable with subsection (b) of this Section, and in such event the failure of the Authority to comply with subsection (b) and subsection (c) of this Section shall not constitute an Event of Default. The Traffic Consultant's Professional Certificate shall be accompanied by a certificate of the Authority setting forth estimates of payments for the then current and each future Fiscal Year for Operating Expenses, giving effect to the construction of any uncompleted Additional Project. The Trustee may, and upon the request of the Holders of not less than 10% in principal amount of the Bonds Outstanding and upon being indemnified to its satisfaction shall, institute and prosecute in a court of competent jurisdiction an appropriate action to complete revision of the schedule of tolls or other charges and the fixing, charging and collection of tolls or other charges in accordance with the Act and with any of the covenants contained in this Section.

Section 7.14. Maintenance of Insurance. (a) The Authority shall at all times maintain to the extent reasonably obtainable, the following kinds and the following amounts of

insurance, with such variations as shall reasonably be required to conform to applicable standards or customary insurance practice and subject to such exceptions and permissible deductions as are ordinarily required:

(1) Multi-risk insurance on the facilities of the Bridge System (which are of an insurable nature and of the character usually insured by the operators of similar facilities), covering direct physical loss or damage thereto from causes customarily insured against, in such amounts as and of such character as will, under the terms and provisions thereof, provide a recovery, in the event of the occurrence of any such loss or damage, equal to the excess of the full insurable value of such damageable portion of the Bridge System, over the unobligated amount, if any, then in the Insurance Fund; such full insurable value shall be determined annually by the Consulting Engineer in a Professional Certificate to be filed each year with the Trustee. Such Professional Certificate shall also include a determination by the Consulting Engineer of the amount, if any, which is necessary to be deposited in the Insurance Fund so that the balance in such Fund relating to this type of insurance will equal the deductible amount of the insured replacement value of the Bridge with the greatest replacement value;

(2) Use and occupancy insurance covering loss of Revenues by reason of necessary interruption, total or partial, in the use of the Bridge System resulting from direct physical loss or damage thereto from causes customarily insured against, in such amount and of such character as will, under the terms and provisions thereof, provide a recovery, in the event of the occurrence of any such loss or damage, equal to the amount of such loss of Revenues for not less than a period of twelve months, provided, however, that such use and occupancy insurance may exclude the loss sustained by the Authority during the first 14 days of any total or partial interruption of use. The Authority shall determine annually the amount of insurance or the amount of deposits to the Insurance Fund necessary to provide income during the period of interruption equal to the amount of the loss of Revenues, computed on the basis of Revenues for the corresponding period during the preceding calendar year, attributable to such loss or damage;

(3) Public liability insurance covering injuries to persons and property in such amount and of such character as the Authority shall determine as adequate to insure the Authority against loss from claims arising out of the construction, maintenance, reconstruction or operation of the facilities of the Bridge System;

(4) During the construction or reconstruction of any portion of the facilities of the Bridge System, such insurance as is customarily carried by others with respect to similar structures used for similar purposes, provided that the Authority shall not be required to maintain any such insurance to the extent that such insurance is carried for the benefit of the Authority by contractors as specified in the certifications required by subsection (d) below;

(5) Officers' and directors' liability insurance in such amount as is customarily carried by others with respect to similar public authorities to the extent that such insurance is available at reasonable prices; and

(6) Any additional or other insurance required by law or which in the judgment of the Authority is necessary or advisable to protect the interest of the Authority and the Bondholders.

(b) Any such insurance shall be in the form of policies or contracts for insurance with insurers of good standing and shall be payable to the Authority; provided, however, that regarding insurance required by subsection (a) above, the Authority, in a resolution may determine to pay into a separate account in the Insurance Fund, amounts sufficient (in the sole judgment of the Authority) with the investments therein to provide coverage in addition to or instead of such policies or contracts or as a reserve against potential liability to other parties.

(c) Certifications by the Consulting Engineer made pursuant to this Section shall be in writing and filed with the Authority and the Trustee. The Authority shall file with the Trustee annually, within 100 days after the close of each calendar year, a certificate of an Authorized Officer (i) describing in reasonable detail the insurance then in effect pursuant to this Section and that the Authority has complied in all respects with the requirements of this Section, and (ii) stating whether during such year any portion of the Bridge System has been damaged or destroyed, and, if so, the amount of insurance proceeds covering such loss or damage and the Authority's reasonable and necessary costs of construction or replacement thereof.

(d) The Authority shall require contractors for the Project and each Additional Project to obtain such insurance satisfactory to the Authority as is customarily carried by contractors with respect to similar construction or reconstruction projects. The Authority shall require a written certification by each contractor that such insurance has been obtained and the Authority may require contractors to provide the Authority with copies of such insurance policies.

Section 7.15. Reconstruction; Application of Insurance Proceeds. The proceeds of any insurance paid on account of damage or destruction of any portion of the Bridge System, and the proceeds of any use or occupancy insurance, shall be applied as follows:

(a) If any useful portion of the Bridge System shall be damaged or destroyed, the Authority shall, as expeditiously as possible, continuously and diligently prosecute the reconstruction or replacement thereof. The proceeds of any insurance on account of such damage or destruction, other than use and occupancy insurance shall, to the extent necessary, be deposited as the Authority shall direct in a written instruction of an Authorized Officer to the Trustee in the Construction Fund or the Maintenance Reserve Fund and applied to the cost of such reconstruction or replacement. The proceeds of any insurance not so applied within

18 months after receipt shall be paid to the Trustee for deposit to the credit of the Revenue Fund.

(b) If the proceeds of insurance authorized by this Section to be applied to the reconstruction or replacement of any portion of the Bridge System are insufficient for such purpose, the deficiency may be supplied out of moneys in the Maintenance Reserve Fund to the extent, as shown by a certificate of the consulting Engineer filed with the Trustee, not needed to be reserved for the purposes of such Fund.

(c) The proceeds of insurance against physical loss of or damage to any Project or an Additional Project, or of contractors' performance bonds with respect to any Project or an Additional Project, received during the period of construction thereof, shall be paid to the Authority and applied toward the payment of the costs of such Project or an Additional Project.

Section 7.16. Accounts and Reports. (a) The Authority shall keep or cause to be kept proper books, records and accounts (separate from all other books, records and accounts) in which complete and correct entries shall be made of its transactions relating to the Bridge System, the Funds and Accounts held by the Authority, which are established by the Resolution or any Supplemental Resolution, and which, together with all others books and papers of the Authority, including insurance policies, shall at all times be subject to the inspection of the Trustee and the Holders of not less than 25% in principal amount of any Series of Bonds then Outstanding or their representatives duly authorized in writing. The Authority further covenants that it will keep an accurate record of the total Cost of the Bridge System, of the Revenues collected and of the application of such Revenues and the Available Revenues.

(b) The Authority shall annually submit to the Governor, to the State Comptroller and to the State Legislature a detailed report pursuant to the provisions of the Public Authorities Law and to the Trustee a copy of the report described above.

(c) The Authority shall annually, within 100 days after the close of each Fiscal Year, cause its said books of record and accounts to be audited and shall file with the Trustee a copy of an annual report for such year, accompanied by an Independent Accountant's certificate or letter (or, if the Authority so elects, a certificate or letter of the Comptroller of the State of New York in substantially like form), relating to the Bridge System and including statements in reasonable detail of: financial condition as of the end of such year and income and expenses for such year, all to the extent relating to the Bridge System; the number and classifications of vehicles which used the Bridge System or portions thereof during such year and the Revenues therefrom; a statement of other classifications of Revenues for such year; a statement of Operating Expenses for such year; a summary, with respect to each Fund established under the Resolution, of the receipts therein and disbursements therefrom during such year and the amounts held therein at the end of such year; and a statement in said accountant's certificate that, in auditing the books and accounts no knowledge of any default in the fulfillment

of any of the terms, covenants or provisions of the Resolution was obtained or if knowledge of any such default was obtained, a statement thereof.

(d) The Authority shall at all times keep on file with the Trustee copies of its schedules of tolls and vehicular fees for the use of the Bridge System, as in effect from time to time.

Section 7.17. Tax Covenants. (a) The Authority agrees that it will make no use of proceeds of the Bonds, or of amounts which may be treated as proceeds thereof, which would cause any Bonds which, when initially issued and sold, were the subject of an Opinion of Bond Counsel to the effect that interest thereon (including, for this purpose, earned discount on discount Bonds) was not includable in the gross income of the Holders thereof for federal income tax purposes pursuant to Section 103(a) of the Code, to be "arbitrage bonds" within the meaning of Section 148 of the Code and the applicable Treasury Regulations promulgated thereunder.

(b) The Authority covenants that it will not take any action or fail to take any action with respect to the proceeds of the Bonds or any property financed with such proceeds, or take or fail to take any other action, that would result in loss of the exclusion from the gross income of the Holders thereof pursuant to Section 103(a) of the Code of interest paid on Outstanding Bonds which, when initially issued and sold, were the subject of an Opinion of Bond Counsel to the effect that interest thereon (including, for this purpose, earned discount on discount Bonds) was so excludable.

(c) Anything contained in subsections (a) and (b) above to the contrary notwithstanding, the Authority reserves the right to issue one or more Series of Additional Bonds or Subordinated Indebtedness the interest on which is includable in the gross income of the recipient thereof for Federal income tax purposes, provided that the issuance of such Series does not adversely affect the Federal tax exemption of the interest on any other Series of Bonds or any other Subordinated Indebtedness.

Section 7.18. Conditions Precedent. Upon the date of authentication and delivery of any Series of Bonds, all conditions, acts and things required by law and the Resolution to exist, to have happened and to have been performed precedent to and in the issuance of such Bonds shall exist, have happened and have been performed, and the issuance of such Bonds, together with all other indebtedness of the Authority, shall be within every debt and other limit prescribed by the laws of the State.

## ARTICLE VIII

### EVENTS OF DEFAULT AND REMEDIES OF BONDHOLDERS

Section 8.01. Events of Default and Remedies of Bondholder. If one or more of the following events (in the Resolution called "Events of Default") shall happen, that is to say:

- (a) If a default shall occur in the due and punctual payment of the principal or Redemption Price of any Bond or the payment of the purchase price of any Option Bonds when and as the same shall become due and payable, whether at maturity or by call for redemption, or otherwise;
- (b) If a default shall occur in the due and punctual payment of any installment of interest on any Bond when and as such become due and payable;
- (c) If a default shall occur in the performance or observance by the Authority of any other of the covenants, agreements or conditions in the Resolution, the applicable Supplemental Resolution or in the Bonds of any Series contained, and such default shall continue for a period of 60 days after written notice thereof to the Authority by the Trustee or to the Authority and to the Trustee by the Holders of not less than 25% in principal amount of the Bonds of such Series Outstanding;
- (d) A court having jurisdiction in the premises shall enter a decree or order providing for relief in respect of the Authority in an involuntary case under any applicable bankruptcy, insolvency, reorganization or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Authority or for any substantial part of its property, or ordering the winding-up or liquidation of its affairs and such decree or order shall remain unstayed and in effect for a period of 60 days; or
- (e) The Authority shall commence a voluntary case under any applicable bankruptcy, insolvency, reorganization or other similar law now or hereafter in effect, shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of the Authority or for any substantial part of its property, or shall make any general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due or shall take any action in furtherance of the foregoing;

then, and in each and every such case, so long as such Event of Default shall not have been remedied, unless the principal of all the Bonds shall have already become due and payable, the Trustee may, and upon the written request of the holders of not less than 25% of all Series of Bonds then Outstanding shall, proceed to enforce by such proceedings at law or in equity as it deems most effectual the rights of Bondholders, and either the Trustee (by following the procedures set forth in Section 537.4 of the Act), or the holders of not less than 25% in

principal amount of the Bonds Outstanding (by notice in writing to the Authority and the Trustee), may declare the principal of all the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and be immediately due and payable. The right of the Trustee or of the holders of not less than 25% in principal amount of the Bonds to make any such declaration, however, shall be subject to the condition that if, at any time after such declaration, but before the Bonds shall have matured by their terms, all overdue installments of interest upon the Bonds, together with interest on such overdue installments of interest to the extent permitted by law and the reasonable and proper charges, expenses and liabilities of the Trustee, and all other sums then payable by the Authority under the Resolution (except the principal of, and interest accrued since the next preceding interest date on, the Bonds due and payable solely by virtue of such declaration) shall either be paid by or for the account of the Authority or provision satisfactory to the Trustee shall be made for such payment, and all defaults under the Bonds or under the Resolution (other than the payment of principal and interest due and payable solely by reason of such declaration) shall be cured or be secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, then and in every such case the holders of a majority in principal amount of the Bonds Outstanding, by written notice to the Authority and to the Trustee, may rescind such declaration and annul such default in its entirety, or, if the Trustee shall have acted itself, and if there shall not have been theretofore delivered to the Trustee written direction to the contrary by the Holders of a majority in principal amount of the Bonds then Outstanding, then any such declaration shall ipso facto be deemed to be annulled, but no such rescission and annulment shall extend to or affect any subsequent default or impair or exhaust any resulting right or power.

Section 8.02. Accounting and Examination of Records After Default. (a) The Authority covenants that if an Event of Default shall have happened and shall not have been remedied, the books of record and account of the Authority and all other records related to the Bridge System shall at all times be subject to the inspection and use of the Trustee and of its agents and attorneys, including the engineer or firm of engineers appointed pursuant to Section 8.03.

(b) The Authority covenants that if an Event of Default shall happen and shall not have been remedied, the Authority, upon demand of the Trustee, will account, as if it were the trustee of an express trust, for all Available Revenues and other moneys, securities and funds pledged or held under the Resolution for such period as shall be stated in such demand.

Section 8.03. Application of Available Revenues and Other Moneys After Default. (a) The Authority covenants that if an Event of Default shall happen and shall not have been remedied, the Authority, upon demand of the Trustee, shall pay over or cause to be paid over to the Trustee (i) forthwith, all moneys, securities and funds then held by the Authority in any Fund or Account under the Resolution, and (ii) all Available Revenues as promptly as practicable after receipt thereof.

(b) During the continuance of an Event of Default, the Trustee shall apply such moneys, securities, funds and Available Revenues and the income therefrom as follows and in the following order:

(1) to the payment of the reasonable and proper charges, expenses and liabilities of the Trustee (including the fees and expenses of its attorneys, agents and employees) and of any engineer or firm of engineers selected by the Trustee pursuant to this Article;

(2) to the payment of the amounts required for reasonable and necessary Operating Expenses and for the reasonable renewals, repairs and replacements of the Bridge System necessary to prevent loss of Revenues, as certified to the Trustee by an independent engineer or firm of engineers of recognized standing (who may be an engineer or firm of engineers retained by the Authority for other purposes) selected by the Trustee. For this purpose the books of record and accounts of the Authority relating to the Bridge System shall at all times be subject to the inspection of such engineer or firm of engineers during the continuance of such Event of Default;

(3) to the payment of the interest and principal or Redemption Price then due on all Series of Bonds, as follows:

(x) unless the principal of all the Bonds shall have become or have been declared due and payable:

FIRST: To the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, together with accrued and unpaid interest on the Bonds theretofore called for redemption, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

SECOND: To the payment to the persons entitled thereto of the unpaid principal or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all Bonds then Outstanding due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference;

(y) if the principal of all Bonds then Outstanding shall have become or have been declared due and payable, to the payment of the principal and interest due and unpaid upon such Bonds without preference or priority of principal over interest or of interest over principal, or of any Bond over any other Bond ratably according to the

amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference.

(c) If and whenever all overdue installments of interest on all Bonds, together with the reasonable and proper charges, expenses and liabilities of the Trustee, and all other sums payable by the Authority under the Resolution, including the principal and Redemption Price of and accrued unpaid interest on all Bonds which shall then be payable by declaration or otherwise, shall either be paid by or for the account of the Authority, or provision satisfactory to the Trustee shall be made for such payment, and all defaults under the Resolution or the Bonds shall be cured or secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, and the then current and all future payments with respect to Subordinated Obligations shall have been made or secured to the satisfaction of the Trustee and the trustee (if any) with respect to such Subordinated Obligations, the Trustee shall pay over to the Authority all moneys, securities and funds then remaining unexpended in the hands of the Trustee (except moneys, securities, funds deposited or pledged, or required by the terms of the Resolution to be deposited or pledged, with the Trustee) and thereupon the Authority and the Trustee shall be restored, respectively to their former positions and rights under the Resolution. No such payment over to the Authority by the Trustee nor such restoration of the Authority and the Trustee to their former positions and rights shall extend to or affect any subsequent default under the Resolution or impair any right consequent thereon.

Section 8.04. Proceedings Brought by Trustee. (a) If an Event of Default shall happen and shall not have been remedied, then and in every such case, the Trustee, by its agents and attorneys, may proceed, and upon written request of the holders of not less than 25% in principal amount of the Bonds Outstanding shall proceed, to protect and enforce its rights and the rights of the Holders of the Bonds under the Resolution forthwith by a suit or suits in equity or at law, whether for the specific performance of any covenant herein contained, or in aid of the execution of any power herein granted, or for an accounting against the Authority as if the Trustee were the trustee of an express trust, or in the enforcement of any other legal or equitable right as the Trustee, being advised by counsel, shall deem most effectual to enforcement of any other legal or equitable right as the Trustee, being advised by counsel, shall deem most effectual to enforce any of its rights or to perform any of its duties under the Resolution.

(b) All rights of action under the Resolution may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any suit or other proceedings, and any such suit or proceedings instituted by the Trustee shall be brought in its name.

(c) The Holders of not less than a majority in principal amount of the Bonds at the time Outstanding may direct 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, provided that the Trustee shall have the right to decline to follow any such direction if the Trustee shall be advised by counsel that the action or proceeding so directed may not lawfully be taken, or if the Trustee in good faith shall determine that the action or proceeding

so directed would involve the Trustee in personal liability or be unjustly prejudicial to the Bondholders not parties to such direction.

(d) Upon commencing any suit at law or in equity or upon commencement of other judicial proceedings by the Trustee to enforce any right under the Resolution, the Trustee shall be entitled to exercise any and all rights and powers conferred in the Resolution and provided to be exercised by the Trustee upon the occurrence of any Event of Default.

(e) Regardless of the happening of an Event of Default, the Trustee shall have power, but unless requested in writing by the Holders of a majority in principal amount of the Bonds then outstanding, and furnished with reasonable security and indemnity, shall be under no obligation, to institute and maintain such suits and proceedings as may be necessary or expedient to prevent any impairment of the security under the Resolution and to preserve or protect its interests and the interests of the Bondholders.

Section 8.05. Restrictions on Bondholder's Action. (a) No Holder of any Bond shall have any right to institute any suit or proceeding at law or in equity for the enforcement of any provision of the Resolution or the execution of any trust under the Resolution or for any remedy under the Resolution, unless such Holder shall have previously given to the Trustee written notice of the happening of an Event of Default, as provided in this Article, and the Holders of at least 25% in principal amount of the Bonds then Outstanding shall have filed a written request with the Trustee, and shall have offered it reasonable opportunity, either to exercise the powers granted in the Resolution or by the Act or by the laws of the State to institute such suit or proceeds in its own name, and unless such Holders shall have offered to the Trustee adequate security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or failed to comply with such request within 60 days after receipt by it of such notice, request and offer of indemnity, it being understood and intended that no one or more Holders of Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the pledge created by the Resolution, or to enforce any right under the Resolution, except in the manner therein provided; and that all proceedings at law or in equity to enforce any provision of the Resolution shall be instituted, had and maintained in the manner provided in the Resolution and for the equal benefit of all Holders of the Outstanding Bonds, subject only to the provisions of Section 7.02.

(b) Nothing in the Resolution or in the Bonds contained shall affect or impair the obligation of the Authority, which is absolute and unconditional, to pay at the respective dates of maturity and places therein expressed the principal of and interest on the Bonds to the respective Holders thereof, or affect or impair the right of action, which is also absolute and unconditional, of any Holder to enforce such payment of his Bond.

(c) Notwithstanding any other provision of this Article, an issuer of a Credit Facility may be deemed to be the sole Holder of Bonds the payment of which such Credit Facility secures to the extent so provided in the related Supplemental Resolution adopted, or Certificate of Determination executed, pursuant to and in accordance with Section 2.08 hereof.

Section 8.06. Remedies Not Exclusive. No remedy by the terms of the Resolution conferred upon or reserved to the Trustee or the Bondholders is intended to be exclusive of any other remedy, but each remedy shall be cumulative and shall be in addition to every other remedy given under the Resolution or existing at law or in equity or by statute on or after the date of adoption of the Resolution.

Section 8.07. Effect of Waiver and Other Circumstances. (a) No delay or omission of the Trustee or any Bondholder to exercise any right or power arising upon the happening of an Event of Default shall impair any right or power or shall be construed to be a waiver of any such default or be an acquiescence therein.

(b) Prior to any acceleration of maturity of the Bonds under Section 8.01, the Holders of not less than a majority in principal amount of the Bonds at the time Outstanding, or their attorneys-in-fact duly authorized in writing, may on behalf of the Holders of all of the Bonds waive any past default under the Resolution and its consequences, except a default in the payment of interest on or principal or Redemption Price of any of the Bonds. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 8.08. Trustee to Exercise Powers of Statutory Trustee. The Trustee shall be and hereby is vested with all of the rights, powers and duties of a trustee appointed by Bondholders pursuant to Section 537 of the Act, except to the extent that such rights, powers and duties would be inconsistent with the terms hereof or with the provisions of a Supplemental Resolution or Certificate of Determination authorized by Section 2.08 hereof. The right of the Bondholders to appoint a trustee pursuant to Section 537 of the Act is hereby abrogated in accordance with the provisions of Section 532(6)(i) of the Act.

Section 8.09. Notice of Default. The Trustee shall promptly mail to Holders of Bonds written notice of the occurrence of any Event of Default of which the Trustee has knowledge.

## ARTICLE IX

### CONCERNING THE FIDUCIARIES

Section 9.01. Trustee; Acceptance of Duties. United States Trust Company of New York is hereby appointed Trustee under the Resolution. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by the Resolution by executing and delivering to the Authority a written certificate of acceptance thereof and by executing such certificate the Trustee shall be deemed to have accepted such duties and obligations with respect to all the Bonds thereafter to be issued, but only, however, upon the terms and conditions set forth in the Resolution.

Section 9.02. Paying Agents; Acceptance of Duties. (a) The Authority may appoint one or more Paying Agents for the Bonds and may at any time or from time to time appoint one or more other Paying Agents having the qualifications set forth in Section 9.14 for a successor Paying Agent. The Trustee may be appointed a Paying Agent.

(b) Each Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by the Resolution by executing and delivering to the Authority and to the Trustee a written acceptance thereof.

(c) Unless otherwise provided, the principal or corporate trust offices of the Paying Agents are designated as the respective offices or agencies of the Authority for the payment of the interest and principal or Redemption Price of the Bonds.

Section 9.03. Appointment of Depositories; Acceptance of Duties. The Authority may appoint one or more Depositories as of the date of original issuance and delivery of the Bonds and may at any time or from time to time appoint one or more other Depositories having the qualifications set forth in Section 6.01 hereof. The Trustee may be appointed as a Depository. Each Depository shall signify its acceptance of the duties and obligations imposed upon it by the Resolution by executing and delivering to the Authority and the Trustee a written acceptance thereof.

Section 9.04. Responsibilities of Fiduciaries. (a) The recitals of fact herein and in the Bonds contained shall be taken as the statements of the Authority and no Fiduciary assumes any responsibility for the correctness of the same. No Fiduciary makes any representations as to the validity or sufficiency of the Resolution of any Bonds issued thereunder or as to the security afforded by the Resolution, and no Fiduciary shall incur any liability in respect thereof. The Trustee shall, however, be responsible for any representation contained in its certificate on the Bonds. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys paid to the Authority or to any other Fiduciary. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect hereof, or to advance any of its own moneys, unless properly indemnified. Subject to the provisions of subsection (b) of this Section, no

Fiduciary shall be liable in connection with the performance of its duties hereunder except for its own negligence or misconduct.

(b) The Trustee, prior to the occurrence of an Event of Default and after the remedy of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in the Resolution. In case an Event of Default has occurred and has not been remedied, the Trustee shall exercise such of the rights and powers vested in it by the Resolution, and shall use the same degree of care and skill in their exercise as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. Any provision of the Resolution relating to action taken or to be taken by the Trustee or to evidence upon which the Trustee may rely shall be subject to the provisions of this Section.

Section 9.05. Evidence on Which Fiduciaries May Act. (a) Each Fiduciary shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document furnished to it pursuant to and conforming to the requirements of the Resolution, and believed by it to be genuine and to have been signed or presented by the proper party or parties.

(b) Whenever any Fiduciary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under the Resolution, such matter (unless the Resolution specifically requires other evidence thereof) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer of the Authority, but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may seem reasonable.

Except as otherwise expressly provided in the Resolution, any request, order, notice or other direction required or permitted to be furnished by the Authority to any Fiduciary shall be sufficiently executed if signed by an Authorized Officer thereof.

Section 9.06. Compensation. Unless otherwise determined by contract between the Authority and a Fiduciary, the Authority shall pay to each Fiduciary from time to time reasonable compensation for all services rendered under the Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under the Resolution. Subject to the provisions of Section 9.04, the Authority further agrees to indemnify and save each Fiduciary harmless against any loss, liability or expense which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence or misconduct including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties under the Resolution.

Section 9.07. Certain Permitted Acts. Any Fiduciary may become the owner of any Bonds, with the same rights it would have if it were not a Fiduciary. To the extent permitted by law, any Fiduciary may act as depository for, and permit any of its officers or

directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders or to effect or aid in any reorganization growing out of the enforcement of the Bonds or the Resolution, whether or not any such committee shall represent the Holders of a majority in principal amount of the Bonds then Outstanding.

Section 9.08. Resignation of Trustee. The Trustee may at any time resign and be discharged of the duties and obligations imposed upon it by the Resolution by giving not less than 60 days' written notice to the Authority, and publishing notice thereof, specifying the date when such resignation shall take effect, once in each week for two successive calendar weeks in an Authorized Newspaper; provided, however, that such resignation shall not take effect until the appointment of such successor as provided in Section 9.10.

Section 9.09. Removal of Trustee. The Trustee may be removed at any time by the Holders of a majority in principal amount of the Bonds then Outstanding, excluding any Bonds held by or for the account of the Authority, by an instrument or concurrent instruments in writing signed and duly acknowledged by such Holders or their attorneys-in-fact duly authorized, and delivered to the Authority. Copies of each such instrument shall be delivered by the Authority to each Fiduciary. The Authority may remove the Trustee at any time, upon not less than thirty (30) days' written notice to the Trustee, except during the existence of an Event of Default as defined in Section 8.01 hereof or any default which but for the occurrence of notice or passage of time would result in such an "Event of Default", for any cause as shall be determined in the sole discretion of the Authority by filing with the Trustee an instrument signed by an Authorized Officer of the Authority.

Section 9.10. Appointment of Successor Trustee. (a) In case any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed or if any public officer or court shall take charge or control of the Trustee, or of its property or affairs, a successor may be appointed by the Authority. The Authority shall cause notice of any such appointment to be mailed to the Bondholders.

(b) If, in a proper case, no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section within 45 days after the Trustee shall have given to the Authority written notice of resignation as provided in Section 9.08, or after a vacancy in the office of the Trustee shall have occurred, the Trustee or the holder of any Bond may apply to any court of competent jurisdiction to appoint a successor Trustee.

(c) Any Trustee appointed under the provisions of this Section in succession to the Trustee shall be a bank or trust company organized under the laws of any state of the United States of America or national banking association, and having capital stock and surplus aggregating at least \$50,000,000, if there be such a bank or trust company or national banking association willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Resolution.

Section 9.11. Transfer of Rights and Property to Successor Trustee. Any successor Trustee appointed under the Resolution shall execute, acknowledge and deliver to its predecessor Trustee, and also to the Authority, an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Trustee; but the predecessor Trustee shall nevertheless, on the written request of the Authority or of the successor Trustee, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all its right, title and interest in and to any property held by it under the Resolution, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the Trust and conditions herein set forth. Should any deed, conveyance or instrument from the Authority be required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee any such moneys, estates, properties, rights, powers and duties, such deed, conveyance or instrument shall be executed, acknowledged and delivered by the Authority. Any such successor Trustee shall promptly notify the Paying Agents, if any, of its appointment as Trustee.

Section 9.12. Merger or Consolidation. Any company into which any Fiduciary 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 all or substantially all of the corporate trust business of any Fiduciary may be sold or transferred, shall be the successor to such Fiduciary without the execution or filing of any paper or the performance of any further act; provided, however, that such company shall be a bank or trust company organized under the laws of any state of the United States or a national banking association and shall be authorized by law to perform all the duties imposed upon it by the Resolution.

Section 9.13. Adoption of Authentication. In case any of the Bonds contemplated to be issued under the Resolution shall have been authenticated but not delivered, any successor Trustee may adopt the certificate of authentication of any predecessor Trustee so authenticating such Bonds and deliver such Bonds so authenticated and in case any of the said Bonds shall not have been authenticated, any successor Trustee may authenticate such Bonds in the name of the predecessor Trustee or in its own name.

Section 9.14. Resignation or Removal of Paying Agent and Appointment of Successor. Any Paying Agent may at any time resign and be discharged of the duties and obligations imposed upon it by the Resolution by giving at least 60 days' written notice to the Authority and the other Fiduciaries.

1. Any Paying Agent may be removed at any time by an instrument signed by an Authorized Officer of the Authority and filed with such Paying Agent and the Trustee. Any successor Paying Agent shall be appointed by the Authority with the approval of the Trustee and shall be a bank or trust company organized under the laws of any state of the United States or a national banking association, having capital stock

and surplus aggregating at least \$7,000,000, willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Resolution.

2. In the event of the resignation or removal of any Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor, or if there be no successor, to the Trustee. In the event that for any reason there shall be a vacancy in the office of any Paying Agent, the Trustee shall act as such Paying Agent.

## ARTICLE X

### SUPPLEMENTAL RESOLUTIONS

Section 10.01. Adoption and Filing of Supplemental Resolutions Authorizing Bonds of a Series. To the extent then permitted by law, the Authority may adopt at any time or from time to time a Supplemental Resolution to authorize the issue of a specific Series of Bonds as provided in Section 2.02. A copy of each such Supplemental Resolution, together with a copy of this Resolution, each certified by an Authorized Officer of the Authority, shall be filed with the Trustee.

Section 10.02. Supplemental Resolutions Effective Upon Adoption. A Supplemental Resolution for any one or more of the following purposes shall be fully effective in accordance with its terms upon its adoption by the Authority:

- (a) To specify, determine or authorize any matters and things concerning the Bonds or the proceeds thereof which are not contrary to or inconsistent with the Resolution prior to their authentication and delivery.
- (b) To modify or amend any of the terms or provisions of the Resolution prior to the acceptance by the Trustee of its appointment under the Resolution.

Section 10.03. Supplemental Resolutions Effective Upon Filing. A Supplemental Resolution for any one or more of the following purposes shall be fully effective in accordance with its terms and upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Authority:

- (a) To close the Resolution against, or impose additional limitations or restrictions on, the issuance of other notes, bonds, obligations or evidences of indebtedness.
- (b) To impose additional covenants or agreements to be observed by the Authority which are not contrary to or inconsistent with the Resolution.
- (c) To impose other limitations or restrictions upon the Authority.
- (d) To surrender any right, power or privilege reserved to or conferred upon the Authority by the Resolution.
- (e) to determine the matters and things referred to in Section 2.01(c), and also any other matters and things relative to Bonds of a Series which are not contrary to or inconsistent with this Resolution as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first authentication and delivery of such Bonds including, without limiting the generality of

the foregoing, provisions amending or modifying the Resolution to provide for the issuance of Bonds in book-entry form.

(f) To confirm, as further assurance, any pledge of or lien upon the Revenues or any other moneys, securities or funds.

Section 10.04. Supplemental Resolutions Effective Upon Consent of Trustee. A Supplemental Resolution for any one or more of the following purposes shall be fully effective in accordance with its terms upon (i) the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Authority and (ii) the filing with the Trustee and the Authority of the Trustee's written consent thereto:

(a) To cure any ambiguity, omission or defect in the Resolution.

(b) To modify or amend any of the terms or provisions of the Resolution if no Bonds are Outstanding at the time such written consent is filed.

(c) To modify or amend any of the terms or provisions of the Resolution, provided that such modification by its terms shall not take effect until all Bonds Outstanding on the date of adoption of such Supplemental Resolution shall have ceased to be Outstanding.

(d) To modify or amend the Resolution in any manner which will not materially adversely affect or diminish the rights of any Bondholder. The Trustee may in reliance on an Opinion of Bond Counsel determine whether the rights of any Bondholder would be materially adversely affected or diminished by any such modification or amendment, and its determination shall be binding and conclusive on the Authority and all Bondholders.

(e) To modify or amend the Resolution to comply with applicable Federal securities laws.

Section 10.05. Supplemental Resolutions Effective Upon Consent of Bondholders. Any Supplemental Resolution not effective in accordance with Sections 10.01, 10.02, 10.03 or 10.04 shall take effect only if permitted and in the manner prescribed by Article XI.

Section 10.06. Filing of Bond Counsel Opinion. Each Supplemental Resolution shall be accompanied, when filed with the Trustee, by a Bond Counsel Opinion to the effect that such resolution has been duly and lawfully adopted by the Authority in accordance with the provisions of the Resolution, is authorized or permitted by the Resolutions and, when effective, will be valid and binding upon the Authority, the Bondholders and the Trustee.

The Trustee is hereby authorized to accept delivery of a certified copy of any Supplemental Resolution permitted or authorized pursuant to the provisions of this Resolution and to make all further agreements and stipulations which may be contained therein, and, in taking such action, the Trustee shall be fully protected in relying on Opinions of Bond Counsel that such Supplemental Resolution is authorized or permitted by the provisions of this Resolution and the Act.

## ARTICLE XI

### AMENDMENTS

Section 11.01. Mailing and Publication. (a) Any provision in this Article for the mailing of a notice or other paper to Bondholders shall be fully complied with if it is mailed postage prepaid or delivered only (a) to each registered owner of Bonds then Outstanding at his address, if any, appearing upon the Bond Register kept at the principal office of the Bond Registrar, and (b) to the Trustee.

(b) Any provision in this Article for publication of a notice or other matter shall require the publication thereof only in the Authorized Newspapers.

Section 11.02. Powers of Amendment. Any modification or amendment of the Resolution and of the rights and obligations of the Authority and of the Holders of the Bonds thereunder, in any particular, may be made (i) by Supplemental Resolution of the Authority, with the written consent given as provided in Section 11.03 of the Holders of at least a majority in principal amount of the Bonds Outstanding at the time such consent is given, or (ii) in case less than all of the Bonds then Outstanding are affected by the modification or amendment, of the Holders of at least a majority in principal amount of the Bonds so affected and Outstanding at the time such consent is given, and (iii) in case the modification or amendment changes the terms of any Sinking Fund Installment, of the Holders of one hundred per centum (100%) in principal amount of the Bonds of the particular maturity entitled to such Sinking Fund Installment and Outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like maturity remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bonds, or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the Holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto. For the purpose of this Section, a Bond shall be deemed to be affected by a modification or amendment of the Resolution only if the same materially adversely affects or diminishes the rights of the Holders of such Bonds. The Trustee may in reliance on an Opinion of Bond Counsel determine whether the rights of the Holders of any particular Bonds would be materially adversely affected or diminished by any such modification or amendment, and its determination shall be binding and conclusive on the Authority and all Holders of Bonds.

Section 11.03. Consent of Bondholders. The Authority may at any time adopt a Supplemental Resolution making a modification or amendment permitted by the provisions of Section 11.02, to take effect when and as provided in this Section. Upon the

adoption of such Supplemental Resolution, a copy thereof, certified by the Secretary of the Authority, shall be delivered to and held by the Trustee for the inspection of the Bondholders. A copy of such Supplemental Resolution (or summary thereof or reference thereto in form approved by the Trustee) together with a request to Bondholders for their consent thereto in form satisfactory to the Trustee, shall be mailed by the Authority to Bondholders and shall be published at least once, but failure to mail such copy and request shall not affect the validity of such Supplemental Resolution when consented to as in this Section provided. Such Supplemental Resolution shall not be effective unless and until, and shall take effect in accordance with its terms when (a) there shall have been filed with the Trustee (i) the written consents of the Holders of the required principal amount of Outstanding Bonds, and (ii) a Counsel's Opinion stating that such Supplemental Resolution has been duly adopted by the Authority in accordance with the provisions of the Resolution, is authorized or permitted by the Resolution and, when effective, will be valid and binding upon the Authority, the Bondholders and the Trustee, and (b) a notice shall have been published as hereinafter in this Section provided. Any such consent shall be effective only if accompanied by proof of the holding, at the date of such consent, of the Bonds with respect to which such consent is given. A certificate or certificates by the Trustee kept on file by the Trustee that it has examined such proof and that such proof is sufficient under the provisions of Section 11.02 shall be conclusive that consents have been given by the Holders of the Bonds described in such certificate or certificates of the Trustee. Any such consent shall be binding upon the Holder of the Bonds giving such consent and upon any subsequent Holder of such Bonds and of any Bonds issued in exchange therefor whether or not such subsequent Holder has notice thereof; provided, however, that any consent may be revoked by any Holder of such Bonds by filing with the Trustee, prior to the time when the Trustee's written statement hereafter in this Section referred to is filed, a written revocation, with proof that such Bonds are held by the signer of such revocation. The fact that a consent has not been revoked may be proved by a certificate of the Trustee to the effect that no revocation thereof is on file with it. Any consent, or revocation thereof, may be delivered or filed prior to any mailing or publication required by this Article and shall not be deemed ineffective by reason of such prior delivery or filing. Within 30 days of any date on which the consents on file with the Trustee and not theretofore revoked shall be sufficient under this Section, the Trustee shall make and file with the Authority and the Trustee a written statement that the consents of the Holders of the required principal amount of Outstanding Bonds have been filed with it. Such written statement shall be conclusive that such consents have been so filed. At any time thereafter notice, stating in substance that the Supplemental Resolution (which may be referred to as a resolution adopted by the Authority on a stated date a copy of which is on file with the Trustee) has been consented to by the Holders of the required principal amount of Outstanding Bonds and will be effective as provided in this Section, may be given by mailing to Bondholders (but failure to mail such notice shall not prevent such Supplemental Resolution from becoming effective and binding) and publication at least once within 60 days after such statement of the Trustee has been so filed. The Trustee shall file with the Authority proof of the mailing and publication of such notice. A record, consisting of the papers required or permitted by this Section to be filed by or with the Trustee shall be proof of the matters therein stated.

Notwithstanding any other provision of this Article, an issuer of a Credit Facility may be deemed to be the sole Holder of Bonds the payment of which such Credit Facility secures to the extent so provided in the related Supplemental Resolution adopted, or Certificate of Determination executed, pursuant to and in accordance with Section 2.08 hereof.

Section 11.04. Modifications by Unanimous Action. The Resolution and the rights and obligations of the Authority and of the Holders of the Bonds thereunder may be modified or amended in any respect by a Supplemental Resolution effecting such modification or amendment and the consents of the Holders of all the Bonds then Outstanding, each such consent to be accompanied by proof of the holding at the date of such consent of the Bonds with respect to which such consent is given. Such Supplemental Resolution shall take effect upon the filing (a) with the Trustee of (i) a copy thereof certified by the Secretary, (ii) such consents and accompanying proofs and (iii) the Bond Counsel Opinion referred to in Section 10.06 and (b) with the Authority and the Trustee of the Trustee's written statement that the consents of the Holders of all Outstanding Bonds have been filed with it. No mailing or publication of any Supplemental Resolution (or summary thereof) or of any request or notice shall be required. No such modification or amendment, however, shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto.

Section 11.05. Exclusion of Bonds. Bonds owned or held by or for the account of the Authority shall not be deemed Outstanding and shall be excluded for the purpose of any calculation required by this Article. At the time of any consent or other action taken under this Article, the Authority shall furnish the Trustee a Certificate of an Authorized Officer upon which the Trustee may rely, identifying all Bonds so to be excluded.

Section 11.06. Notation on Bonds. Bonds authenticated and delivered after the effective date of any action taken as in Article X or this Article provided may, and if the Trustee so determines shall, bear a notation by endorsement or otherwise in form approved by the Authority and the Trustee as to such action, and upon demand of the Holder of any Bond Outstanding at such effective date and presentation of his Bond to the Trustee, suitable notation shall be made on such Bond by the Trustee as to any such action. If the Authority or the Trustee shall so determine, new Bonds so modified which, in the opinion of the Trustee and the Authority, conform to such action may be prepared, authenticated and delivered, and upon demand of the Holder of any Bond then Outstanding shall be exchanged, without cost to such Bondholder, for such Bond then Outstanding.

## ARTICLE XII

### UNCONDITIONAL OBLIGATION

Section 12.01. Obligations of the Authority Unconditional. Nothing contained in this Article XII or elsewhere in this Resolution or in any Bond is intended to or shall impair, as between the Authority and the Holders of the Bonds, the obligation of the Authority, which is absolute and unconditional, to pay to the Holders of the Bonds the principal and interest on the Bonds as and when the same shall become due and payable in accordance with their terms, or is intended to or shall affect the relative rights of the Holders of the Bonds and creditors of the Authority, nor shall anything herein or therein prevent the Trustee or the Holder of any Bond from exercising all remedies otherwise permitted by applicable law upon default under this Resolution, in respect of cash or property of the Authority received upon the exercise of any such remedy.

## ARTICLE XIII

### MISCELLANEOUS

Section 13.01. Defeasance. (a) If the Authority shall pay or cause to be paid, or there shall otherwise be paid, to the holders of all Bonds of a Series the principal or Redemption Price, if applicable, and interest due or to become due thereon at the times and in the manner stipulated therein and in the Resolution and applicable Supplemental Resolution, then the pledge of any Revenues, and other moneys and securities pledged under the Resolution and applicable Supplemental Resolution and all covenants, agreements and other obligations of the Authority to such Bondholders, shall thereupon be released, discharged and satisfied. In such event, the Trustee, upon request of the Authority, shall execute and deliver to the Authority all such instruments as may be desirable to evidence such discharge and satisfaction, and the Fiduciaries shall pay over or deliver to the Authority all moneys and securities held by them pursuant to the Resolution and applicable Supplemental Resolution which are not required for the payment of Bonds not theretofore surrendered for such payment or redemption. If the Authority shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of all Outstanding Bonds of a particular Series, the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Resolution and applicable Supplemental Resolution, such Bonds shall cease to be entitled to any lien, benefit or security under the Resolution and applicable Supplemental Resolution, and all covenants, agreements and obligations of the Authority to the Holders of such Bonds shall thereupon be discharged and satisfied.

(b) Bonds or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Trustee and/or the Paying Agents at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section. Any Outstanding Bonds shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section 13.01 if the Authority shall have delivered to or deposited with the Trustee (i) irrevocable instructions to pay or redeem all of said Bonds in specified amounts no less than the respective amounts, and on specified dates no later than the respective due dates, of their Principal Installments, (ii) irrevocable instructions to mail to the holders thereof notice of redemption in accordance with Section 4.05 hereof of any Bonds to be so redeemed, (iii) either moneys in an amount which shall be sufficient, or Defeasance Obligations the principal of or the principal of and the interest on which, when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient, to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to each specified redemption date or maturity date thereof, as the case may be, and (iv) if any of said Bonds are not to be redeemed within the next succeeding 60 days, irrevocable instructions to publish, as soon as practicable in an Authorized Newspaper, at least twice at an interval of not less than seven days between publications, a notice to the holders of such Bonds that the deposit of moneys referred to in clause (iii) hereof has been made with the Trustee and that said Bonds

are deemed to have been paid in accordance with this Section and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal or Redemption Price, if applicable, of said Bonds. Any notice of redemption published pursuant to the immediately preceding sentence with respect to Bonds which constitute less than all of the Outstanding Bonds of any maturity within a Series shall specify the letter and number or other distinguishing marks of each such Bond. The Defeasance Obligations and moneys deposited with the Trustee pursuant to this Section 13.01 shall be held in trust for the payment of the principal or Redemption Price, if applicable, and interest on said Bonds. No payments of principal of any such Defeasance Obligations shall be withdrawn or used for any purpose other than the payment of such principal or Redemption Price of, or interest on, said Bonds. Payments of interest on any such Defeasance Obligations shall be withdrawn and used for the purpose of payment of any principal, Redemption Price or interest to the full extent necessary to accomplish such purpose. To the extent that payments of interest on any such Defeasance Obligations are not needed for such purpose, such payments may be applied, and may be pledged by the Authority, to secure the payment of any bonds or other obligations of the Authority whose proceeds shall have been used, in whole or in part, to acquire such Defeasance Obligations. Any cash received from any such interest payments not needed for any of the said purposes shall, to the extent practicable, be reinvested in Defeasance Obligations maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if applicable, and interest to become due on said bonds on and prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the Authority, as received by the Trustee, free and clear of any trust, lien or pledge.

(c) Amounts deposited with the Trustee for the payment of Principal Installments of and interest on any Bonds deemed to be paid pursuant to this Section 13.01, if so directed by the Authority, shall be applied by the Trustee to the purchase of such Bonds in accordance with this subsection. Bonds for which a redemption date has been established may be purchased on or prior to the 60th day preceding the redemption date of Bonds so purchased. Bonds which mature on a single future date may be purchased at any time prior to the maturity date. All such purchases shall be made at prices not exceeding the applicable principal amount or Redemption Price established pursuant to subsection (b) of this Section 13.01, plus accrued interest thereon, and such purchases shall be made in such manner as the Trustee shall determine. No purchase shall be made by the Trustee pursuant to this subsection if such purchase would result in the Trustee holding less than the moneys required to be held for the payment of all other Bonds deemed to be paid pursuant to this Section 13.01.

(d) The Authority may purchase with any available funds any Bonds determined to be paid pursuant to this Section 13.01 in accordance with this subsection. Bonds for which a redemption date has been established may be purchased by the Authority on or prior to the 60th day preceding the redemption date. On or prior to the 60th day preceding the redemption date the Authority shall give notice to the Trustee of its intention to surrender such Bonds on the redemption date. The Trustee shall proceed to call for redemption the remainder of the Bonds due on the redemption date and shall pay to the Authority on the redemption date

the Redemption Price of and interest on such Bonds upon surrender of such Bonds to the Trustee. Bonds which mature on a single future date may be purchased at any time prior to the maturity date. The Trustee shall pay to the Authority the principal amount of and interest on such Bonds upon surrender of such Bonds on the maturity date.

(e) Option Bonds shall be deemed to have been paid within the meaning and effect expressed in subsection (a) of this Section 13.01 only if, in addition to satisfying the requirements thereof, the requirements of the Supplemental Resolution authorizing the issuance of such Option Bonds have been satisfied.

(f) Variable Rate Bonds shall be deemed to have been paid prior to the maturity or redemption date thereof, as the case may be, within the meaning and effect expressed in subsection (a) of this Section 13.01 only if, in addition to satisfying the requirements hereof, the requirements of the Supplemental Resolution authorizing the issuance of such Variable Rate Bonds shall have been satisfied.

(g) Anything in the Resolution to the contrary notwithstanding, any moneys held by a Fiduciary in trust for the payment and discharge of any of the Bonds which remain unclaimed on a date which is one day prior to the date on which such moneys would otherwise escheat to the state in which such Fiduciary is located shall be repaid by the Fiduciary to the Authority, as its absolute property and free from trust, and the Fiduciary shall thereupon be released and discharged with respect thereto; provided, however, that before making any such payment to the Authority, the Fiduciary shall, at the expense of the Authority, cause to be published at least twice, at an interval of not less than seven days between publications, in the Authorized Newspapers, notice that said moneys remain unclaimed and that, after a date named in said notice, which date shall not be less than ten nor more than twenty days after the date of the first publication of such notice, the balance of such money then unclaimed will be returned to the Authority.

Section 13.02. Evidence of Signatures of Bondholders and Ownership of Bonds. (a) Any request, consent, revocation of consent or other instrument which the Resolution may require or permit to be signed and executed by the Bondholders may be in one or more instruments of similar tenor, and shall be signed or executed by such Bondholders in person or by their attorneys duly authorized in writing. Proof of the execution of any such instrument, or of an instrument appointing any such attorney, shall be sufficient for any purpose of the Resolution (except as otherwise therein expressly provided) if made in the following manner, or in any other manner satisfactory to the Trustee, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable.

The fact and date of the execution by any Bondholder or his duly authorized attorney of such instruments may be proved by a guarantee of the signature thereon by a bank, national banking association or trust company or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of

such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such signature guarantee, certificate or affidavit shall also constitute sufficient proof of his authority.

(b) The ownership of Bonds and the amount, numbers and other identification, and date of holding the same shall be proved by the registry books.

(c) Any request or consent by the owner of any Bond shall bind all future owners of such Bond in respect of anything done or suffered to be done by the Authority or any Fiduciary in accordance herewith.

Section 13.03. Moneys Held for Particular Bonds. The amounts held by any Fiduciary for the payment of the interest, principal or Redemption Price due on any date with respect to particular Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Holders of the Bonds entitled thereto.

Section 13.04. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of the Resolution shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Authority, any other Fiduciary, and any Bondholder and their agents and their representatives, any of which may make copies thereof.

Section 13.05. Cancellation and Destruction of Bonds. All Bonds paid or redeemed, either at or before maturity, shall be delivered to the Trustee when such payment or redemption is made, and such Bonds, together with all Bonds purchased by the Authority or the Trustee, shall thereupon be promptly cancelled. Bonds so cancelled may at any time be destroyed by the Trustee, who shall execute a certificate of destruction in duplicate by the signature of one of its authorized officers describing the Bonds so destroyed, and one executed certificate shall be filed with the Authority and the other retained by the Trustee.

Section 13.06. Parties Interested Herein. Nothing in the Resolution expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the Authority, the Fiduciaries and the holders of the Bonds, any right, remedy or claim under or by reason of the Resolution or any covenant, condition, or stipulation thereof; and all the covenants, stipulations, promises and agreements in the Resolution by and on behalf of the Authority shall be for the sole and exclusive benefit of the Authority, the Fiduciary and the holders of the Bonds.

Section 13.07. No Recourse on the Bonds. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on the Resolution against any member or officer of the Authority or any person executing the Bonds.

Section 13.08. Publication of Notice; Suspension of Publication. (a) Any publication to be made under the provisions of the Resolution in successive weeks or on successive dates may be made in each instance upon any business day of the week and need not be made in the same Authorized Newspaper for any or all of the successive publications but may be made in a different Authorized Newspaper.

(b) If, because of the temporary or permanent suspension of the publication or general circulation of an Authorized Newspaper or for any other reason, it is impossible or impractical to publish any notice pursuant to the Resolution in the manner herein provided, then such publication in lieu thereof as shall be made with the approval of the Trustee, shall constitute a sufficient publication of such notice.

Section 13.09. Consents. All consents and approvals hereby required to be given shall be neither unreasonably withheld or delayed.

Section 13.10. Concerning Coupon Bonds. Notwithstanding any provision in this Resolution to the contrary, if in the event that applicable law permits the issuance of Bonds payable to bearer with coupons for interest attached, the interest on which would be exempt from federal income taxation, the Authority may authorize pursuant to a Supplemental Resolution the issuance of a Series of Bonds payable to bearer with coupons for interest attached or may authorize the conversion of any Bonds issued in registered form under this Resolution into Bonds payable to bearer with coupons for interest attached, pursuant to a Supplemental Resolution which Supplemental Resolution may set forth such provisions as may be necessary for the issuance of such Bonds. As a condition precedent to any such issuance or conversion of Bonds, the Authority shall receive Bond Counsel's Opinion to the effect that such Bonds will be exempt from federal income taxation after such issuance or conversion.

Section 13.11. Severability of Invalid Provision. If any one or more of the provisions, covenants or agreements in the Resolution on the part of the Authority or the Fiduciaries to be performed should be contrary to law, then such provision or provisions, covenant or covenants, agreement or agreements, shall be deemed severable from the remaining provisions, covenants and agreements, and shall in no way affect the validity of the other provisions of the Resolution or of the Bonds.

Section 13.12. Parties Interested Herein. Nothing in this Resolution expressed or implied is intended or shall be construed to confer upon or give to any person or corporation, other than the Authority, Fiduciaries and the Holders of the Bonds, any right, remedy or claim under or by reason of this Resolution or any covenant, condition or stipulation hereof. All covenants, stipulations, promises and agreements in the Resolution contained by and on behalf of the Authority shall be for the sole and exclusive benefit of the Authority, the Trustee and the Holders of the Bonds.

Section 13.13. Captions and Index. Any captions, titles or headings preceding the text of any Article or Section herein and any table of contents or index attached

to the Resolution or any copy thereof are solely for convenience of reference and shall not constitute part of the Resolution or affect its meaning, construction or effect.

Section 13.14. Law Applicable. The Resolution being adopted pursuant to statutes of the State of New York, the law of said State shall be applicable to its interpretation and construction.

Section 13.15. Effective Date. This Resolution shall take effect immediately.