

TRUST AGREEMENT

Between

MASSACHUSETTS PORT AUTHORITY

and

U.S. Bank National Association, as Trustee

Dated as of May 18, 2011

\$214,060,000

Massachusetts Port Authority

Special Facilities Revenue Bonds

(ConRAC Project), Series 2011A and 2011B (Federally Taxable)

(As amended through the Second Supplemental Agreement, dated and effective July 17, 2023)

UNOFFICIAL VERSION

Editor's Note

This document is an unofficial composite of this Trust Agreement of the Massachusetts Port Authority as amended by supplements adopted through the date of preparation. All effective amendments are included in this document. Prior to the date of this unofficial composite, U.S. Bank Trust Company, National Association succeeded U.S. Bank National Association as Trustee under this Trust Agreement of the Massachusetts Port Authority.

July 17, 2023

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TRUST AGREEMENT

This Trust Agreement dated as of May 18, 2011 is entered into by and between the Massachusetts Port Authority, a body politic and corporate and a public instrumentality of The Commonwealth of Massachusetts duly created and existing pursuant to Chapter 465 of the Acts of 1956 of the Commonwealth, as amended from time to time, and U.S. Bank National Association, as trustee.

Capitalized terms not otherwise defined shall have the meaning set forth in Section 1.01 of this Agreement. Unless otherwise indicated, references to Articles or Sections refer to this Agreement.

Reference is made to the following facts:

A. The Authority has determined to issue Special Facilities Revenue Bonds (ConRAC Project), in two or more series. The proceeds of the Series 2011 Bonds are to be applied to finance the design and construction of a new consolidated rental car facility and related facilities at Boston-Logan International Airport, which will be leased to the RACs located on the Airport, and to pay other Costs of the Project.

B. All things necessary to make the Series 2011 Bonds, when authenticated, the binding, limited obligations of the Authority and to create a valid lien and pledge as herein provided have been accomplished; and the execution and delivery of this Agreement and the issuance of the Series 2011 Bonds have been duly authorized.

C. The Series 2011 Bonds and any Additional Bonds issued pursuant to this Agreement are not secured by any pledge, lien or charge on, and are not payable from, the revenues or any of the funds and accounts created by the 1978 Trust Agreement, but are payable solely from the Trust Estate hereinafter pledged to the payment of the Bonds.

NOW, THEREFORE, in consideration of the mutual agreements and representations contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are duly acknowledged, the Authority and the Trustee hereby agree, covenant, grant, pledge, assign, represent, and warrant as follows (it being understood and agreed that the performance of the agreements of the Authority herein contained and any obligation it may incur hereunder for the payment of money shall not constitute a general obligation of the Authority or the Commonwealth or a debt or a pledge of the faith and credit of the Authority or the Commonwealth or any political subdivision or municipality thereof but shall be payable solely from the revenues and funds provided under this Agreement):

ARTICLE 1 DEFINITIONS

Section 1.01 Definitions. The following terms as used in this Agreement, the Bonds and any certificate or document executed in connection therewith shall have the following meanings (or are defined elsewhere in this Agreement as indicated below) unless the context otherwise indicates:

"Account" means each account established within the Project Fund, the Debt Service Fund, each Reserve Fund, the Subordinate Debt Service Fund, a Subordinate Reserve Fund, if any, or the Rebate Fund pursuant to the provisions of this Agreement.

"Act" shall mean Chapter 465 of the Acts of 1956 of the Commonwealth, as amended from time to time.

"Additional Bonds" means one or more Series of Additional Bonds issued pursuant to Section 3.02 of this Agreement, or Subordinate Bonds issued pursuant to Section 3.04, and a Supplemental Agreement.

"Additional Rent" shall mean that portion of the Rent paid by a RAC to the Authority pursuant to the Leases in addition to ConRAC Rent and Contingent Rent (if any).

"Additional Special Facilities" means either (x) additional improvements to the ConRAC during construction of the Project that constitute material changes to the Project and/or that result in costs that will exceed the Project Budget by at least Five Million Dollars (\$5,000,000), or (y) any improvements after DBO of the Project, in each case, made to the ConRAC by the Authority pursuant to the Leases.

"Aggregate Debt Service" shall mean, with respect to one or more designated Series of Outstanding Bonds or, if no Bonds are designated, all Bonds Outstanding hereunder, for any period, the amount of all interest accrued in such period plus the amount required to pay principal coming due in such period on such Bonds; provided, however, that if the stated period is a Fiscal Year, the amount of principal shall be the principal payable on any date commencing with July 2 in such Fiscal Year and ending with July 1 in the following Fiscal Year, both inclusive, net of interest earned on any Fund or Account and deposited to the Debt Service Fund and Subordinate Debt Service Fund (as applicable) during such period and available for payment of principal of or interest on such Bonds.

"Agreement" shall mean this Trust Agreement, as supplemented and amended from time to time in accordance with its terms.

"Airport" shall mean General Edward Lawrence Logan International Airport, also known as Boston-Logan International Airport, located in the East Boston section of the City of Boston, Massachusetts.

"Airport Customer" shall mean a Person that rents, picks up or enters into a written or oral agreement for the rental of a Vehicle from a RAC or an Off-Airport RAC, either at the Airport or at an Airport Service Facility not located at the Airport if, and only if, a Courtesy Vehicle is used to transport such Person to and from the ConRAC.

"Airport Service Facility" shall mean a facility or facilities operated by a RAC or Off-Airport RAC where such RAC's or Off-Airport RAC's customers may pick up or drop off Vehicles and where such Vehicles are processed and serviced, which facility is either located at the ConRAC or, if it is located Off-Airport, it is serviced by a Courtesy Vehicle that transports Airport Customers to and from the ConRAC.

"Authority" shall mean the Massachusetts Port Authority, a body politic and corporate and a public instrumentality of the Commonwealth duly created and existing pursuant to the Act.

"Authority Loan" shall mean one or more loans from the Authority to fund a portion of the Costs of the Project or Additional Special Facilities that shall be repaid from CFCs or Contingent Rent as provided in this Agreement and the Leases.

"Authorized Denomination" means (a) with respect to the Series 2011 Bonds, \$5,000 or any integral multiple thereof, and (b) with respect to any Series of Additional Bonds, such amounts as shall be specified in the Supplemental Agreement relating thereto.

"Authorized Officer" shall mean, in the case of the Authority, the Executive Director, the Director of Aviation, the Director of Administration & Finance and Secretary/Treasurer, the Director of Finance and Treasury, and any other officer or employee of the Authority designated in writing by one of the foregoing officers of the Authority, and in the case of the Trustee shall mean any officer within the corporate trust department (or similar group) of the Trustee responsible for the administration of this Agreement, including any vice president, assistant vice president, assistant secretary, assistant treasurer, trust officer or any other officer of the Trustee who customarily performs functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such person's knowledge of and familiarity with the particular subject.

"Beneficial Owner" shall mean, so long as the Bonds are in the Book-Entry-Only System, any Person who acquires a beneficial ownership interest in a Bond held by the Securities Depository. If at any time the Bonds are not held in the Book-Entry-Only System, Beneficial Owner means the Owner for purposes of this Agreement.

"Bond Counsel" means any attorney at law or firm of attorneys, selected by the Authority and reasonably acceptable to the Trustee, of nationally recognized standing in matters pertaining to the validity of and the tax-exempt nature of interest on bonds issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any state of the United States of America.

"Bondholder" or **"holder"** means, as of any time, the registered owner of any Bond as shown in the register kept by the Trustee as bond registrar.

"Bonds" means the Series 2011 Bonds and any Additional Bonds from time to time Outstanding under this Agreement.

"Bond Year" means any one-year period ending on July 1, other than the initial Bond Year, which shall commence on the Closing Date and end on July 1, 2012.

"Book-Entry-Only System" means the system maintained by the Securities Depository described in Section 3.09.

"Bus Facility Debt" shall mean the amounts set forth on **Exhibit 603** attached hereto, consisting of two-thirds (2/3) of the principal of and interest payable on the Authority's Revenue Bonds, Series 2010A, issued pursuant to the 1978 Trust Agreement, plus an additional 25% amount of such principal and interest as debt service coverage, representing the portion of such debt that is allocable to the ConRAC as its allocable share of the cost of the Bus Maintenance Facility.

"Bus Maintenance Facility" shall mean the maintenance facility for the buses serving the CATS and for buses serving other areas on the Airport, which facility is being constructed, in part, with proceeds of the Bus Facility Debt.

"Business Day" means any day other than a Saturday, Sunday or legal holiday or the equivalent (other than a moratorium) on which banking institutions generally in any of the City of Boston, Massachusetts, or New York, New York are authorized or required by law or executive order to close.

"CATS" or **"Common Airport Transit System"** shall mean the Airport's consolidated bus transportation system which provides passenger service at the Airport, including without limitation, to the ConRAC, including the buses used for transport, the Bus Maintenance Facility, and related equipment and associated improvements.

"CATS Fee" shall mean the fee payable by the RACs as a portion of Additional Rent under the Leases and Off-Airport RACs under their Concession Agreements calculated by the Authority to recover the share of the Authority's actual costs of providing the service of the CATS allocable to the ConRAC.

"CFC" or **"Customer Facility Charge"** shall mean the customer facility charge or customer facility charges to be collected by the RACs and remitted to the Trustee for the benefit of the Authority, or, if no Bonds remain Outstanding, remitted directly to the Authority, as further defined and provided in each Lease.

"CFC Revenue Fund" shall mean the fund established pursuant to Section 6.01 hereof into which all Revenues shall be deposited upon receipt by the Trustee and applied as set forth in Section 6.03.

"CFC Stabilization Fund" shall mean the fund established pursuant to Section 6.01 and described in Section 6.11, to be maintained and held by the Authority.

"CFC Stabilization Fund Minimum Requirement" initially shall be Five Million Dollars (\$5,000,000); provided, however, that pursuant to a Supplemental Agreement, the Authority may increase (but not decrease) the minimum requirement to an amount in excess of \$5,000,000.

"Closing Date" means the date of delivery of the Series 2011 Bonds to the initial purchasers thereof against payment therefor.

"Code" or **"RC"** means the Internal Revenue Code of 1986, as from time to time amended, and any regulations promulgated thereunder, including without limitation any Treasury Regulations or Temporary or Proposed Regulations, as the same shall from time to time be amended including (until modified, amended or superseded) Treasury Regulations or Temporary or Proposed Regulations under the Internal Revenue Code of 1954, as amended.

"Commonwealth" shall mean The Commonwealth of Massachusetts.

"Completion Certificate" means the completion certificate required under Section 7.06 below to be executed by the Authority upon the completion of the Project.

"Completion Date" means the earlier to occur of (i) the date on which the acquisition, construction, equipping and furnishing of the Project are completed substantially in accordance with the Plans as evidenced by the delivery of a Completion Certificate and (ii) the date of abandonment of the Project.

"Concession Agreement" means, for any RAC or Off-Airport RAC, the Rental Auto Company Concession Agreement between such RAC or Off-Airport RAC and the Authority that authorizes such RAC or Off-Airport RAC to carry out its rental car activities at the Airport and provides for the payment to the Authority of a Concession Percentage Fee (as defined in such Concession Agreement), as supplemented, amended or superseded from time to time.

"ConRAC" shall mean the consolidated rental car facility. The ConRAC consists of the following: (i) a garage (**"Garage"**) containing four stories, three of which will be used for the RACs' vehicle ready/return operations and the fourth level, which will be used for the RACs' vehicle storage; (ii) an adjoining Customer Service Center (**"CSC"**), for customer service counters, waiting areas, and back-office and storage purposes; and (iii) quick turn-around vehicle service maintenance/storage areas (**"QTAs"**) on the land immediately adjacent to the Garage and the CSC, together with the landscaped buffer areas adjacent to the Garage, the CSC and the QTAs and the circulating roadways located between such buffer areas and the Garage, CSC and QTAs.

"ConRAC Rent" shall mean that portion of the Rent paid by each RAC to the Authority as consideration for the lease of such RAC's leased premises within the ConRAC pursuant to each Lease.

"Consultant" shall mean any one or more consultants selected by the Authority with expertise in the administration, financing, planning, maintenance and operations of airports and facilities thereof and qualified to review and assess the anticipated CFCs and recommend to the Authority the amount of the CFC, and Contingent Rent, if required, and who, in the case of an individual, shall not be a member, officer or employee of the Authority.

"Contingent Rent" shall be a temporary fee levied by the Authority pursuant to the Leases payable by the RACs to the Trustee in order to respond to an unexpected actual or anticipated decrease in Transaction Days in order to supplement CFC revenues in order to pay principal of and interest on the Bonds and the TIFIA Loan, to reimburse the Rolling Coverage Fund, the Supplemental Reserve Fund and the Debt Service Reserve Fund for any drawings upon such funds, and to meet certain other financial obligations under this Agreement and the Leases.

"Continuing Disclosure Certificate" means the Continuing Disclosure Certificate of the Authority relating to the Bonds, as from time to time in effect.

"Costs of Collection" means all reasonable attorneys' fees and out-of-pocket expenses incurred by the Trustee directly or indirectly related to the Trustee's efforts to collect or enforce the Bonds, this Agreement, or any of the Trustee's rights, remedies, powers, privileges, or discretion against or in respect of the Authority thereunder (whether or not suit is instituted in connection with any of the foregoing).

"Costs of the Project" shall mean all costs of permitting, financing, design, development, construction, equipping, furnishing and acquisition of the Project, including the costs of issuing the Series 2011 Bonds, and other costs chargeable to the capital account of the Project.

"Co-Trustee" means any Co-Trustee appointed by the Trustee pursuant to the provisions of Section 9.12.

"Counsel" means an attorney or a firm of attorneys admitted to practice law in the highest court of any state of the United States of America.

"Courtesy Vehicle" shall have the meaning set forth in Section 23.02 of the Authority's Rules and Regulations at 740 CMR 23.00, *et seq.*, except that a Commercial Ground Transportation Service Vehicle as defined in such Section shall be deemed a Courtesy Vehicle for the purposes of this Agreement if owned, leased, operated or controlled by a supplier, vendor or contractor authorized by the Authority to provide services to or on behalf of a RAC.

"Date of Beneficial Occupancy" or "DBO" shall mean the date as of which the counter and office space at the CSC, the ready/return stalls and the staging areas in the ConRAC, and the QTA Areas known as "QTA 1" and "QTA 2" are functionally operational, which date shall be stipulated in a written notice from the Director to the RACs, as provided in each Lease.

"Days" or "days" shall refer to calendar days, unless otherwise specified herein.

"Debt Management Fee" shall mean a fee payable to the Authority in connection with the issuance of the Bonds, which shall be an annual amount equal to one-tenth of one percent

(0.10%) of the aggregate principal amount of the Bonds then outstanding on the first day of such Fiscal Year.

"Debt Service Fund" shall mean the Fund established pursuant to Section 6.01 and described in Section 6.04.

"Debt Service Reserve Fund" shall mean the Fund established pursuant to Section 6.01 and described in Section 6.07.

"DSRF Requirement" means one hundred percent (100%) of the Maximum Annual Debt Service on the Bonds (other than Subordinate Bonds) then outstanding.

"Default" means any Event of Default or any event or condition which, with the passage of time or giving of notice or both, would constitute an Event of Default.

"Defeasance Obligations" shall mean those investment securities set forth in paragraphs (a), (b) or G) of the definition of Permitted Investments.

"Depositary" shall mean any bank or trust company, which may include the Trustee, duly authorized by Law to engage in the banking business and selected by the Authority as a depositary of moneys under the provisions of this Agreement.

"Director of Aviation" or **"Director"** shall mean the Director of Aviation of the Authority or his or her designee.

"Draw Down Date" shall mean the twenty-fifth (25th) day of each month or, if such day is not a Business Day, the next succeeding Business Day of each month that any Bonds remain Outstanding.

"Electronic Means" shall mean telecopy, facsimile transmission, e-mail transmission or other similar electronic means of communication providing evidence of transmission, including a telephonic communication confirmed by any other method set forth in this definition.

"Event of Default" See Section 8.01.

"Executive Director" shall mean the Chief Executive Officer and Executive Director of the Authority or his or her designee.

"Favorable Opinion of Bond Counsel" means, with respect to any action relating to a Series of Tax-Exempt Bonds, the occurrence of which requires such an opinion, an unqualified written legal opinion of Bond Counsel to the effect that such action is permitted under this Agreement and the Act and will not impair the exclusion of interest on the Tax-Exempt Bonds of such Series from gross income for purposes of federal income taxation (subject to the inclusion of any exception contained in the opinion delivered upon the original issuance of such Series of Tax-Exempt Bonds).

"Fiscal Year" shall mean the Authority's Fiscal Year, commencing on July 1 and expiring on the following June 30th .

"Fitch" means Fitch Ratings, Inc. a corporation duly organized and existing under the laws of the State of New York, its successors and assigns.

"Fixed Rate" means one or more nonfloating, nonvariable interest rates which apply to a Series of Bonds.

"Fund or Funds" means any of the Project Fund, the Debt Service Fund, the Rolling Coverage Fund, the Supplemental Reserve Fund, the Debt Service Reserve Fund, the Subordinate Debt Service Fund, a Subordinate Reserve Fund or Funds, if any are established, the Maintenance Reserve Fund and the CFC Stabilization Fund.

"Interest Payment Date" for the Series 2011 Bonds shall mean January 1 and July 1 of each year that the Series 2011 Bonds remain Outstanding, and for any other Bonds, the dates set forth in the Supplemental Agreement entered into in connection with the issuance of such Bonds.

"Laws" means all present and future laws, rules, regulations, directives, permits, executive orders, other governmental orders and conditions of any permits or other governmental approvals applicable to this Agreement, the Bonds, the RACs, the ConRAC, or the use thereof, or any of them from time to time, foreseen, unforeseen; provided, however, that rules, directives and regulations of the Authority shall only be deemed "Laws" if generally applicable at the Airport.

"Lease" shall mean each lease agreement entered into from time to time between the Authority and each RAC for the lease of premises within the ConRAC, as the same may be duly supplemented, modified or amended from time to time in accordance with its terms.

"Maintenance Reserve Fund" shall mean the maintenance reserve fund maintained and held by the Authority, the funds on deposit in which shall be disbursed by the Authority in the Authority's discretion, for the purposes and in the manner described in the Leases.

"Majority of the Bondholders" means the holders of more than fifty percent (50%) of the aggregate principal amount of Outstanding Bonds.

"Maturity Date" for the Series 2011A Bonds shall mean the dates set forth in **Exhibit 301C**, for the Series 2011B Bonds shall mean the dates set forth in **Exhibit 301C**, and for any other Series of Bonds shall mean the maturity date or dates specified in the Supplemental Agreement entered into in connection with the issuance of such Bonds.

"Maximum Annual Debt Service" for any Bonds (other than Subordinate Bonds) that are Outstanding shall mean the maximum annual scheduled payments of principal of and interest on such Bonds in any future Bond Year, excluding any accrued or capitalized interest.

"Maximum Rate" means the maximum rate of interest on the relevant obligation as may be established by a Supplemental Agreement entered into in connection with the issuance of any Additional Bonds, and in all events, a rate not exceeding that permitted by applicable Law.

"Minimum Annual Requirement" shall have the meaning set forth in Section 7.04(b).

"Moody's" means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns.

"Nonpurpose Payments" has the meaning ascribed to such term in the Regulations.

"Nonpurpose Receipts" has the meaning ascribed to such term in the Regulations.

"Notice Address" shall mean, for the Authority, the Executive Director and Chief Executive Officer, Massachusetts Port Authority, One Harborside Drive, Suite 200S, East Boston, MA 02129, with a copy to the Chief Legal Counsel at the same address, and for the Trustee, U.S. Bank National Association, Corporate Trust Services, One Federal Street, Third Floor, Boston, MA 02110, or such other or additional address(es) as may be stated in writing in a notice to the other party.

"Off-Airport RAC or RACs" shall mean and refer to any Person operating a rental car concession servicing Airport Customers from a location other than the ConRAC.

"Official Statement" means the Official Statement relating to the Series 2011 Bonds, including all appendices thereto.

"Outstanding Bonds" or **"Bonds outstanding"**; means the amount of principal of the Bonds which has not at the time been paid, exclusive of (a) Bonds in lieu of which others have been authenticated under Section 3.08, (b) principal of any Bond which has become due (whether by maturity, call for redemption or otherwise) and for which provision for payment as required herein has been made, (c) principal of any Bond that is deemed to have been paid as provided in Section 2.02, and (d) for purposes of any direction, consent or waiver under this Agreement, Bonds deemed not to be outstanding pursuant to Sections 2.02 and 11.07.

"Par Call Bonds" shall mean those Bonds, if any, described in **Exhibit 301C** attached to this Agreement.

"Participant" means, with respect to DTC or another Securities Depository, a member of or participant in DTC or such other Securities Depository, respectively.

"Paying Agent" means the Trustee or any other paying agent appointed in accordance with Section 9.11 hereof.

"Payment Date" means each Interest Payment Date, Principal Payment Date or any other date on which any principal of, premium, if any, or interest on any Bond is due and payable for any reason, including without limitation upon any redemption of Bonds pursuant to Section 5.01.

"Permitted Investments" shall mean those investments set forth in **Exhibit 612** attached to this Agreement.

"Person" means a corporation, association, partnership, limited liability company, joint venture, trust, organization, business, individual or government or any governmental agency or political subdivision thereof.

"Pledged Receipts" means all CFCs received or receivable by the Trustee for the account of the Authority, all Contingent Rent payable by the RACs, all casualty insurance proceeds and condemnation awards required to be applied pursuant to Section 7.09, and all moneys, investments and proceeds on deposit in the Project Fund, the Debt Service Fund, the Reserve Funds, the Subordinate Debt Service Fund, and a Subordinate Reserve Fund, if any, and interest and investment earnings thereon, subject to the provisions of Section 6.12 regarding moneys for the benefit of the holders of particular Bonds. The Pledged Receipts shall not include moneys, investments and proceeds in the Rebate Fund, the Maintenance Reserve Fund or the CFC Stabilization Fund, and shall not include the Unassigned Rights.

"Principal Payment Date" means July 1 of each year in which principal of the Bonds of any Series is due and payable.

"Project" means the permitting, design, equipping, development, construction and furnishing of the ConRAC, including the associated structures, roadways, facilities, infrastructure improvements to utilities and other infrastructure to support the ConRAC, and the initial acquisition of the shuttle buses to serve that portion of the CATS serving the ConRAC and a portion of the design and construction cost of the Bus Maintenance Facility, and all other improvements, fixtures, equipment and facilities incorporated in the ConRAC as part of the initial development of the ConRAC.

"Project Budget" shall mean the Authority's approved capital budget for the permitting, design, financing, development, construction and acquisition of the Project.

"Project Fund" shall mean the Fund created pursuant to Section 6.01 and described in Section 6.02.

"Qualified Swap Agreement" means an agreement between the Authority and a Swap Provider under which the Authority agrees to pay the Swap Provider an amount calculated at an agreed-upon rate or index based upon a notional amount and the Swap Provider agrees to pay the Authority for a specified period of time an amount calculated at an agreed-upon rate or index based upon such notional amount, where (i) each Rating Agency (if such Rating Agency also rates the unsecured obligations of the Swap Provider or its guarantor) has assigned to the unsecured obligations of the Swap Provider or of the Person who guarantees the obligation of the Swap Provider to make its payments to the Authority, as of the date the swap agreement is entered into, a rating that is equal to or higher than the rating then assigned to the Bonds (other than Subordinated Bonds, if any) by such Rating Agency (without regard to any credit facility), and (ii) the Authority has notified each Rating Agency (whether or not such Rating Agency also

rates the unsecured obligations of the Swap Provider or its guarantor) in writing, at least 15 days prior to executing and delivering the swap agreement, of its intention to enter into the swap agreement.

"RAC" shall mean a Person that operates a rent-a-car business serving Airport Customers under terms of a Concession Agreement with the Authority and who leases space within the ConRAC.

"Rating Agency" means, as of any date, each of Fitch, Moody's and S&P, and any other Nationally Recognized Statistical Rating Organization ("**NRSRO**") designated by the Authority by notice to the Trustee; provided, however, that the Authority may substitute any NRSRO for any of Fitch, Moody's or S&P by notice to the Trustee, as long as the Authority uses its best efforts to ensure that the Bonds or any Series thereof are rated by no less than two Rating Agencies.

"Rating Category" means a generic securities rating category, without regard, in the case of a long-term rating category, to any refinement or gradation of such long-term rating category by a numerical modifier or otherwise.

"Rebate Fund" shall mean the Fund created pursuant to Section 6.01 and described in Section 6.09.

"Rebate Installment Date" means the dates selected by the Authority pursuant to the Regulations for the payment of rebate or yield reduction payments as provided in Section 6.09 hereof, the first of which shall be no later than 60 days after the close of the fifth Bond Year for each Series of Tax-Exempt Bonds. Each such Rebate Installment Date shall be no more than five years following the next preceding Rebate Installment Date. Rebate Installment Date shall also include a date selected by the Authority which is no later than 60 days following the final payment of each Series of Tax-Exempt Bonds which is treated as a separate series for federal tax purposes.

"Rebate Professional" is defined in Section 6.09(c).

"Record Date" means (a) with respect to the Series 2011 Bonds, with respect to each Payment Date the close of business on the fifteenth day of the month immediately preceding the month in which such Payment Date occurs, (b) with respect to any other Series of Bonds, the date specified in the Supplemental Agreement providing for the issuance of such Series of Bonds.

"Refunding Bonds" shall mean one or more Series of Bonds issued pursuant to Section 3.02 to refund Outstanding Bonds.

"Registrar" shall mean the Trustee acting as the Bond registrar hereunder.

"Registration Books" means the register of the record owners of the Bonds maintained by the Registrar.

"Regulations" means the Treasury Regulations applicable to Section 148(f) of Code.

"Replacement Value" shall mean the replacement cost of the ConRAC, other than the foundation of the ConRAC, any equipment owned by any RAC in the ConRAC, and the portion of the CATS (including the Bus Maintenance Facility) allocated to the ConRAC. Replacement Value shall be determined annually by the Authority's Consulting Engineer (as defined in the 1978 Trust Agreement).

"Required Reserve Amounts" shall mean, respectively, the Rolling Coverage Fund Requirement, the Supplemental Reserve Fund Requirement and the DSRF Requirement for each Series of Bonds.

"Requisition Certificate" shall mean a written certificate executed by the Authority substantially in the form of **Exhibit 602** attached to this Agreement.

"Reserve Funds" shall mean, collectively, the Rolling Coverage Fund, the Supplemental Reserve Fund and the Debt Service Reserve Fund, and no other Funds.

"Revenues" shall mean CFCs, Contingent Rent and any other sums paid to the Trustee for deposit in the CFC Revenue Fund.

"Rolling Coverage Fund" shall mean the Fund established pursuant to Section 6.01 and described in Section 6.05.

"Rolling Coverage Fund Requirement" shall mean twenty-five percent (25%) of the Maximum Annual Debt Service on the Bonds (other than Subordinate Bonds) then outstanding.

"Securities Act" means the federal Securities Act of 1933, as amended, and any successor thereto.

"Securities Depository" or **"DTC"** means The Depository Trust Company and its successors and assigns or any other securities depository selected by the Authority which agrees to follow the procedures required to be followed by such securities depository in connection with the Bonds.

"Securities Exchange Act" means the federal Securities Exchange Act of 1934, as amended, and any successor thereto.

"Series" means each of the Series 2011A Bonds and the Series 2011B Bonds issued pursuant to this Agreement and each series of Additional Bonds issued pursuant to a Supplemental Agreement.

"Series 2011 Bonds" means, collectively, the Series 2011A Bonds and the Series 2011B Bonds.

"Series 2011 Project Accounts" means, collectively, the Series 2011A Project Account and the Series 2011B Project Account.

"Series 2011A Bonds" means the Authority's Special Facilities Revenue Bonds (ConRAC Project), Series 2011A issued hereunder in the original aggregate principal amount set forth in **Exhibit 301C**.

"Series 2011A Debt Service Account" means the account of such name established in the Debt Service Fund pursuant to Section 6.04.

"Series 2011A Project" shall mean that portion of the Project consisting of public roadways and other related facilities and infrastructure that are eligible for funding with the proceeds of Tax-Exempt Bonds under the Code.

"Series 2011A Project Account" means the account of such name established in the Project Fund pursuant to Section 6.02.

"Series 2011B Bonds" means the Authority's Special Facilities Revenue Bonds (ConRAC Project), Series 2011B (Federally Taxable) issued hereunder in the original aggregate principal amount set forth in **Exhibit 301C**.

"Series 2011B Debt Service Account" means the account of such name established in the Debt Service Fund pursuant to Section 6.04.

"Series 2011B Project Account" means the account of such name established in the Project Fund pursuant to Section 6.02.

"S&P" means Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc., a corporation organized and existing under the laws of the State of New York, its successors and assigns.

"Subordinate Bonds" shall mean any Series of Additional Bonds issued pursuant to Section 3.04 and a Supplemental Agreement.

"Subordinate Debt Service Fund" shall mean the Fund established pursuant to Section 6.01 and described in Section 6.08.

"Subordinate Reserve Fund" shall mean one or more Funds established pursuant to a Supplemental Agreement or Agreements in connection with the issuance of one or more Series of Subordinate Bonds.

"Supplemental Agreement" means each supplement to this Agreement entered into pursuant to Section 3.02 or Section 3.04 and Section 10.01(h) providing for the issuance of a Series of Additional Bonds or a supplement entered into pursuant to Sections 10.01 or 10.02 for the purposes and in the manner set forth therein.

"Supplemental Reserve Fund" shall mean the Fund established pursuant to Section 6.01 and described in Section 6.06.

"Supplemental Reserve Fund Requirement" shall mean fifty percent (50%) of the Maximum Annual Debt Service on the Bonds (other than Subordinate Bonds) then outstanding.

"Swap Provider" means any Person with which the Authority enters into a Qualified Swap Agreement.

"Tax-Exempt Bonds" shall mean the Series 2011A Bonds and any other Series of Additional Bonds the interest on which is excludable from the gross income of the recipient thereof for federal income tax purposes.

"TIFIA Loan" shall mean that loan or loans, if any, to the Authority from the United States Department of Transportation to fund, in part, the Project, pursuant to the Transportation Infrastructure Finance and Innovation Act of 1998, 23 U.S.C. §§ 181-189, which obligation shall constitute a Subordinate Bond hereunder and be repaid from Revenues as provided herein.

"Transaction Day" shall mean each twenty-four hour period (or fraction thereof) that a Vehicle is rented by an Airport Customer; provided, however, that if a RAC's Vehicle rental contract contains a grace period for the Vehicle's return at the end of the Vehicle's rental period of no more than fifty-nine (59) minutes, during which grace period such RAC will not charge a customer a further Vehicle rental fee or other form of late return fee, then the CFC shall not be imposed during such grace period and such grace period shall not be considered a further Transaction Day.

"Trustee" shall mean U.S. Bank National Association, with its successors and, where the context may require, any separate Trustee or Co-Trustee appointed by the Trustee pursuant to the provisions of this Agreement.

"Trust Estate" means the Pledged Receipts and other rights assigned by the Authority to the Trustee hereunder.

"Trust Indenture Act" means the federal Trust Indenture Act of 1939, as amended, and any successor thereto.

"Unassigned Rights" means the rights of the Authority under each Lease to receive ConRAC Rent, Additional Rent and Additional Payments and all other rights of the Authority under each Lease, except, as long as any Bonds remain Outstanding, the right to receive and collect CFCs and Contingent Rent.

"Variable Rate" means an interest rate on a Series of Bonds which rate is subject to change from time to time as specified in the applicable Supplemental Agreement.

"Vehicle" shall mean any type of passenger motor vehicle, including without limitation full-size sedans, station wagons, four wheel drive passenger vehicles, vans, sport utility vehicles

("SUVs"), compacts and subcompacts, motorcycles, pickup trucks or similar motor vehicles rented or available for rental to Airport Customers by a RAC or an Off-Airport RAC.

"1978 Trust Agreement" shall mean the Trust Agreement dated as of August 1, 1978, between the Authority and U.S. Bank National Association, as trustee, as successor in interest to State Street Bank and Trust Company, as heretofore or hereafter supplemented and amended.

Section 1.02 Certain References. Any reference in this Agreement to the Authority or the Trustee shall include those Persons which succeed to their functions, duties or responsibilities pursuant to or by operation of Law or who are lawfully performing their functions. Any reference in this Agreement to any statute or law or chapter or section thereof shall include all amendments, supplements or successor provisions thereto.

Section 1.03 Interpretation; Construction of Certain Terms. All terms defined herein and all pronouns used in this Agreement shall be deemed to apply equally to singular and plural and to all genders. The table of contents, titles and headings of the articles and sections of this Agreement have been inserted for convenience of reference only and are not to be considered a part hereof, and shall not in any way modify or restrict any of the terms or provisions hereof. Reference to Articles or Sections in this Agreement, except where another meaning is specifically indicated, is to the applicable Article or Section of this Agreement. This Agreement and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein, and to provide for the full and timely payment of all Bonds from time to time hereafter issued by the Authority, including without limitation, all TIFIA Loans received by the Authority, and interest on any Authority Loan.

Section 1.04 Timing of Certain Actions. Whenever in this Agreement there is specified a time of day at or by which a certain action must be taken, such time shall be local time in New York City, except as otherwise specifically provided in this Agreement. If the date for making any payment or the last day for the performance of any act or the exercise of any right provided in this Agreement shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this Agreement, except as otherwise specifically provided herein.

ARTICLE2 PLEDGE AND ASSIGNMENT OF AUTHORITY

Section 2.01 Pledge and Assignment. In order to secure the due payment of principal and premium, if any, and interest on the Bonds and compliance by the Authority with its agreements contained in this Agreement, the Authority hereby grants, pledges and assigns to the Trustee for the benefit of the Bondholders all of its right, title and interest in and to the Pledged Receipts. The pledge hereof and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Authority with respect to the Bonds (other than the Subordinate Bonds) shall be for the equal benefit, protection and security of the holders of any and all Bonds (other than the Subordinate Bonds), and the pledge hereof and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Authority with respect to the Subordinate Bonds shall be for the equal benefit, protection and security of the

holders of any and all Subordinate Bonds, each of which, regardless of the time or times of its issue or maturity, shall be of equal rank with the other holders of the Bonds (other than the Subordinate Bonds), or Subordinate Bonds, as the case may be, without preference, priority or distinction over any other thereof except as expressly provided in this Agreement.

In each of the Leases, the RACs have acknowledged that the CFCs collected by the RACs prior to remittance to the Trustee or the Authority shall be subject at all times to a first lien for the repayment of the Bonds and the TIFIA Loan, if any, and that the RACs shall not grant to any third party (other than the Authority) any liens or encumbrances on CFCs, and that any lien or encumbrance on CFCs granted by a RAC to a third party or otherwise purported to be obtained by a third party shall be void and of no force or effect. In each of the Leases, the RACs have agreed that all CFCs collected by the RACs are not income, revenue or any other asset of the RACs, that the RACs have no legal or equitable ownership or property interest in the CFCs, and the RACs have waived any claim to a possessory or legal or equitable ownership interest in the CFCs. Prior to remittance to the Trustee or the Authority, CFCs shall be held by the RACs as funds in trust for the benefit of the Authority, and the Authority (or the Trustee on its behalf) shall have complete possessory and legal and equitable ownership rights to the CFCs.

Section 2.02 Defeasance of Lien. When the Authority has paid or has been deemed to have paid, within the meaning of this Section 2.02, to the holders of all of the Bonds the principal and interest and premium, if any, due or to become due thereon at the times and in the manner stipulated therein and herein, and all other obligations owing to the Trustee hereunder have been paid or provided for, the lien of this Agreement on the Trust Estate shall terminate, except that, notwithstanding termination of the lien hereof, the obligations to make all payments required by Section 6.09 and to take any other action under Section 6.09 shall continue until all such obligations and actions have been paid and performed in full. Upon the written request of the Authority, the Trustee shall upon the termination of the lien hereof promptly execute and deliver to the Authority an appropriate discharge hereof except that, subject to the provisions of this Agreement, the Trustee shall continue to hold in trust amounts held pursuant to Section 6.13 for the payment of the principal of, premium, if any, and interest on the Bonds and moneys held for rebate to the United States of America under section 148(f) of the Code.

Outstanding Bonds shall be deemed to have been paid within the meaning of this Section 2.02 if the Trustee shall have paid to the holders of such Bonds, or shall be holding in trust for and shall have irrevocably committed to the payment of such Outstanding Bonds, moneys sufficient for the payment of all principal of and interest and premium, if any, on such Bonds to the date of maturity or redemption, as the case may be; provided, that if any of such Bonds are Tax-Exempt Bonds, and are deemed to have been paid prior to the earlier of the redemption or the maturity thereof, the Trustee and the Authority shall have received an unqualified opinion of Bond Counsel that such payment and the holding thereof by the Trustee shall not in and of itself cause interest on such Tax-Exempt Bonds to be included in gross income for federal income tax purposes; and provided, further, that if any such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given to the Bondholders or irrevocable provision satisfactory to the Trustee shall have been duly made for the giving of such notice.

Outstanding Bonds also shall be deemed to have been paid for the purposes of this Section 2.02 if the Trustee shall be holding in trust for and shall have irrevocably committed to

the payment of such Outstanding Bonds Defeasance Obligations the principal installments of and/or the interest on which when due, without reinvestment, will provide moneys which, together with moneys, if any, so held and so committed, shall be sufficient for the payment of all principal of and interest and premium, if any, on such Bonds to the date of maturity or redemption, as the case may be and a report in form and substance acceptable to the Trustee and the Authority of a verification agent acceptable to the Trustee and the Authority verifying that the principal installments of and/or the interest on such Defeasance Obligations, if paid when due and without reinvestment, will, together with any moneys so deposited, be sufficient for the payment of all principal of and interest and premium, if any, on such Bonds to the date of maturity or redemption, as the case may be; provided, that if any of such Bonds are Tax-Exempt Bonds and deemed to have been paid prior to the earlier of the redemption or the maturity thereof, the Trustee and the Authority shall have received an unqualified opinion of Bond Counsel that such payment and the holding of such Defeasance Obligations and moneys, if any, shall not in and of itself cause interest on such Tax-Exempt Bonds to be included in gross income for federal income tax purposes; and provided, further, that if any such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given or irrevocable provision satisfactory to the Trustee shall have been duly made for the giving of such notice.

Any moneys held by the Trustee in the manner provided by the provisions of this Section 2.02 shall be invested by the Trustee in the manner provided by Section 6.12 (but only to the extent that such investments are available) only in Defeasance Obligations which do not contain provisions permitting redemption at the option of the issuer, the maturities or redemption dates, without premium, of which shall coincide as nearly as practicable with, but not be later than, the time or times at which said moneys will be required for the aforesaid purposes. The making of any such investments or the sale or other liquidation thereof shall not be subject to the control of the Authority and the Trustee shall have no responsibility for any losses resulting from such investment. Any income or interest earned by, or increment to, the investments held under this Section 2.02, to the extent determined from time to time by the Trustee to be in excess of the amount required to be held by it for the purposes of this Section 2.02, shall be paid first to the Trustee to the extent necessary to repay any unpaid obligations owing to the Trustee. The remainder, if any, shall be paid to the Authority.

After all of the Outstanding Bonds shall be deemed to have been paid and all other amounts required to be paid under this Agreement shall have been paid, then upon the termination of this Agreement any amounts in the Project Fund, the Debt Service Fund, the Reserve Funds (after application thereof as provided in this Agreement), the Subordinate Debt Service Fund and the Subordinate Reserve Fund, if any, shall be paid first to the Trustee to the extent necessary to repay any unpaid obligations owing to the Trustee, and thereafter the remainder, if any, shall be paid to the Authority.

Section 2.03 Further Assurance. The Authority, at the written request of the Trustee, will from time to time execute, deliver and record and file such instruments as may be reasonably required to confirm, perfect or maintain the security interests created hereby and the transfer, assignment and grant of rights hereunder; provided, however, that the Trustee shall have no obligation to make any such request unless directed in writing by a Majority of the Bondholders.

**ARTICLE3
THE BONDS**

Section 3.01 Issuance of Series 2011 Bonds; Dates, Maturities and Interest.

(a) Issuance. The Series 2011A Bonds shall be designated "Massachusetts Port Authority Special Facilities Revenue Bonds (ConRAC Project), Series 2011A", shall be issued in the original aggregate principal amount set forth in **Exhibit 301C** and shall be substantially in the form set forth in **Exhibit 301** attached hereto, with such variations, omissions and insertions as are permitted or required hereby. The Series 2011B Bonds shall be designated "Massachusetts Port Authority Special Facilities Revenue Bonds (ConRAC Project), Series 2011B (Federally Taxable)", shall be issued in the original aggregate principal amount set forth in **Exhibit 301C** and shall be substantially in the form set forth in **Exhibit 301** attached hereto with such variations, omissions and insertions as are permitted or required hereby. Except to the extent otherwise provided in Section 3.09 or made necessary as a result of a partial redemption, the Series 2011A Bonds and the Series 2011B Bonds shall be issued in fully registered form without coupons numbered from RA-1 or RB-1, respectively, upwards and in Authorized Denominations.

The Series 2011 Bonds shall be registered in such names as shall be requested by the Bondholders.

(b) Date. The Series 2011 Bonds shall be dated the date of delivery thereof and interest shall accrue from such date.

(c) Maturities. The Series 2011 Bonds shall have the stated maturity dates as provided in **Exhibit 301C** attached hereto. The Series 2011 Bonds shall be subject to redemption prior to stated maturity as and to the extent provided in Section 5.01.

(d) Interest. The Series 2011 Bonds shall bear interest as provided in **Exhibit 301C**. Interest on each Series 2011 Bond shall accrue from its dated date, payable on each Interest Payment Date. The Series 2011 Bonds shall bear interest from and including the date thereof until payment of the principal thereof shall have been made or provided for in accordance with the provisions hereof, whether at maturity, upon redemption or otherwise. Interest on the Series 2011 Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months.

(e) Payment of the Bonds. Principal of and premium, if any, and interest on the Series 2011 Bonds is payable in lawful money of the United States of America. The final payment of principal of, premium, if any, and interest on the Series 2011 Bonds shall be payable in immediately available funds at the corporate trust office of the Trustee at which this Agreement is administered upon surrender of the Series 2011 Bonds, and other payments shall be payable by check or draft mailed by the Trustee to the Bondholder at its address appearing on the Register as of the close of business on the Record Date; provided, however, that if the holder of Series 2011 Bonds or group of which such holder is a part holds Series 2011 Bonds aggregating \$1,000,000 or more in outstanding

principal amount and gives written notice thereof to the Trustee accompanied by sufficient wire transfer instructions, then payments of interest with respect to such Series 2011 Bonds shall be payable by wire transfer of immediately available funds.

(f) Exhibit 301C. Promptly following the establishment of the terms of each Series of the Series 2011 Bonds, the Director of Administration and Finance and Secretary-Treasurer shall file in the records of the Authority an addendum to this Agreement, which shall be attached to this Agreement as **Exhibit 301C**, setting forth the principal amount, dates, amortization, maturities, fixed interest rates, and optional redemption provisions (if any) of each Series of the Series 2011 Bonds.

Section 3.02 Authorization of Additional Bonds. (a) In addition to the Series 2011 Bonds initially issued, one or more Series of Additional Bonds (other than Subordinate Bonds) may be issued on a parity with all Outstanding Bonds (other than Subordinate Bonds) for such purposes hereinafter set forth as may be requested by the Authority; provided, that the issuance of any Series of Additional Bonds shall be conditioned upon the Trustee's receipt of the following:

- (i) a resolution of the Authority authorizing the issuance of such Series of Additional Bonds, and setting forth the relevant details of such Series of Bonds;
- (ii) a written order from the Authority directing the authentication and delivery of such Series of Additional Bonds to or upon the order of the purchaser or purchasers named therein upon payment of the purchase price set forth therein;
- (iii) a certificate of the Authority requesting the issuance of such Additional Bonds, stating that no default exists with respect to the obligations to be performed by the Authority under this Agreement or the Continuing Disclosure Certificate and that all conditions precedent provided for in this Agreement relating to the authentication and delivery of such Additional Bonds have been complied with;
- (iv) an opinion of Bond Counsel addressed to the Authority and the Trustee:
 - (1) stating that all conditions precedent provided for in this Agreement relating to the authentication and delivery of such Additional Bonds have been complied with, including any conditions precedent specified in this Section 3.02;
 - (2) stating that the Series of Additional Bonds whose authentication and delivery are then applied for, when issued and executed by the Authority and authenticated and delivered by the Trustee, will be valid and binding obligations of the Authority in accordance with their terms and entitled to the benefits of and secured by the lien of this Agreement; and

(3) if the interest on such Additional Bonds then proposed to be issued is intended to be exempt from federal income taxation, stating that the interest on such Bonds is excludable from gross income of the recipient thereof for federal income tax purposes;

(v) an executed counterpart of a Supplemental Agreement providing for such Additional Bonds, which Supplemental Agreement shall provide the means by which the Required Reserve Amount for each Reserve Fund will be satisfied upon issuance of the proposed Series of Additional Bonds; and

(vi) Either (a) a report of a Consultant to the effect that the CFCs projected to be remitted to the Trustee (together with investment earnings on the Funds held under this Agreement and amounts on deposit in the Rolling Coverage Fund, if any, at the beginning of such Fiscal Year up to an amount not to exceed 25% of the Aggregate Debt Service on the Bonds (other than Subordinate Bonds) in any Fiscal Year plus amounts on deposit in the Supplemental Reserve Fund, if any, at the beginning of such Fiscal Year up to an amount not to exceed 5% of the Aggregate Debt Service on the Bonds (other than Subordinate Bonds) in any Fiscal Year) for each of the three Fiscal Years following the date of issuance of such Additional Bonds or the date of final expenditure of capitalized interest funded from such Additional Bonds, whichever is later, are expected, as of the end of each such Fiscal Year, to be at least equal 1.30 times the Maximum Annual Debt Service on all Bonds Outstanding (including such Additional Bonds), other than Subordinate Bonds, and also to be at least sufficient, after the payment of such annual principal of and interest on all Outstanding Bonds (other than Subordinate Bonds), to fund Aggregate Debt Service for such Fiscal Year on any Subordinate Bonds Outstanding and any other amounts required to be deposited from Revenues to the Funds maintained under this Agreement, including the Rolling Coverage Fund, the Supplemental Reserve Fund, the Debt Service Reserve Fund, and any reserve fund for Subordinate Bonds;

OR (b) a certificate of the Authority to the effect that the CFCs received by the Trustee for any consecutive 12 months out of the immediately preceding 18 months (together with investment earnings on the Funds held under this Agreement and amounts on deposit in the Rolling Coverage Fund, if any, at the beginning of the last full Fiscal Year during such period up to an amount not to exceed 25% of the Aggregate Debt Service on the Bonds (other than Subordinate Bonds) in such 12 month period plus amounts on deposit in the Supplemental Reserve Fund, if any, at the beginning of such Fiscal Year up to an amount not to exceed 5% of the Aggregate Debt Service on the Bonds (other than Subordinate Bonds) in such 12 month period) were at least equal to 1.30 times the Maximum Annual Debt Service due on all Bonds Outstanding (including such Additional Bonds), other than Subordinate Bonds, and also to be at least sufficient, after the payment of such Aggregate Debt Service on all Bonds Outstanding (other than Subordinate Bonds), to fund Aggregate Debt Service for such Fiscal Year on any Subordinate Bonds Outstanding and any

other amounts required to be deposited from Revenues to the Funds maintained under this Agreement, including the Rolling Coverage Fund, the Supplemental Reserve Fund, the Debt Service Reserve Fund, and any reserve fund for Subordinate Bonds;

(c) provided, however, that the Authority may issue Additional Bonds without complying with the requirements of clauses (vi)(a) or (b) above in an amount not to exceed 10% of the original par amount of the Series 2011 Bonds in order to complete construction of the original Project ("**Completion Bonds**").

(b) Purposes for Additional Bonds. The purposes for which Additional Bonds may be issued under this Section 3.02 are as follows:

(i) to finance the permitting, financing, design, development, construction, equipping, furnishing and acquisition of any improvement or expansion of the Project (or any other facility related to the Project approved by the Authority);

(ii) to finance repairs, including without limitation repairs due to casualty or condemnation to the extent insurance proceeds or condemnation awards are insufficient to effect such repairs, or extraordinary maintenance with respect to the Project;

(iii) to refund all or any Outstanding Bonds;

(iv) Completion Bonds; and

(v) in each case, to pay capitalized interest and costs of issuance of such Additional Bonds and to provide for any contribution to the Reserve Funds required with respect thereto.

(c) Refunding Bonds. All Refunding Bonds of any Series 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 following the receipt by the Trustee of:

(i) the documents referred to in subsections (i), (ii), (iii), (iv), and (v) of Section 3.02(a);

(ii) a certificate of the Authority substantially to the effect that either (x) after the issuance of the proposed Refunding Bonds, the Aggregate Debt Service on all Outstanding Bonds (including the proposed Refunding Bonds), assuming that Refunding Bonds bearing interest at a Variable Rate will bear interest at a fixed rate determined by an investment banker selected by the Authority on the basis of then-current market conditions for long-term debt of similar tenor as the Outstanding Bonds and with a term substantially similar to the maturity dates of the Outstanding Bonds, will be less than that for each Bond Year within which any of the refunded Bonds would have been Outstanding but for their having been refunded or (y) that the refunding will

reduce the total debt service payments on the refunded Bonds on a present value basis; or alternatively Refunding Bonds may be issued by complying with the provisions of item (vi) of Section 3.02(a) hereof or, if such Refunding Bonds are Subordinate Bonds issued pursuant to Section 3.04, by delivery by the Authority of the certificate required by clause (y) of Section 3.04(a);

(iii) if a redemption of Bonds is to be effected, irrevocable instructions to the Trustee to give due notice of redemption of all the Bonds to be refunded and the redemption date or dates, if any, upon which such Bonds are to be redeemed;

(iv) if a redemption of Bonds is to be effected and the redemption is scheduled to occur subsequent to the next succeeding 45 days, irrevocable instructions to the Trustee to give notice of redemption of such Bonds as provided in the applicable Supplemental Agreement on a specified date prior to their redemption date, which notice may include language giving notice that such redemption is conditioned upon the receipt of sufficient amounts to effect such noticed redemption; and

(v) such further documents and moneys as are required by the provisions of Article 10 or any Supplemental Agreement.

Section 3.03 Terms of Additional Bonds. Additional Bonds of each Series, including Subordinate Bonds, shall be dated, shall bear interest until their maturity at such rate or rates, determined in such manner and payable on such date or dates, shall be in such form and shall have such other terms and conditions not inconsistent with the terms of this Agreement as shall be provided for in the Supplemental Agreement authorizing the issuance of such Series. All Additional Bonds which are not Subordinate Bonds shall be payable and secured equally and ratably and on a parity with the Series 2011 Bonds and any Additional Bonds (other than Subordinate Bonds) theretofore or thereafter issued and shall be entitled to the same benefits and security of this Agreement. Except as may be otherwise provided in the Supplemental Agreement providing for the issuance of a Series of Subordinate Bonds, Subordinate Bonds shall be payable from funds deposited to the Subordinate Debt Service Fund as provided in this Agreement and amounts, if any, deposited in one or more Accounts within a Subordinate Reserve Fund established for the benefit of such Subordinate Bonds by the Supplemental Agreement entered into in connection with the issuance of such Subordinate Bonds.

Each Series of Additional Bonds shall be issued pursuant to this Agreement and a Supplemental Agreement, which shall prescribe expressly or by reference with respect to such Series:

- (a) the authorized principal amount and Series designation of such Bonds;
- (b) the purpose or purposes for which such Series is being issued;
- (c) the manner in which the proceeds of the Bonds of such Series are to be applied;
- (d) the date or dates, and the maturity date or dates, of the Bonds of such Series, or the manner of determining such dates;

- (e) the interest rate or rates to be borne by the Bonds of such Series or the manner of determining such rate or rates, the Maximum Rate for any Series of Variable Rate Bonds and the Interest Payment Dates of such Series;
- (f) the manner of dating, numbering and lettering the Bonds of such Series;
- (g) the place or places of payment of the principal and premium, if any, of, and interest on, the Bonds of such Series or the manner of designating the same;
- (h) the redemption premium, if any, of, and the redemption terms for the Bonds of such Series, or the manner of determining such premium and terms;
- (i) the amount and due date of each sinking fund payment, if any, for Bonds of like maturity of such Series, or the manner of determining such amounts and dates;
- (j) provisions as to registration of the Bonds of such Series;
- (k) the form and text of the Bonds of such Series and provision for the Trustee's authentication thereof by certificate or otherwise;
- (l) any other provisions deemed advisable by the Authority as shall not conflict with the provisions hereof;
- (m) provision for (i) additional payments to the Debt Service Fund or Subordinate Debt Service Fund, as applicable, sufficient to provide for any principal and interest requirements resulting from the issuance of the Series of Bonds including, in the event that interest on the Series of Bonds is capitalized and/or to be paid from investment earnings, a requirement to deposit from the proceeds of the Series of Bonds to the fund specified in the Supplemental Agreement amounts fully sufficient to pay interest on such Series of Bonds during the period specified in the Supplemental Agreement, and (ii) specification and satisfaction of the Required Reserve Amounts, if any, for such Series of Bonds (other than Subordinate Bonds) by not later than the date required by the Supplemental Agreement authorizing such Series of Bonds, and (iii) creation, specification and satisfaction of the requirements relating to a Subordinate Reserve Fund, if any, for any Series of Subordinate Bonds by not later than the date required by the Supplemental Agreement authorizing such Series of Bonds;
- (n) whether such Series of Bonds are intended to be Tax-Exempt Bonds;
- (o) whether such Series of Bonds are Subordinate Bonds; and
- (p) the credit facilities and liquidity facilities applicable to such Series of Bonds, if any.

Section 3.04 Issuance of Subordinate Bonds.

- (a) In addition to the Series 2011 Bonds and any Additional Bonds issued pursuant to Section 3.02, one or more Series of Additional Bonds that are Subordinate Bonds may be issued

for the purposes set forth in this Section 3.04, as may be requested by the Authority, provided that the issuance of any Series of Subordinate Bonds shall be conditioned upon the Trustee's receipt of (x) the items set forth in subsections (i) through (v) of Section 3.02(a), plus (y) a certificate of the Authority or a Consultant stating that the additional debt test, if any, set forth in the Supplemental Agreement entered into in connection with the issuance of such Subordinate Bonds has been satisfied.

(b) One or more Series of Subordinate Bonds may be issued for any of the purposes listed under Section 3.02(b).

(c) If any Series of Subordinate Bonds is issued as Refunding Bonds, then, in addition to the items required in Section 3.04(a), the Authority shall deliver to the Trustee the items set forth in subsections (ii) through (v) of Section 3.02(c), as applicable.

(d) If the Authority obtains a TIFIA Loan, the proceeds of which are applied to pay Costs of the Project, the obligation to repay such TIFIA Loan shall be a Subordinate Bond, and the Authority shall deliver to the Trustee the items set forth under Section 3.04(a) in connection with entering into such TIFIA Loan.

(e) If the Authority provides funds which are applied to pay Costs of the Project as an Authority Loan pursuant to Section 3.05 hereof, the obligation to repay such Authority Loan shall be a Subordinate Bond, and the Authority shall deliver to the Trustee the items set forth under Section 3.04(a) in connection with entering into such Authority Loan; provided, however, that interest on and principal of any such Subordinate Bond may be paid to the Authority as provided in Section 3.05 from Revenues remaining after application by the Trustee in accordance with Section 6.03(b).

(f) The Supplemental Agreement providing for the issuance of any Series of Subordinate Bonds may provide for establishing one or more Subordinate Reserve Funds and, within any such Fund, separate Accounts, for the benefit of such Subordinate Bonds, and if any such Fund or Account is created, such Supplemental Agreement shall include provisions concerning the amount and means of funding such Funds and Accounts, all at the discretion of the Authority.

Section 3.05 Authority Loans. If funds are required to pay Costs of the Project in addition to proceeds of the Series 2011 Bonds, the TIFIA Loan (if any) and amounts on deposit in the CFC Stabilization Fund from time to time in excess of the CFC Stabilization Fund Minimum Requirement, the Authority shall provide additional funds in an aggregate amount not to exceed \$35,000,000 as an Authority Loan to pay Costs of the Project; provided, however, that the Authority may provide funds in addition to such amount in its sole discretion. In addition, the Authority may, in its sole discretion, provide one or more additional Authority Loans as provided below to fund the costs of Additional Special Facilities. The proceeds of such Authority Loan shall be advanced and applied after all Series 2011 Bond proceeds and proceeds of the TIFIA Loan (if any) on deposit in the Project Fund and amounts on deposit in the CFC Stabilization Fund from time to time in excess of the CFC Stabilization Fund Minimum Requirement have been applied or encumbered, and the Authority shall advance funds in increments of One Million Dollars (\$1,000,000) or multiples thereof for deposit to the Project

Fund. The Completion Certificate shall include a statement by the Authority of the aggregate principal amount of the balance of the Authority Loan advanced to pay Costs of the Project. Upon delivery of the Completion Certificate, any funds on deposit in the Project Fund representing proceeds of the Authority Loan shall be repaid to the Authority, and the Trustee, in reliance on the amount set forth in the Completion Certificate, shall notify the Authority and each RAC the principal amount of the Authority Loan then outstanding following such repayment. Interest shall accrue annually on the outstanding principal amount of the Authority Loan commencing on the Date of Beneficial Occupancy at a rate per annum equal to the dollar weighted average true interest cost of the Series 2011B Bonds (meaning the true interest cost of all such Series 2011B Bonds). Interest on the Authority Loan shall be paid to the Authority monthly from Revenues remaining after application by the Trustee in accordance with Section 6.03(b). The amount of interest due on the Authority Loan shall be certified to the Trustee by the Authority on each Draw Down Date. If in any Fiscal Year, some or all of the interest on the Authority Loan due in such Fiscal Year is not paid in full, then the amount of such unpaid interest, as determined by the Authority on the final day of such Fiscal Year, shall be added to the outstanding principal amount of the Authority Loan as of the first day of the Fiscal Year following the Fiscal Year in which such interest was due. Interest shall accrue annually on any unpaid interest from the due date of such interest and shall bear interest at the same rate as the outstanding principal amount of the Authority Loan. Any interest added to the outstanding principal amount of the Authority Loan pursuant to the foregoing provisions shall not count towards the maximum aggregate amount of the Authority Loan set forth in the first sentence of this Section. The principal of the Authority Loan shall be repaid at the end of each Fiscal Year following the Completion Date, to the extent there are any funds on deposit in the CFC Stabilization Fund in excess of the CFC Stabilization Fund Minimum Requirement. The Authority shall certify to the Trustee and each RAC no less than once each Fiscal Year the amount of principal and interest paid on the Authority Loan and the amount of the Authority Loan remaining outstanding.

If the Authority elects to construct and install Additional Special Facilities, and the Authority determines, in its sole discretion, that some or all of the costs of such Additional Special Facilities should be financed with proceeds of an additional Authority Loan, the Authority shall provide from available Authority funds such moneys as the Authority shall determine to be necessary, with other available funds therefor, to construct the Additional Special Facilities, and, following the date of beneficial occupancy or completion of such Additional Special Facilities, the interest on and principal of such additional Authority Loan shall be repaid from CFCs as provided in each Lease. The interest rate on any such additional Authority Loan shall be a Fixed Rate established by the Authority by reference to the London Interbank Offered Rate (LIBOR) for U.S. dollar-denominated loans with substantially the same expected maturity as such additional Authority Loan, plus four hundred (400) basis points. Any such additional Authority Loan will be advanced and repaid in substantially the same manner as the initial Authority Loan.

Section 3.06 Hedging Transactions.

(a) If the Authority shall enter into a Qualified Swap Agreement with a Swap Provider requiring the Authority to pay a fixed interest rate on a notional amount, or requiring the Authority to pay a variable interest rate on a notional amount, and the Authority has made a

determination that such Qualified Swap Agreement was entered into for the purpose of providing substitute interest payments for Bonds of a particular maturity or maturities in a principal amount equal to the notional amount of the Qualified Swap Agreement and so long as the Swap Provider under such Qualified Swap Agreement is not in default under such Qualified Swap Agreement:

(i) for purposes of any calculation of Aggregate Debt Service, the interest rate on the Bonds of such maturity or maturities shall be determined as if such Bonds bore interest at the fixed interest rate or the variable interest rate, as the case may be, payable by the Authority under such Qualified Swap Agreement;

(ii) any net payments (excluding, however, termination fees, expenses and other amounts payable pursuant to a Qualified Swap Agreement not specifically made on the basis of interest rates) required to be made by the Authority to the Swap Provider pursuant to such Qualified Swap Agreement from Revenues shall be made on a parity with payments due on other Bonds or Subordinate Bonds, as applicable, solely from amounts on deposit to the credit of the Debt Service Fund, the Rolling Coverage Fund, the Supplemental Reserve Fund, the Debt Service Reserve Fund, the Subordinate Debt Service Fund, or a Subordinate Reserve Fund, if any, as applicable, in the order described in Section 6.03;

(iii) any net payments received by the Authority from the Swap Provider pursuant to such Qualified Swap Agreement shall be applied and may or may not be treated as Revenues as directed by the Authority; and

(iv) termination fees, expenses and other amounts payable pursuant to a Qualified Swap Agreement not specifically made on the basis of interest rates shall be paid from amounts on deposit in the CFC Stabilization Fund, and shall not be on a parity with the Bonds.

(b) If the Authority shall enter into a swap agreement of the type generally described in subsection (a) of this Section 3.06 that does not satisfy the requirements for qualification as a Qualified Swap Agreement as a result of its failure to make the determination described therein or otherwise, then:

(i) the interest rate adjustment or assumptions referred to in paragraph (i) of said subsection (a) shall not be made;

(ii) any net payments required to be made by the Authority to the Swap Provider pursuant to such swap agreement from Revenues shall be made only from amounts available within the CFC Stabilization Fund after the payment of all other Bonds; and

(iii) any net payments received by the Authority from the Swap Provider pursuant to such swap agreement may be treated as Revenues at the option of the Authority and applied as directed by the Authority.

(c) The Trustee shall have no responsibility for the Authority's obligations under this Section 3.07 or with respect to any swap agreement entered into by the Authority pursuant to

paragraphs (a) or (b) above, other than to receive payments from and make payments to a Swap Provider in accordance with the written instructions of the Authority. The Authority will notify the Trustee upon entering into any Swap under this Section, and shall provide written instructions to the Trustee with respect to its administration.

Section 3.07 Execution; Authentication. Bonds shall be executed on behalf of the Authority by the manual or facsimile official signature of the Chairman, Vice Chairman or Executive Director of the Authority. The official seal (which may be a facsimile) of the Authority shall be impressed or imprinted on all Bonds. In case any officer whose signature shall appear on the Bonds shall cease to be such officer before the delivery of such Bonds, such signature shall nevertheless be valid and sufficient for all purposes as if he or she had remained in office until delivery and any Bonds may be signed on behalf of the Authority by such persons as, at the time of execution of such Bond, shall be the proper officers of the Authority, even though at the date of such Bond or of the delivery of this Agreement such person was not such officer.

No Bond shall be valid or obligatory until authenticated as provided in **Exhibit 301** or a Supplemental Agreement, as applicable, by the Trustee. Such authentication shall be conclusive evidence that such Bond has been authenticated and delivered hereunder. The certificate of authentication on any Bonds shall be deemed to have been executed by the Trustee if manually signed by an authorized signatory of the Trustee, but it shall not be necessary that the same individual sign the certificate of authentication on all the Bonds issued hereunder.

Section 3.08 Mutilated, Lost, Stolen or Destroyed Bonds. If any of the Bonds are lost, wrongfully taken, mutilated, destroyed or improperly canceled, the Authority shall authorize the issuance of new Bonds to replace them upon proof satisfactory to the Authority and the Trustee and (except in the case of mutilated or improperly canceled Bonds which are surrendered to the Trustee) upon giving to the Authority and the Trustee an indemnity bond in such amount as the Authority and the Trustee may require. Each new Bond shall in all respects be identical with the mutilated, lost, stolen, destroyed or improperly cancelled Bond. The Authority and the Trustee may impose reasonable charges in connection with the issuance of replacement Bonds under this Section 3.08, which shall be for the account of the Bondholders requesting the issuance of replacement Bonds.

Section 3.09 Exchange and Transfer of Bonds; Book-Entry-Only System.

(a) Exchange and Transfer of Bonds. Upon surrender of a Bond or Bonds at the principal corporate trust office of the Trustee, as Registrar, together with an assignment duly executed by the Bondholder or his attorney or legal representative in such form and with such guaranty of signature as shall be satisfactory to the Trustee, the Bond or Bonds may be exchanged for fully registered Bonds of the same maturity, aggregating in amount the then unpaid principal amount of the Bond or Bonds surrendered, of Authorized Denominations.

As to any Bond, the Bondholder shall be deemed and regarded as the absolute owner thereof for all purposes and neither the Authority nor the Trustee shall be affected by any notice to the contrary.

Any Bond may be transferred upon the Registration Books only upon surrender thereof to the Trustee, as Registrar, together with an assignment duly executed by the Bondholder or his attorney or legal representative in such form and with such guaranty of signature as shall be satisfactory to the Trustee; provided, that the Trustee shall not be obligated to make any exchange or transfer of a Bond during the period between a Record Date and the corresponding Interest Payment Date. Upon the transfer of any such Bond and on the request of the Trustee, the Authority shall execute, and the Trustee shall authenticate and deliver, a new Bond or Bonds, registered in the name of the transferee or transferees of the same maturity, aggregating in amount the then unpaid principal amount of the Bond or Bonds surrendered, of Authorized Denominations.

In all cases in which Bonds shall be issued in exchange for or in replacement of other Bonds, the Bonds to be issued shall be signed and sealed on behalf of the Authority, and authenticated by the Trustee as provided in Section 3.07. The obligations of the Authority and the rights of the Bondholders with respect to such Bonds shall be the same as with respect to the Bonds being exchanged or replaced. Such registrations of the transfers or exchanges of Bonds shall be without charge to the Bondholders, except that any taxes or other governmental charges required to be paid with respect to the same shall be paid by the Bondholder requesting such registration of transfer or exchange as a conditions precedent to the exercise of such privilege. Any service charge made by the Trustee for any such registration, transfer or exchange shall be paid by the Authority.

Whenever any Outstanding Bond shall be delivered to the Trustee for cancellation pursuant to this Agreement, or for exchange or transfer pursuant to this Section 3.09, such Bond shall be promptly canceled and destroyed by the Trustee (subject to applicable record retention requirements) and counterparts of a certificate of destruction evidencing such destruction shall be retained by the Trustee and, if requested by the Authority, shall be furnished by the Trustee to the Authority.

(b) Book-Entry-Only System. The foregoing provisions of this Section 3.09 to the contrary notwithstanding (unless, with respect to any Series of Additional Bonds, the Supplemental Agreement providing for the issuance of such Series shall stipulate otherwise), the Bonds of each Series will be issued initially as one fully-registered bond for each maturity within such Series in the name of Cede & Co, as nominee of the Depository Trust Company, New York, New York, and deposited in the custody of DTC. The Beneficial Owners will not receive physical delivery of the Bonds. Individual purchases of the Bonds may be made in book-entry form only in principal amounts equal to Authorized Denominations thereof. Payments of principal of and premium, if any, and interest on the Bonds will be made to DTC or its nominee as Bondholder.

DTC shall pay interest to the Beneficial Owners of record through its Participants as of the close of business on the Record Date. DTC shall pay the redemption price of the Bonds called for redemption to the Beneficial Owners of record through its Participants in accordance with its customary procedures. The Trustee shall notify DTC, to the extent possible, of any notice required to be given pursuant to this Agreement not less than 15 days prior to the date upon which such notice is required to be given.

Transfer of ownership interests in the Bonds shall be made by DTC and its Participants, acting as nominees of the Beneficial Owners, in accordance with rules specified by DTC and its Participants.

Bond certificates will be issued directly to owners of the Bonds other than DTC, or its nominee, upon the occurrence of the following events (subject, however, to operation of the two sentences following clause (iii) below):

- (i) DTC determines not to continue to act as securities depository for the Bonds; or
- (ii) the Authority with the consent of the Trustee has advised DTC of its determination that DTC is incapable of discharging its duties; or
- (iii) the Authority with the consent of the Trustee has determined that it is in the best interest of the Bondholders not to continue the Book-Entry-Only System of transfer or that interests of the Beneficial Owners of the Bonds might be adversely affected if the Book-Entry-Only System of transfer is continued.

Upon occurrence of the event described in (i) or (ii) above the Authority shall attempt to locate another qualified Securities Depository. If the Authority fails to locate another qualified Securities Depository to replace DTC, the Trustee shall authenticate and deliver Bonds in certificated form. In the event the Authority makes the determination noted in (ii) or (iii) above (or occurrence of any events that would permit the Authority to make any such determination), and has made provisions to notify the Beneficial Owners of the Bonds of the availability of Bond certificates by mailing an appropriate notice to DTC, the Authority shall cause the Trustee to authenticate and deliver Bonds in certificated form pursuant to **Exhibit 301** or a Supplemental Agreement, as applicable, to DTC's Participants (as requested by DTC) in appropriate amounts. Principal of and interest on the Bonds shall be payable as otherwise provided in this Article 3. The Bonds will be transferable in accordance with this Section 3.09.

Section 3.10 Temporary Bonds. Pending the preparation of definitive Bonds of any Series, the Authority may execute, and upon its request in writing, the Trustee shall authenticate and deliver one or more printed, lithographed or typewritten temporary Bonds (including temporary Bonds printed by offset or photocopying). Temporary Bonds shall be issuable as registered Bonds without coupons, of any Authorized Denomination, and substantially in the form of definitive Bonds but with such omissions, insertions and variations as may be appropriate for temporary Bonds, all as may be determined by the Authority. Temporary Bonds may contain such reference to any provisions of this Agreement as may be appropriate. Every temporary Bond shall be executed by the Authority and be authorized by the Trustee upon the same conditions and in substantially the same manner, and with like effect, as the definitive Bonds. As promptly as practicable the Authority shall execute and shall furnish definitive registered Bonds without coupons and thereupon temporary Bonds may be surrendered in exchange therefor without charge at the principal corporate trust office of the Trustee, and the Trustee shall authenticate and deliver in exchange for such temporary Bonds a like aggregate principal amount of definitive Bonds of Authorized Denominations. Until so exchanged the temporary Bonds shall be entitled to the same benefits under this Agreement as definitive Bonds.

Section 3.11 Bonds Limited Obligations. The Bonds do not now and shall never constitute a general obligation or debt or pledge of the faith and credit of the Authority, nor a debt or pledge of the faith and credit of the Commonwealth or any political subdivision or municipality thereof, and each covenant and undertaking by the Authority herein and in the Bonds to make payments is not a general obligation of the Authority nor a debt or a pledge of the faith and credit of the Commonwealth or any political subdivision or municipality thereof. The principal of and premium, if any, and interest on the Bonds is a limited obligation payable solely from the Pledged Receipts. Nothing herein shall be construed as requiring the Authority to use any funds or revenues from any source other than as described herein.

**ARTICLE4
RESERVED**

**ARTICLES
REDEMPTION AND PURCHASE OF BONDS BEFORE MATURITY**

Section 5.01 Redemption of Series 2011 Bonds. The Series 2011 Bonds shall be subject to redemption prior to maturity as follows:

- (a) Optional Redemption. The Series 2011 Bonds shall be subject to redemption prior to stated maturity by the Authority as set forth in **Exhibit 301C** hereto.
- (b) Mandatory Sinking Fund Redemption. The Series 2011 Bonds shall be redeemed in part on July 1 in each year as set forth in **Exhibit 301C** hereto.

The requirements of this Section 5.01(b) are subject, however, to the provision that any partial redemption of Series 2011 Bonds under Section 5.01(a) shall reduce the mandatory scheduled redemption requirements of Section 5.01(b) as provided in this paragraph.

Section 5.02 Redemption of Additional Bonds. Additional Bonds shall be subject to redemption as provided in the Supplemental Agreement providing for the issuance of such Series.

Section 5.03 Selection of Bonds to be Redeemed.

- (a) Series 2011A Bonds. In the case of any redemption in part of the Series 2011A Bonds, the maturities (or sinking fund maturities within a term bond) of such Series 2011A Bonds to be optionally redeemed shall be selected by the Authority. Subject to the last sentence of this subsection (a), if less than all the Series 2011A Bonds of a particular maturity (or sinking fund maturity within a term bond) shall be called by the Authority for redemption, the particular Series 2011A Bonds of such maturity (or sinking fund maturity) to be redeemed shall be selected by the Trustee, in such manner as the Trustee in its discretion may deem fair and appropriate; provided, however (a) that the portion of any Series 2011A Bond to be redeemed shall be in the principal amount of the Authorized Denomination applicable to the Series 2011A Bonds or any multiple thereof, (b) that, in selecting Series 2011A Bonds for redemption, the Trustee shall treat each

Series 2011A Bond as representing that number of Series 2011A Bonds that is obtained by dividing the principal amount of such Series 2011A Bond by the Authorized Denomination applicable to the Series 2011A Bonds, and (c) that, to the extent practicable, the Trustee will not select any Series 2011A Bond for partial redemption if the amount of such Series 2011A Bond remaining Outstanding would be reduced by such partial redemption to less than the Authorized Denomination applicable to the Series 2011A Bonds. Notwithstanding the foregoing, for so long as the Series 2011A Bonds are registered in book-entry only form, if less than all of the Series 2011A Bonds of a particular maturity are called for prior redemption, such Bonds will be selected for redemption, in accordance with DTC procedures, by lot.

(b) Series 2011B Bonds. In the event of a partial optional redemption of Series 2011B Bonds, the Trustee shall allocate the principal amount of the Series 2011B Bonds to be redeemed as nearly as feasible pro rata among the maturities of the Series 2011B Bonds and mandatory sinking fund redemptions (including the final payment) so as to change as little as possible the remaining weighted average life of the Outstanding Series 2011B Bonds.

If the Series 2011B Bonds are registered in book-entry only form and so long as DTC or a successor securities depository is the sole registered owner of the Series 2011B Bonds, if less than all of the Series 2011B Bonds, other than the Par Call Bonds (if any), of a maturity are called for prior redemption, the particular Series 2011B Bonds or portions thereof to be redeemed shall be selected on a pro rata pass-through distribution of principal basis in accordance with DTC procedures, provided that, so long as such Series 2011B Bonds are held in book-entry form, the selection for redemption of such Series 2011B Bonds shall be made in accordance with the operational arrangements of DTC then in effect, and, if the DTC operational arrangements do not allow for redemption on a pro rata pass-through distribution of principal basis, such 2011B Bonds will be selected for redemption, in accordance with DTC procedures, by lot. If the Series 2011B Bonds are not registered in book-entry only form, any redemption of less than all of a maturity of the Series 2011B Bonds (other than the Par Call Bonds, if any) shall be allocated among the registered owners of such Series 2011B Bonds on a pro-rata basis.

If less than all of the Par Call Bonds are called for prior redemption, such Par Call Bonds will be selected for redemption, in accordance with DTC procedures, or, if the Par Call Bonds are not registered in book-entry only form, by the Trustee, in each case by lot.

(c) If there shall be called for redemption less than all of a Series 2011 Bond, the Authority shall execute and deliver and the Trustee shall authenticate, upon surrender of such Series 2011 Bond, and at the expense of the Authority and without charge to the owner thereof, a replacement Series 2011 Bond in the principal amount of the unredeemed balance of the Series 2011 Bond so surrendered.

(d) At its option, to be exercised on or before the 45th day next preceding any mandatory sinking fund redemption date for any maturity of any Series of Bonds, the Authority may deliver to the Trustee for cancellation Bonds of the appropriate maturity of such Series in any aggregate principal amount which have been purchased by the

Authority in the open market. Each Bond so delivered shall be credited by the Trustee at 100% of the principal amount thereof against the mandatory scheduled redemption requirement for such Series of Bonds on such mandatory redemption date; and any excess of such amount shall be credited against future mandatory scheduled redemption requirements in chronological order. The Authority, will, on or before the 45th day preceding each mandatory scheduled redemption date, furnish the Trustee with a certificate stating the extent to which the provisions of the first sentence of this paragraph are to be availed of with respect to such mandatory redemption requirements for such mandatory redemption date; unless such certificate is so timely furnished to the Trustee, the mandatory redemption requirements for such mandatory redemption date shall not be reduced under the provisions of this paragraph.

Section 5.04 Procedure for Redemption; Notice of Redemption.

(a) If the Authority wishes to call any Bonds for redemption, it shall give notice to the Trustee of its election (which notice shall contain the information required by this Section 5.04) at least 35 days prior to the redemption date. In the event any of the Bonds are called for redemption, the Trustee shall give notice, in the name of the Authority, of the redemption of such Bonds, which notice shall (i) specify the Bonds to be redeemed, the redemption date, the redemption price, and the place or places where amounts due upon such redemption will be payable (which shall be the principal corporate trust office of the Trustee) and, if less than all of the Bonds are to be redeemed, the numbers of the Bonds, and the portions of the Bonds, so to be redeemed, (ii) state any condition to such redemption, and (iii) state that on the redemption date, and upon the satisfaction of any such condition, the Bonds to be redeemed shall cease to bear interest. CUSIP number identification shall accompany all redemption notices. Such notice may set forth any additional information relating to such redemption. Such notice shall be given by mail, postage prepaid, at least 30 days but not more than 60 days prior to the date fixed for redemption to each holder of Bonds to be redeemed at its address shown on the Registration Books; provided, however, that failure to give such notice to any Bondholder or any defect in such notice shall not affect the validity of the proceedings for the redemption of any of the other Bonds. The Trustee shall send a second notice of redemption by certified mail return receipt requested to any registered holder who has not submitted Bonds called for redemption 30 days after the redemption date, provided, however, that the failure to give any second notice by mailing, or any defect in such notice, shall not affect the validity of any proceedings for the redemption of any of the Bonds and the Trustee shall not be liable for any failure by the Trustee to send any second notice.

(b) Any Bonds and portions of Bonds which have been duly selected for redemption and which are paid in accordance with Section 6.14 shall cease to bear interest on the specified redemption date.

ARTICLE 6 SOURCE AND APPLICATION OF FUNDS

Section 6.01 Establishment of Funds and Accounts.

(a) The Authority hereby establishes the following Funds:

- (1) CFC Revenue Fund;
- (2) Project Fund;
- (3) Debt Service Fund;
- (4) Rolling Coverage Fund;
- (5) Supplemental Reserve Fund;
- (6) Debt Service Reserve Fund;
- (7) Subordinate Debt Service Fund;
- (8) Maintenance Reserve Fund;
- (9) CFC Stabilization Fund; and
- (10) Rebate Fund.

(b) All such Funds shall be established, maintained and accounted for as hereinafter provided so long as any Bonds remain Outstanding. The CFC Revenue Fund, the Project Fund, the Debt Service Fund, the Rolling Coverage Fund, the Supplemental Reserve Fund, the Debt Service Reserve Fund and the Subordinate Debt Service Fund shall constitute trust funds which shall be held by the Trustee for the benefit of the Owners of the Bonds and are part of the Trust Estate. The Rebate Fund, the Maintenance Reserve Fund and the CFC Stabilization Fund do not constitute trust funds held for the benefit of the Owners of the Bonds and are not part of the Trust Estate. To the extent that any of the Rebate Fund, the Maintenance Reserve Fund or the CFC Stabilization Fund shall be held by the institution serving as the Trustee, each such Fund shall be held by it as a Depository for the Authority and not as Trustee for the benefit of the Bondholders hereunder.

(c) The Authority and the Trustee reserve the right to establish additional Funds, sub-funds, Accounts and subaccounts from time to time under Supplemental Agreements; and any such Supplemental Agreement may provide that amounts on deposit in such Funds, sub-funds, Accounts and subaccounts shall be held by the Trustee for the sole and exclusive benefit of a particular Series of Bonds as may be specifically designated in such Supplemental Agreement.

Section 6.02 Project Fund; Costs of Issuance Account.

(a) Within the Project Fund, there are hereby established the following Accounts:

- (1) the Series 2011A Project Account;

- (2) the Series 2011B Project Account; and
- (3) the Series 2011 Costs of Issuance Account.

(b) Upon the issuance of the Series 2011 Bonds, the sum set forth in **Exhibit 301C** shall be deposited to the Series 2011A Project Account from proceeds of the Series 2011A Bonds; the sum set forth in **Exhibit 301C** shall be deposited to the Series 2011B Project Account from proceeds of the Series 2011B Bonds; and the sum set forth in **Exhibit 301C**, shall be deposited to the Series 2011 Cost of Issuance Account from proceeds of the Series 2011 Bonds. In addition, to the extent that the Authority receives proceeds of a TIFIA Loan, as provided in Section 3.04(d), or advances proceeds of an Authority Loan, as provided in Section 3.05, such proceeds shall also be deposited to the Series 2011A Project Account or the Series 2011B Project Account, as designated by the Authority, and applied as provided in this Section 6.02.

(c) The Trustee shall disburse funds on deposit in the Series 2011A Project Account and the Series 2011B Project Account only upon receipt of a Requisition Certificate substantially in the form of **Exhibit 602** executed by an Authorized Officer of the Authority. Such amounts may be applied to pay Costs of the Project, including without limitation to reimburse advances made by the Authority or the RACs for such costs; provided, however, that amounts on deposit in the Series 2011A Project Account shall only be applied to pay costs of the Series 2011A Project. Following the delivery of the Completion Certificate by the Authority, any amounts remaining in the Series 2011A Project Account and the Series 2011B Project Account shall be transferred to the applicable Account within the Debt Service Fund and applied to pay principal of or interest on the applicable Series of Bonds as the same next come due; provided, however, that any amounts certified to the Trustee by the Authority shall be retained within the designated Account within the Project Fund for payment of Costs of the Project not yet due and payable. Any such retained funds remaining after full payment of all such costs shall likewise be transferred to the applicable Account within the Debt Service Fund and applied to pay principal of or interest on the applicable Series of Bonds.

(d) The Trustee shall disburse funds on deposit in the Series 2011 Costs of Issuance Account only upon receipt of a Requisition Certificate substantially in the form of **Exhibit 602** executed by an Authorized Officer of the Authority. Such amount may be applied to pay costs of issuing each Series of the Series 2011 Bonds. After paying all Costs of Issuance for a Series of Bonds, any surplus amounts remaining in the Series 2011 Costs of Issuance Account shall be deposited to the applicable Account within the Project Fund, if any, or, if there is no such Account within the Project Fund, to the related Account within the Debt Service Fund.

(e) Upon issuance of any Series of Additional Bonds, additional Accounts within the Project Fund may be created, and the funds within such Accounts applied, as may be provided in the Supplemental Agreement entered into in connection with the issuance of such Bonds.

(f) Insurance Proceeds and Condemnation Awards. In the event that any proceeds of casualty insurance policies or condemnation awards are delivered to the Trustee pursuant to Section 7.09 for the purpose of financing the repair, reconstruction, restoration or replacement of the Project or any portion thereof, the Trustee shall deposit such funds into a separate Account within the Project Fund and shall disburse such funds as provided in Sections 6.02(c) and 7.09. Any amounts remaining after the completion of any such restoration and provision for all costs thereof (as the same are certified by the Authority to the Trustee) shall be deposited in the applicable Account or Accounts within the Debt Service Fund and applied to the payment of principal of or interest on the Bonds next coming due.

Section 6.03 CFC Revenue Fund; Flow of Funds.

(a) Unless specifically directed otherwise in this Agreement, all Revenues received by the Trustee shall be deposited upon receipt to the CFC Revenue Fund.

(b) On or before the Draw Down Date each month, the Trustee shall transfer moneys then on deposit in the CFC Revenue Fund in the following order of priority in accordance with the written statement of the Authority, delivered on or before the Draw Down Date:

(1) First, the Trustee shall transfer, to each Account within the Debt Service Fund established for a Series of Bonds (other than Subordinate Bonds), (i) amounts sufficient to pay one-sixth of the interest due on Bonds of such Series on the next succeeding Interest Payment Date if such Series bears interest at a Fixed Rate, or an amount specified in the applicable Supplemental Agreement if such Series bears interest at a Variable Rate, as applicable, net of interest earnings on deposit in such Account, provided that payments prior to the first Interest Payment Date after the issuance of a Series of Bonds shall be adjusted to the extent necessary so that the total amount of interest due on such Bonds on that Interest Payment Date will have been paid into the applicable Debt Service Account in equal installments prior to that Interest Payment Date, and (ii) amounts sufficient to pay one-twelfth of the principal amount of the Bonds of such Series coming due on the next succeeding Principal Payment Date (including sinking fund installments), net of interest earnings on deposit in such Account, provided that payments prior to the first Principal Payment Date after the issuance of a Series of Bonds shall be adjusted to the extent necessary so that the total amount of principal due on such Bonds on that Principal Payment Date will have been paid into the applicable Debt Service Account in equal installments prior to that Principal Payment Date.

(2) Second, the Trustee shall transfer in substantially equal monthly installments over a period determined by the Authority of up to twenty-four (24) months to the Rolling Coverage Fund amounts necessary to

cause the amount on deposit therein to equal the Rolling Coverage Fund Requirement.

- (3) Third, the Trustee shall transfer in substantially equal monthly installments over a period determined by the Authority of up to twenty-four (24) months to the Supplemental Reserve Fund amounts necessary to cause the amount on deposit therein to equal the Supplemental Reserve Fund Requirement.
- (4) Fourth, the Trustee shall transfer in substantially equal monthly installments over a period determined by the Authority of up to twenty-four (24) months to the Debt Service Reserve Fund amounts necessary to cause the amount on deposit therein to equal the DSRF Requirement.
- (5) Fifth, the Trustee shall transfer, after taking into account any amounts representing capitalized interest therein, to each Account within the Subordinate Debt Service Fund established for a Series of Subordinate Bonds, (i) amounts sufficient to pay one-sixth of the interest due on Subordinate Bonds of such Series on the next succeeding Interest Payment Date if such Series bears interest at a Fixed Rate, or an amount specified in the applicable Supplemental Agreement if such Series bears interest at a Variable Rate, as applicable, provided that payments prior to the first Interest Payment Date after the issuance of a Series of Subordinate Bonds shall be adjusted to the extent necessary so that the total amount of interest due on such Subordinate Bonds on that Interest Payment Date will have been paid into the applicable Subordinate Debt Service Account in equal installments prior to that Interest Payment Date, and (ii) amounts sufficient to pay one-twelfth of the principal amount of the Subordinate Bonds of such Series coming due on the next succeeding Principal Payment Date, provided that payments prior to the first Principal Payment Date after the issuance of a Series of Subordinate Bonds shall be adjusted to the extent necessary so that the total amount of principal due on such Subordinate Bonds on that Principal Payment Date will have been paid into the applicable Subordinate Debt Service Account in equal installments prior to that Principal Payment Date.
- (6) Sixth, if and to the extent required by a Supplemental Agreement providing for the issuance of one or more Series of Subordinate Bonds, the Trustee shall transfer in substantially equal monthly installments over a period determined by the Authority of up to twenty-four (24) months to the applicable Accounts within the Subordinate Reserve Fund, if any, amounts necessary to cause the amount on deposit therein to equal the amount or amounts set forth in the applicable provisions of the Supplemental Agreement that provided for the issuance of such Subordinate Bonds.

- (7) Seventh, with respect to any Series of Tax-Exempt Bonds, the Trustee shall transfer to the Rebate Fund for such Series of Tax-Exempt Bonds the amounts calculated to be due to the Internal Revenue Service as arbitrage rebate for such Series of Tax-Exempt Bonds in accordance with any arbitrage rebate calculation provided to the Trustee with respect to a Series of Tax-Exempt Bonds pursuant to Section 6.09, to the extent that funds are not already on deposit therein.
- (8) Eighth, the Trustee shall transfer to the Authority for application in accordance with the terms of each Lease all remaining moneys.

(c) If on any Draw Down Date, the Revenues in the CFC Revenue Fund are insufficient to make the required deposit to any Account within the Debt Service Fund pursuant to Section 6.03(b)(1), the Trustee shall provide notice to the Authority of such shortfall and the Authority shall transfer to the Trustee for deposit in the applicable Account or Accounts within the Debt Service Fund any and all moneys in the CFC Stabilization Fund up to the amount of such shortfall, notwithstanding the CFC Stabilization Fund Minimum Requirement.

(d) If, two Business Days before any Payment Date, the amounts on deposit in the Debt Service Account established for any Series of Bonds (other than Subordinate Bonds) are insufficient to pay the interest or the principal or redemption price payable on the Bonds of such Series as the same shall become due, moneys held in the following Funds or Accounts shall be transferred to or by the Trustee from said Funds or Accounts in the following order to each such Debt Service Account in order to satisfy said deficiency therein:

- (1) First, the Trustee shall provide notice to the Authority of such shortfall and the Authority shall transfer to the Trustee for deposit in the applicable Accounts within the Debt Service Fund any and all moneys in the CFC Stabilization Fund up to the amount of such shortfall, notwithstanding the CFC Stabilization Fund Minimum Requirement;
- (2) Second, if moneys in the CFC Stabilization Fund are insufficient to satisfy the deficiency, the Trustee shall transfer to the applicable Account within the Debt Service Fund moneys in the Rolling Coverage Fund;
- (3) Third, if moneys in the CFC Stabilization Fund and Rolling Coverage Fund are insufficient to satisfy the deficiency, the Trustee shall transfer to the applicable Account within the Debt Service Fund moneys in the Supplemental Reserve Fund; and
- (4) Fourth, if moneys in the CFC Stabilization Fund, Rolling Coverage Fund and Supplemental Reserve Fund are insufficient to satisfy the deficiency, the Trustee shall transfer to the applicable Account within the Debt Service Fund moneys in the Debt Service Reserve Fund.

If moneys are withdrawn and transferred from the CFC Stabilization Fund, the Rolling Coverage Fund, the Supplemental Reserve Fund and/or the Debt Service Reserve Fund to pay principal of or interest on the Bonds as provided in this Section 6.03, the Trustee shall promptly notify the Authority in writing of the amount of such withdrawals and transfers.

Section 6.04 Debt Service Fund.

- (a) Within the Debt Service Fund the following Accounts are created:
 - (1) the Series 2011A Debt Service Account; and
 - (2) the Series 2011B Debt Service Account.
- (b) On each Principal Payment Date, funds on deposit in the Series 2011A Debt Service Account shall be applied to pay principal of the Series 2011A Bonds then due and on each Interest Payment Date, funds on deposit in the Series 2011A Debt Service Account shall be applied to pay interest on the Series 2011A Bonds then due. On each Principal Payment Date, funds on deposit in the Series 2011B Debt Service Account shall be applied to pay principal of the Series 2011B Bonds then due and on each Interest Payment Date, funds on deposit in the Series 2011B Debt Service Account shall be applied to pay interest on the Series 2011B Bonds then due.
- (c) If two (2) Business Days prior to any Payment Date, the amount on deposit in any Account within the Debt Service Fund is insufficient to pay the principal of or interest on the applicable Series of Bonds for which such Account has been established, the Trustee shall provide notice to the Authority of such shortfall and, to the extent that funds in the CFC Stabilization Fund are insufficient to fund such shortfall, the Trustee shall proceed to draw upon the other Funds and Accounts held under this Agreement as provided in Section 6.03(d).
- (d) Upon the issuance of any Series of Additional Bonds (other than Subordinate Bonds), such additional Accounts within the Debt Service Fund may be created, and the funds within such Accounts applied, as may be provided in the Supplemental Agreement entered into in connection with the issuance of such Bonds.
- (e) Notwithstanding any provision of this Agreement to the contrary, on the date that the funds on deposit in the Reserve Funds, plus the amounts if any, on deposit in the Debt Service Fund, are sufficient to pay the remaining principal of, premium, if any, and interest on the Bonds (other than Subordinate Bonds) as and when due, the Authority may direct the Trustee to transfer the funds on deposit in the Reserve Funds to the Debt Service Fund and apply the same to the payment of the final maturities of principal of such Bonds, premium, if any, and interest thereon as and when due on the remaining Payment Dates.

Section 6.05 Rolling Coverage Fund.

- (a) Upon the issuance of the Series 2011 Bonds, the amount of the Rolling Coverage Fund Requirement for the Series 2011 Bonds shall be transferred from the CFC Account

within the Improvement and Extension Fund held pursuant to the 1978 Trust Agreement, representing a portion of CFCs collected prior to the date of issuance of the Series 2011 Bonds and held within said CFC Account and not previously applied to pay Costs of the Project, and deposited to the Rolling Coverage Fund. Funds on deposit in the Rolling Coverage Fund shall be applied by the Trustee as provided in Section 6.03(d)(2) to pay principal of and interest on the Bonds (other than Subordinate Bonds) in the event that the amount on deposit in the Debt Service Fund and available amounts from the CFC Stabilization Fund on any Payment Date are insufficient to pay the principal of or interest then due on any Series of Bonds (other than Subordinate Bonds).

(b) Upon the issuance of any Series of Additional Bonds (other than Subordinate Bonds), additional amounts shall be deposited to the Rolling Coverage Fund so that the amount on deposit therein is equal to the Rolling Coverage Fund Requirement following the issuance of such Bonds.

(c) On each Principal Payment Date, following payment of principal of and interest on the Bonds due on such Payment Date, if the amount on deposit in the Rolling Coverage Fund is in excess of the Rolling Coverage Fund Requirement as calculated on such Payment Date, the difference between the amount on deposit in such Fund and the Rolling Coverage Fund Requirement shall be withdrawn from the Rolling Coverage Fund and deposited to the Debt Service Fund.

Section 6.06 Supplemental Reserve Fund.

(a) Upon the issuance of the Series 2011 Bonds, the amount of the Supplemental Reserve Fund Requirement applicable to the Series 2011 Bonds shall be deposited to the Supplemental Reserve Fund. Such deposit shall be derived from proceeds of the Series 2011B Bonds. Funds on deposit in the Supplemental Reserve Fund shall be applied by the Trustee as provided in Section 6.03(d)(3) to pay principal of and interest on the Bonds (other than Subordinate Bonds) in the event that the amount on deposit in the Debt Service Fund and available amounts from the CFC Stabilization Fund and the Rolling Coverage Fund on any Payment Date are insufficient to pay the principal of or interest then due on any Series of Bonds (other than Subordinate Bonds).

(b) Upon the issuance of any Series of Additional Bonds (other than Subordinate Bonds), additional amounts shall be deposited to the Supplemental Reserve Fund so that the amount on deposit therein is equal to the Supplemental Reserve Fund Requirement following the issuance of such Bonds.

(c) On each Principal Payment Date, following payment of principal of and interest on the Bonds due on such Payment Date, if the amount on deposit in the Supplemental Reserve Fund is in excess of the Supplemental Reserve Fund Requirement as calculated on such Payment Date, the difference between the amount on deposit in such Fund and the Supplemental Reserve Fund Requirement shall be withdrawn from the Supplemental Reserve Fund and deposited to the Debt Service Fund.

Section 6.07 Debt Service Reserve Fund.

(a) Upon the issuance of the Series 2011 Bonds, the amount of the DSRF Requirement applicable to the Series 2011 Bonds shall be deposited to the Debt Service Reserve Fund. Proceeds of the Series 2011A Bonds in an amount equal to the lesser of (x) ten percent (10%) of the proceeds of the Series 2011A Bonds, (y) Maximum Annual Debt Service on the Series 2011A Bonds, or (z) one hundred twenty-five percent (125%) of the average annual principal of and interest on the Series 2011A Bonds shall be deposited to the Debt Service Reserve Fund. The remaining amount of the DSRF Requirement applicable to the Series 2011 Bonds shall be derived from proceeds of the Series 2011B Bonds. Funds on deposit in the Debt Service Reserve Fund shall be applied by the Trustee as provided in Section 6.03(d)(4) to pay principal of and interest on the Bonds (other than Subordinate Bonds) in the event that the amount on deposit in the Debt Service Fund and available amounts from the CFC Stabilization Fund, the Rolling Coverage Fund and the Supplemental Reserve Fund on any Payment Date are insufficient to pay the principal of or interest then due on any Series of Bonds (other than Subordinate Bonds).

(b) Upon the issuance of any Series of Additional Bonds (other than Subordinate Bonds), additional amounts shall be deposited to the Debt Service Reserve Fund so that the amount on deposit therein is equal to the DSRF Requirement following the issuance of such Bonds.

(c) On each Principal Payment Date, following payment of principal of and interest on the Bonds due on such Payment Date, if the amount on deposit in the Debt Service Reserve Fund is in excess of the DSRF Requirement as calculated on such Payment Date, the difference between the amount on deposit in such Fund and the DSRF Requirement shall be withdrawn from the Debt Service Reserve Fund and deposited to the Debt Service Fund.

Section 6.08 Subordinate Debt Service Fund.

(a) Upon the issuance of any Series of Subordinate Bonds, one or more Accounts within the Subordinate Debt Service Fund shall be created, and the funds within such Accounts applied, as may be provided in the Supplemental Agreement entered into in connection with the issuance of such Subordinate Bonds.

(b) On each Principal Payment Date, funds on deposit in each Account within the Subordinate Debt Service Fund Account shall be applied to pay principal of the applicable Series of Subordinate Bonds then due and on each Interest Payment Date, funds on deposit in each Account within the Subordinate Debt Service Fund shall be applied to pay interest on the applicable Series of Subordinate Bonds then due.

Section 6.09 Rebate Fund. The Authority has covenanted that it shall take all action necessary to comply with section 148 of the Code, including the payments when due of all amounts payable to the United States of America thereunder, and shall refrain from taking any action contrary to section 148 of the Code. For this purpose, a Rebate Fund has been established pursuant to Section 6.01 and this Section 6.09, but to the extent any of the provisions of this Section 6.09 are inconsistent with section 148 of the Code, the Authority shall not be required to

comply with such provisions but shall be required to comply with section 148 of the Code.

(a) Establishment. The Rebate Fund shall be for the sole benefit of the United States of America and shall not be subject to the lien of this Agreement or to the claim of any other Person, including without limitation the Bondholders and the Authority, and monies in such Fund shall not be commingled with moneys in any other Fund or Account established under this Agreement. The Rebate Fund is established for the purpose of compliance with section 148(f) of the Code. The Authority agrees that the requirements of this Section 6.09 are subject to, and shall be interpreted in accordance with, section 148(f) of the Code. Within the Rebate Fund there is hereby established the Series 2011A Rebate Account. Additional Accounts within the Rebate Fund shall be established for each Series of Additional Bonds that are Tax-Exempt Bonds in and to the extent provided in the Supplemental Agreement providing for such Series and shall be administered as provided therein.

(b) Calculation of Rebate Deposits and Payments.

(i) Promptly upon the close of each Bond Year and also upon the retirement of each Series of Tax-Exempt Bonds, the Trustee shall provide the Authority with a statement of earnings on all Funds and Accounts with respect to the Tax-Exempt Bonds held in trust under this Agreement which are subject to the requirements of this Section 6.09 during any period not covered by a prior statement delivered pursuant to this Section 6.09. The statement shall include the purchase and sale prices of each investment (including any commission paid thereon, which shall be separately stated if such information is available), the dates of each investment transaction, information as to whether such transactions were made at a discount or a premium, and such other information known to the Trustee as the Authority shall reasonable require.

(ii) At least 15 days prior to each Rebate Installment Date, the Authority shall cause a Rebate Professional, in accordance with the Regulations, to determine and report to the Trustee the amount, if any, payable to the United States with respect to each Series of Tax-Exempt Bonds as of such Rebate Installment Date (it being assumed for the purposes of such calculation that the Tax-Exempt Bonds are being paid in full on the last day of the Bond Year most recently ended prior to such Date) based upon the Nonpurpose Payments and Nonpurpose Receipts allocated to the Tax-Exempt Bonds. Such amount shall consist of: (1) the difference between the future values, as of the applicable Rebate Installment Date, of all Nonpurpose Payments (including, as authorized by the Regulations, any rebate previously paid) and Nonpurpose Receipts (whether held under this Agreement or otherwise), reduced by (2) the amounts, if any, already on deposit in the applicable Account of the Rebate Fund. For purposes of calculating the foregoing future values, the yield on the Tax-Exempt Bonds, determined in accordance with the Regulations, shall be used. Except as may otherwise be provided by Law, the computation of the amounts to be deposited into the Rebate Fund need not take into account any earnings on any "tax exempt bond" under section 150(a)(6) of the Code and section 1.150-1

of the Regulations and which is not a specified private activity bond as defined in section 57(a)(5)(C) of the Code or any earnings as to which exceptions are provided under section 148(f)(4)(A), (B) or (C) of the Code or section 1.148-7 of the Regulations. The Authority shall also determine the amount of any applicable "yield reduction payments", as provided under section 1.148-5(c) of the Regulations, which are treated as rebated payments for purposes of this Section 6.09.

(c) Payment of Rebate.

(i) No earlier than 60 days, or later than 35 days, before each Rebate Installment Date, the Trustee shall notify the Authority by registered or certified mail, postage prepaid, or by Electronic Means, of its obligation to furnish the following with respect to each Series of Tax-Exempt Bonds which is a separate series for federal income tax purposes not later than 15 days prior to the applicable Rebate Installment Date: (w) a copy of Form 8038-T, if any rebate amount is owed to the federal government, (x) a statement of the amount due on the Rebate Installment Date, if any, (y) a certificate as to the accuracy of such determination of a certified public accountant (who may be an employee of the Authority) or a firm of accountants or other professionals, in each case having expertise in calculating the amount required to be paid pursuant to section 148(f) of the Code (each, a "**Rebate Professional**") and (z) if the amount held in the applicable Account of the Rebate Fund is less than the amount so determined, an amount in cash or funds available on such day equal to the difference. The Authority shall notify promptly the Trustee of each date which it selects as a Rebate Installment Date. Upon receipt of the foregoing, the Trustee shall make the payment provided for in subsection (c)(ii) below, but if the Trustee shall not have received all of the foregoing on the date due, the Trustee shall pay over to the United States within the period prescribed in subsection (c)(ii) below all of the funds then held in the applicable Account of the Rebate Fund, together with a copy of the applicable Form 8038-T, if available, unless on or before such date, the Authority shall have provided to the Trustee an unqualified opinion of a Rebate Professional stating that no further action by the Authority or the Trustee is necessary for compliance as of such Rebate Installment Date with section 148(±) of the Code.

(ii) On or before each Rebate Installment Date, the Trustee, at the direction of the Authority, shall pay to the United States from amounts on deposit in the applicable Account of the Rebate Fund or, to the extent of a shortfall in the amount on deposit in the applicable Account, from amounts on deposit in the CFC Stabilization Fund, any "yield reduction payments" as aforesaid and/or a rebate amount which is at least 90% of the amount required to be paid pursuant to the provisions of section 148(±) of the Code as calculated by a Rebate Professional on behalf of the Authority, taking into account any credit permitted by the Regulations. On a date selected by the Authority no later than 60 days after the date on which the Tax-Exempt Bonds of any Series which is a separate series for federal income tax purposes have been paid in full, the Trustee, at the

direction of the Authority, shall pay to the United States from the amount on deposit in the applicable Account of the Rebate Fund or, to the extent of a shortfall in the amount on deposit in the applicable Account, from amounts on deposit in the CFC Stabilization Fund, any "yield reduction payments" as aforesaid and/or a rebate equal to 100% of the entire amount then payable pursuant to section 148(f) of the Code as calculated by a Rebate Professional on behalf of the Authority, including actual or imputed earnings and taking into account any credit, as provided by the Regulations. Unless otherwise provided by Law, each payment shall be made to the Internal Revenue Service Center, Philadelphia, Pennsylvania 19255 or any other address specified by the Internal Revenue Service and accompanied by a copy of Form 8038-T signed by the Authority.

(d) Conclusive Compliance by Trustee. The Trustee shall be deemed conclusively to have complied with the provisions of this Section 6.09 if it executes documents or makes payments in accordance with the certifications and directions of the Authority provided in accordance with this Section 6.09. By agreeing to give the notices referred to in subsection (c) of this Section 6.09 and to make the payments referred to in this Section 6.09, the Trustee assumes no responsibility whatsoever for compliance by the Authority with the requirements of section 148(f) of the Code.

(e) Records. The Authority and the Trustee shall keep such records as will enable them to fulfill their respective responsibilities under this Section 6.09 and section 148(f) of the Code, and the Authority shall engage, at the Authority's expense, a Rebate Professional. For purposes of the computation required under this Section 6.09, the Trustee shall make available to the Authority during normal business hours all information in the control of the Trustee which is necessary to make such computations.

(f) The Authority. The Authority shall not take any action, or knowingly omit to take any action within its control, which, if taken or omitted, respectively, would violate its non-arbitrage certificate delivered upon the initial issuance of any Series of Tax-Exempt Bonds or any amendment thereof or supplement thereto.

(g) Additional Documentation. Notwithstanding anything in this Section 6.09 to the contrary, and in furtherance of the purposes of the last sentences of Section 6.09(a), the Trustee, at the written direction of the Authority, will provide to the United States of America at such times and at such places as the Authority may direct such additional materials as the Authority may instruct the Trustee to deliver to the United States of America; provided, however, that the Trustee need take no action under this subsection (g) unless the Authority shall have delivered to the Trustee such materials and the address or addresses to which such materials are to be sent by the Trustee no later than 15 days prior to the date on which delivery of such materials is to be received by the United States of America.

(h) Section 6.09 Survives Defeatance of Agreement. This Section 6.09, as amended from time to time, shall survive the defeatance of this Agreement with respect to the Tax-Exempt Bonds. Upon (and only upon) (i) the retirement of all the Tax-Exempt Bonds of

a Series which is a separate series for federal income tax purposes or provision for the same pursuant to Section 2.02, (ii) the payment of all amounts due under section 148 of the Code with respect to such Tax-Exempt Bonds, and (iii) presentation of a written statement of a Rebate Professional in a form satisfactory to the Trustee that the provisions of section 148 of the Code have been satisfied, any amounts remaining in the applicable Account of the Rebate Fund shall be paid to the Authority; provided, however, that if at any time while Tax-Exempt Bonds are outstanding the Trustee shall receive a written statement of a Rebate Professional in a form satisfactory to the Trustee that the balance of an Account in the Rebate Fund exceeds the amount owing or expected to be owing under section 148 of the Code with respect to the applicable Series of Tax-Exempt Bonds, then the Trustee at the written request of the Authority shall pay the excess to the Authority.

Section 6.10 Maintenance Reserve Fund.

The Maintenance Reserve Fund shall be held by and be for the sole benefit of the Authority and shall not be subject to the lien of this Agreement or to the claim of any other Person, including without limitation the Bondholders, and monies in such Fund shall not be commingled with moneys in any other Fund or Account established under this Agreement. A portion of the Revenues remaining after application thereof by the Trustee as provided in Section 6.03(b) shall be deposited by the Authority to the Maintenance Reserve Fund as provided in each Lease. All interest earned on moneys and investments held within the Maintenance Reserve Fund shall be credited to such Fund. The Maintenance Reserve Fund shall be disbursed by the Authority; in the Authority's discretion, in accordance with the Leases.

Section 6.11 CFC Stabilization Fund.

(a) The Authority has established the CFC Stabilization Fund pursuant to Section 6.01 to be maintained and held by the Authority, into which CFCs remaining after application pursuant to Section 6.03(b) and each Lease shall be deposited. The CFC Stabilization Fund shall be for the sole benefit of the Authority and shall not be subject to the lien of this Agreement or to the claim of any other Person, including without limitation the Bondholders, and monies in such Fund shall not be commingled with moneys in any other Fund or Account established under this Agreement. Amounts on deposit in the CFC Stabilization Fund in excess-of the CFC Stabilization Fund Minimum Requirement shall, until the Completion Date, be applied by the Authority to pay costs of the Project and, following the Completion Date, shall be applied at the discretion of the Authority for any other legal purpose.

(b) Notwithstanding the provisions of Section 6.11(a), however, if on any (x) day that is two (2) days before any Rebate Installment Date, the amount on deposit in the Rebate Fund is insufficient to pay the amount then due to the United States, as determined pursuant to Section 6.09, or (y) Draw Down Date the amount to be deposited to the Debt Service Fund is insufficient to pay one-twelfth (1/12) of the principal of or one sixth (1/6) of the interest on the Bonds (other than the Subordinate Bonds) coming due on the next succeeding Principal Payment Date or Interest Payment Date, or (z) day that is two (2) days before any Payment Date, the amount on deposit in the Debt Service Fund is insufficient to pay the principal of or interest on any Bond

(other than a Subordinate Bond) coming due on such Payment Date, then the Authority shall pay to the Trustee from the funds on deposit in the CFC Stabilization Fund, notwithstanding the CFC Stabilization Fund Minimum Requirement, the amount of such shortfall up to the full amount on deposit in the CFC Stabilization Fund.

(c) All interest earned on moneys and investments held within the CFC Stabilization Fund shall be transferred by the Authority to the Trustee for deposit in the Debt Service Fund on each Draw Down Date.

Section 6.12 Investment of Moneys in Funds. The Trustee shall invest moneys in the Project Fund, the Debt Service Fund, the Rolling Coverage Fund, the Supplemental Reserve Fund, the Debt Service Reserve Fund, and the Subordinate Debt Service Fund in any Permitted Investments and shall sell or liquidate any such investment, in each case upon the written direction of the Authority, subject in each case to the restrictions on investments set forth in this Section 6.12. If at any time the Trustee shall hold the Rebate Fund, the Maintenance Reserve Fund or the CFC Stabilization Fund as Depository for the Authority, the Trustee shall invest moneys in any such Fund in any Permitted Investments and shall sell or liquidate any such investment, in each case upon the written direction of the Authority, subject in each case to the restrictions on investments set forth in this Section 6.12. The Trustee shall have no responsibility for any losses resulting from such investment or liquidation, nor shall the Trustee be responsible if any payment is prohibited under Section 148 of the Code, provided that the Trustee shall have complied with the applicable investment instructions delivered to it by the Authority. Moneys in the Debt Service Fund and the Subordinate Debt Service Fund shall be invested by the Trustee only in Defeasance Obligations having a final maturity of one year or less from the date of purchase thereof, the maturities or redemption dates of all of which shall coincide as nearly as practicable with, but not be later than, the time or times at which said moneys will be required for the purposes of this Agreement (or a money market fund satisfying the requirements of paragraph (g) of the list of Permitted Investments in **Exhibit 612** hereto comprised of such Defeasance Obligations). Moneys in the Reserve Funds shall be invested only in Permitted Investments which either have an average maturity of five years or less from the date of purchase thereof or may be liquidated at a price of not less than par plus accrued interest when required for the purposes of this Agreement. Permitted Investments may be registered or otherwise held in the name of the Trustee's nominee or nominees or, where the securities are eligible for a deposit in a central depository, such as DTC or the Federal Reserve Bank of New York, the Trustee may utilize any such depository and permit the registration of registered securities in the name of its nominee or nominees, and the Authority shall hold the Trustee and such nominees harmless from any liability as holders of record. Any investments pursuant to this Section 6.12 may be purchased from the Trustee in its commercial capacity so long as such investments meet the applicable criteria set forth in the definition of "Permitted Investments". Notwithstanding the first sentence of this Section 6.12, in the event that the Authority shall not have authorized the liquidation of Permitted Investments when required to meet the purposes of this Agreement, the Trustee is authorized to sell or otherwise convert into cash investments credited to any Fund or Account created under this Agreement at the times and in the amounts necessary to meet payments when due from such Fund or Account and shall include all proceeds from such investments. No order of the Authority shall restrict such authorization, and the Trustee shall not be liable for any loss occurring from any such sale or conversion to cash. Except as otherwise expressly provided in this Agreement, all investments

made from moneys credited to a specific Fund or Account, including all proceeds from such investments, shall be credited to the Debt Service Fund on the next succeeding Draw Down Date after they are received. For purposes of this Agreement (other than Section 6.09), such investments in the Reserve Funds shall be valued at the lower of amortized cost or market, and such investments in any other Fund shall be valued at market value.

Section 6.13 Authorized Application of Funds; Moneys to be Held in Trust. The Trustee is authorized to apply each Fund as provided in this Agreement. All moneys deposited with the Trustee hereunder shall be held by the Trustee in trust but need not be segregated from other funds except as required by Law or by this Agreement.

Section 6.14 Nonpresentment of Bonds. From and after any Payment Date, if moneys sufficient to pay principal of, premium, if any, and interest on any Bond then due have been deposited with the Trustee and irrevocably committed thereto, all liability of the Authority for the payment of such amount shall forthwith cease in accordance with Section 2.02. The Trustee shall hold such funds, without liability for interest thereon, for the benefit of the registered owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim with respect to such amount. Unless otherwise required by Law, any such funds which remain unclaimed for three years after such due date shall be paid to the Authority without any interest thereon against written receipt therefor executed on behalf of the Authority, and the Trustee shall have no further responsibility with respect to such moneys, which thenceforth shall be the responsibility of the Authority.

ARTICLE 7 REPRESENTATIONS AND AGREEMENTS OF THE AUTHORITY

Section 7.01 Due Organization and Authorization of Bonds. The Authority represents and warrants as follows:

- (a) It is a body politic and corporate and public instrumentality of the Commonwealth validly existing under the Act, with the power under and pursuant to the Act, to execute and deliver this Agreement and the Bonds, to perform its obligations under each thereof and to issue and sell the Series 2011 Bonds pursuant thereto.
- (b) It has taken all necessary action, and has complied with all provisions of the Act, required to make this Agreement and the Bonds the valid and binding obligations of the Authority which they purport to be, and, when executed and delivered by the parties thereto, this Agreement and the Bonds will constitute valid and binding agreements of the Authority and be enforceable in accordance with their respective terms, except as enforceability may be subject to the exercise of judicial discretion in accordance with general equitable principles and to applicable bankruptcy, insolvency, reorganization, moratorium and other laws for the relief of debtors heretofore or hereafter enacted to the extent that the same may be constitutionally applied.
- (c) When delivered to and paid for by the purchasers thereof, the Series 2011 Bonds will constitute valid and binding limited obligations of the Authority enforceable in

accordance with their terms, except as enforceability may be subject to the exercise of judicial discretion in accordance with general equitable principles and to applicable bankruptcy, insolvency, reorganization, moratorium and other laws for the relief of debtors heretofore or hereafter enacted to the extent that the same may be constitutionally applied, and will be entitled to the benefits of this Agreement.

Section 7.02 Payment of Bonds. The Authority agrees that it will promptly pay or cause to be paid the principal of and premium, if any, and interest on all Bonds as herein provided from the Pledged Receipts. The Authority agrees that, except as provided herein it will not mortgage, encumber or alienate any part of the Pledged Receipts. All agreements of the Authority in this Section 7.02 and elsewhere in this Agreement and the Bonds and each other agreement or instrument to which the Authority may be or hereafter become a party in connection with this Agreement or the Bonds are subject to the limitation described in Section 3.11.

Section 7.03 Rights of Authority as Lessor; Enforcement of Leases. (a) It is understood and agreed that the Authority's execution and delivery of this Agreement, the Authority's issuance of the Bonds and the terms and provisions of this Agreement, the Bonds, the Official Statement and any preliminary version thereof and any other agreement or instrument are without prejudice to and shall not prohibit, restrict or derogate in any way from the Authority's exercise of any of the Unassigned Rights of the Authority as lessor under the Leases or from any other rights of the Authority as operator of the Airport. Notwithstanding any provision thereof to the contrary, the Authority, by executing this Agreement, the Bonds, the Official Statement or any preliminary version thereof or any other such agreement or instrument to which the Authority may be or hereafter become a party in connection with this Agreement or the Bonds, is under no obligation, express or implied, to the Trustee, the Bondholders or any other Person to exercise or to refrain from exercising any Unassigned Right which the Authority may have now or hereafter under any Lease or from exercising any right, remedy or responsibility which the Authority may have now or hereafter as operator of the Airport, regardless of the effect of such exercise or non-exercise upon the rights and interests of the Trustee, the Bondholders or any other Person under this Agreement, the Purchase Contract, the Bonds or any other such agreement or instrument.

(b) Notwithstanding the foregoing provisions of Section 7.03(a), the Authority covenants that so long as any of the Bonds remain Outstanding, it will require all RACs operating at the Airport (other than Off-Airport RACs) to collect and remit CFCs and Contingent Rent, and the Authority will take all actions legally permitted to enforce compliance by the RACs with the Leases and of their obligations thereunder, including specifically seeking specific performance by each of the RACs, to charge, collect and remit CFCs and Contingent Rent (as applicable) to the Trustee for the benefit of the Authority. The Authority covenants that so long as any of the Bonds remain Outstanding it will not consent to an amendment to the Leases or Concession Agreements which permits direct access to the Terminals by any Courtesy Vehicle of a RAC or Off-Airport RAC or which otherwise materially adversely affects the rights of Owners without consent of a majority in principal amount of the Owners of the Bonds then Outstanding.

Section 7.04 Collection of Customer Facility Charges; Rate Covenant.

(a) In accordance with the vote of the Members of the Authority (the "**Board**") dated September 18, 2008, as amended on October 27, 2009 (collectively, as amended, the "**Board Vote**"), as such Board Vote may be further amended from time to time, as long as any Bond remains Outstanding, the Authority shall require each RAC to charge, collect and remit to the Trustee a CFC in accordance with the Board Vote for each Transaction Day that a Vehicle is rented by an Airport Customer, and to pay to the Trustee Contingent Rent, as provided in paragraph (c) below, and the Authority shall enforce the duty of the RACs to segregate such CFCs as trust funds for the benefit of the Authority, and not as revenues of the RACs, as provided in the Leases.

(b) The Authority shall determine the amount of the CFC at least once each Fiscal Year, as provided herein. Prior to the commencement of each Fiscal Year as long as any Bond is Outstanding, the Authority shall review and may adjust, effective on the first day of each Fiscal Year, the level of the CFC, based upon factors including the projected Aggregate Debt Service for the coming Fiscal Year, amounts necessary to fund the other accounts provided for in this Agreement, shortfalls in CFC revenue that may have occurred in the then-current Fiscal Year, projections of the level of demand for rental car services at the Airport in the next Fiscal Year, and such other factors as the Authority may determine in its sole discretion. Notwithstanding the foregoing, the Authority may make an unscheduled adjustment to the level of the CFC in any Fiscal Year in the event that the Authority determines in its sole discretion that there has been a material change in any of the assumptions utilized in the Authority's calculation of the CFC, and that such change should not be addressed solely through withdrawals from the CFC Stabilization Fund or the imposition of Contingent Rent as provided below. The Authority shall provide no less than sixty (60) days advance, written notice of the adjusted amount of the CFC for the coming Fiscal Year or of any unscheduled adjustment to the CFC to each RAC and to the Trustee. As long as any of the Bonds remain Outstanding, the Authority shall set the amount of the CFC (when multiplied by the total number of projected Transaction Days) plus projected Contingent Rent (if any) at an annual level sufficient to provide sufficient funds (i) to pay principal of and interest on the Bonds due in such Fiscal Year, (ii) to reimburse the Rolling Coverage Fund, the Supplemental Reserve Fund or the Debt Service Reserve Fund or any reserve fund created for Subordinate Bonds for any drawings upon such Funds over a period not to exceed twenty four (24) months, as determined by the Authority, (iii) to provide funds necessary to pay any "yield reduction payments" or rebate amounts due to the United States under Section 6.09 for which funds in the Rebate Fund or the CFC Stabilization Fund are not otherwise available, (iv) to maintain the balance of the CFC Stabilization Fund in an amount of no less than the CFC Stabilization Fund Minimum Requirement and to reimburse any drawings below the CFC Stabilization Fund Minimum Balance over a period not to exceed twelve (12) months, as determined by the Authority, (v) to pay interest on the Authority Loan due in that Fiscal Year, (vi) to pay the ConRAC's share of the Bus Facility Debt due in that Fiscal Year pursuant to the Leases, (vii) to pay the Debt Management Fee due in that Fiscal Year pursuant to the Leases, and (viii) to make the deposit to the Maintenance Reserve Fund required in that Fiscal Year under the Leases (collectively, the sum of the amounts required by (i) through (viii) above, the "**Minimum Annual Requirement**"). On each

Draw Down Date, following application as provided in this Agreement, any remaining CFCs and Contingent Rent shall be paid to the Authority, to be held and applied pursuant to the Leases.

(c) The Authority shall require each RAC to pay Contingent Rent to the Trustee as provided in each Lease in an amount, in the aggregate, that the Authority projects to be sufficient, together with CFCs projected to be collected in such Fiscal Year or portion thereof, to provide sufficient funds to meet the Minimum Annual Requirement for such Fiscal Year and provide additional funds equal to the difference between the CFCs and Contingent Rent (if any) received in the prior Fiscal Year and the Minimum Annual Requirement for such prior Fiscal Year. Contingent Rent shall be a temporary fee levied by the Authority in order to respond to an unexpected actual or forecasted decrease in Transaction Days and Contingent Rent may be levied by the Authority only for the period necessary to generate sufficient revenues to respond to the projected decrease in Transaction Days.

(d) As long as any of the Bonds remain Outstanding, the aggregate amount of CFCs and Contingent Rent (if any) required to be remitted by the RACs in each Fiscal Year shall be no less than the Aggregate Debt Service coming due in such Fiscal Year and, in the event that the amount of CFCs and Contingent Rent (if any) for any Fiscal Year is less than the Aggregate Debt Service for such Fiscal Year, the Authority covenants to increase either the CFC or the Contingent Rent, or both, for the next succeeding Fiscal Year to no less than an amount, in the aggregate, that the Authority projects to be sufficient, based upon projected Transaction Days for such Fiscal Year, to pay Aggregate Debt Service coming due in such Fiscal Year. In addition to the foregoing, the aggregate amount of CFCs and Contingent Rent (if any) paid by the RACs in each Fiscal Year plus the amount on deposit in the Rolling Coverage Fund (up to an amount not to exceed 25% of the Aggregate Debt Service on the Bonds (other than Subordinate Bonds) in such Fiscal Year) plus amounts on deposit in the Supplemental Reserve Fund, if any, at the beginning of such Fiscal Year (up to an amount not to exceed 5% of the Aggregate Debt Service on the Bonds (other than Subordinate Bonds) in such Fiscal Year) shall be no less than 1.30 times the Aggregate Debt Service on the Bonds (other than Subordinate Bonds), plus 1.0 times the Aggregate Debt Service on the Subordinate Bonds, coming due in such Fiscal Year and, in the event that the amount of CFCs and Contingent Rent (if any) for any Fiscal Year plus the amount on deposit in the Rolling Coverage Fund (up to an amount not to exceed 25% of the Aggregate Debt Service on the Bonds (other than Subordinate Bonds) in such Fiscal Year) plus amounts on deposit in the Supplemental Reserve Fund, if any, at the beginning of such Fiscal Year up to an amount not to exceed 5% of the Aggregate Debt Service on the Bonds (other than Subordinate Bonds) in such Fiscal Year is less than 1.30 times the Aggregate Debt Service on the Bonds (other than Subordinate Bonds), plus 1.0 times the Aggregate Debt Service on the Subordinate Bonds for such Fiscal Year, the Authority shall increase either the CFC or the Contingent Rent, or both, for the next succeeding Fiscal Year to no less than an amount, in the aggregate, that the Authority projects to be sufficient, based upon projected Transaction Days for such Fiscal Year, plus the amount on deposit in the Rolling Coverage Fund (up to an amount not to exceed 25% of the Aggregate Debt Service on the Bonds (other than Subordinate Bonds) in such Fiscal Year) plus amounts on deposit in the Supplemental

Reserve Fund, if any, at the beginning of such Fiscal Year up to an amount not to exceed 5% of the Aggregate Debt Service on the Bonds (other than Subordinate Bonds) in such Fiscal Year to provide no less than 1.30 times the Aggregate Debt Service on the Bonds (other than Subordinate Bonds), plus 1.0 times the Aggregate Debt Service on the Subordinate Bonds coming due in such Fiscal Year.

Section 7.05 Status of Interest on Tax-Exempt Bonds.

(a) It is the intention of the Authority that interest on each Series of Tax-Exempt Bonds, including without limitation, the Series 2011A Bonds, shall be and remain exempt from federal and Massachusetts income taxation, and to that end the covenants and agreements of the Authority in this Section 7.05 and in the tax certificate of the Authority are for the benefit of the Trustee and each and every Person who at any time will be the holder of any Tax-Exempt Bond.

(b) The Authority covenants and agrees that it will not directly or indirectly use or permit the use of any proceeds of any Series of Tax-Exempt Bonds or other funds in any manner, or take or omit to take any action, that will cause any Series of Tax-Exempt Bonds to be an "arbitrage bond" within the meaning of Section 148 of the Code, including in connection with the operation of the portions of the Project which shall be controlled by the Authority and any reallocation or reletting of the Project or any portion thereof under the terms of the Leases. Any officer of the Authority (including its Chairman, Vice Chairman, Executive Director and Director of Administration and Finance and Secretary-Treasurer) having responsibility for and with respect to the issuance of the Tax-Exempt Bonds is authorized and directed, alone or in conjunction with any other officer, employee or consultant of the Authority, to give an appropriate certificate on behalf of the Authority, for inclusion in the transcript of proceedings for the Bonds, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to section 148 of the Code. The Authority further covenants and agrees that it will not direct the Trustee to invest any funds held by it under this Agreement in such manner as would cause any Series of Tax-Exempt Bonds to be an "arbitrage bond" within the meaning of Section 148(a) of the Code. To such ends, the Authority will comply with all requirements of Section 148 of the Code to the extent applicable to the Tax-Exempt Bonds. In the event that at any time the Authority is of the opinion that for purposes of this Section 7.05(b) it is necessary to restrict or limit the yield of the investment of any moneys held by the Trustee under this Agreement, the Authority shall so notify the Trustee in writing.

(c) The Authority certifies and represents that it has not taken, and the Authority covenants and agrees that it will not take, any action which will cause interest paid on any Tax-Exempt Bonds to become includable in gross income of the Beneficial Owners of such Tax-Exempt Bonds for federal income tax purposes pursuant to sections 103 and 141 through 150 of the Code, including in connection with the operation of the portions of the Project which shall be controlled by the Authority and any reallocation or reletting of the Project or any portion thereof under the terms of the Leases; provided, that none of the covenants and agreements herein contained shall require the Authority to enter an appearance or intervene in any administrative, legislative or judicial proceeding in

connection with any changes in applicable Laws, or in connection with any decisions of any court or administrative agency or other governmental body affecting the taxation of interest on the Tax-Exempt Bonds. Notwithstanding the generality of the foregoing, in connection with the operation and use of the portions of the Project which are controlled by the Authority or any reallocation or reletting of the Project or any portion thereof under the terms of the Leases, the Authority will take such actions as may be reasonably under its control to avoid causing the interest on any Tax-Exempt Bond to be includable in the gross income of the holders thereof for federal income tax purposes.

(d) Notwithstanding any provision of this Section 7.05, if the Authority shall provide to the Trustee an opinion of Bond Counsel that any specified action required under this Section 7.05 is no longer required or that some further or different action is required to maintain the tax-exempt status of interest on the Tax-Exempt Bonds, the Trustee and the Authority may conclusively rely on such opinion in complying with the requirements of this Section 7.05 and the covenants hereunder shall be deemed to be modified to that extent.

Section 7.06 Construction of the Project. The Authority shall use diligent efforts to cause the Project to be constructed and completed in accordance with the Project Schedule, as set forth in the Leases, and shall cause to be done all things necessary or proper for completion of the Project in a timely manner in material compliance with all Laws. Upon completion or abandonment of the Project, the Authority shall deliver a Completion Certificate to the Trustee which shall include the Completion Date.

Section 7.07 Operation of the Project. Subject to Section 7.09, as long as any Bond remains Outstanding, the Authority shall operate and maintain the Project, or cause the Project to be operated and maintained, in good condition for the purposes for which it was constructed, reasonable wear and tear excepted.

Section 7.08 Insurance. The Authority shall maintain, or cause to be maintained, insurance with respect to the ConRAC against such casualties and contingencies and in such amounts not less than is reasonably prudent; provided, however, that the Authority may self insure against such risks as it may determine to be prudent if the Authority complies with the recommendations of the Authority's risk management consultant engaged pursuant to the 1978 Trust Agreement regarding such self insurance. Such policies of insurance shall name the Authority and the Trustee as additional insureds as their interests may appear. Any premiums for such policies of insurance shall be paid by the RACs as ConRAC Rent as provided in each Lease, or by the Authority.

Section 7.09 Casualty and Condemnation.

(a) In the event that the Project or any portion thereof is damaged, taken or condemned, the net proceeds of insurance (including without limitation self insurance) or condemnation award shall be applied as set forth in this Section 7.09.

(b) If the proceeds of an insurance or condemnation award with respect to the ConRAC, net of the reasonable costs, fees and expenses incurred by the Authority in the

collection of such proceeds or award (the "*Net Proceeds*") are less than \$250,000, the Net Proceeds shall be paid directly to the Authority and shall be applied by the Authority promptly to the costs of restoring the Project. Any Net Proceeds remaining after the restoration of the Project shall be deposited to the Debt Service Fund and applied to the principal of and interest on the Bonds next coming due, on a pro rata basis.

(c) If the Net Proceeds are greater than or equal to \$250,000, the Net Proceeds shall be paid to the Trustee and deposited to a separate account within the Project Fund, as set forth in Section 6.02(f) and disbursed in the same manner and subject to the same conditions and limitations relating to the disbursement of funds from the Project Fund, as set forth in Sections 6.02(c) and 6.02(f). In the event that the Net Proceeds are insufficient to restore the Project, the Authority shall either deposit the difference between the costs of restoration and the Net Proceeds to the Project Fund or issue Additional Bonds for such purpose.

(d) Nothing herein shall limit the Authority's power of eminent domain.

Section 7.10 Continuing Disclosure. Pursuant to the Continuing Disclosure Certificate, the Authority has undertaken certain responsibilities for compliance with continuing disclosure requirements under Rule 15c2-12 of the Securities and Exchange Commission. The Authority hereby covenants and agrees that it will comply with and carry out its express responsibilities under the Continuing Disclosure Certificate, but it shall have no additional or implied responsibilities whatsoever under the Continuing Disclosure Certificate. Notwithstanding any other provision of this Agreement, failure of the Authority to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default hereunder; however, any holder or Beneficial Owner of any Bond may take such actions as may be necessary and appropriate, including seeking mandatory or specific performance by court order, to cause the Authority to comply with its obligations under this Section 7.10 and the Continuing Disclosure Certificate.

ARTICLES DEFAULT PROVISIONS AND REMEDIES

Section 8.01 Events of Default; Defaults. The occurrence of any of the following events shall constitute an "Event of Default" hereunder:

- (a) Failure to pay interest on any Bond when due and payable.
- (b) Failure to pay any principal of, or premium on, any Bond when due and payable, whether at stated maturity or pursuant to any redemption or purchase requirement under Section 5.01 or under any Supplemental Agreement.
- (c) Failure by the Authority to observe or perform any other covenant, condition or agreement on its part to be observed or performed in this Agreement or the Bonds for a period of 60 days after written notice of such failure shall have been given to the Authority by the Trustee; provided, however, that if such observance or performance requires work to be done, actions to be taken or conditions to be remedied which by its or their nature cannot reasonably be done, taken or remedied, as the case may be, within

such 60-day period, no Event of Default under this subsection (c) shall be deemed to have occurred or to exist if and so long as the Authority shall have commenced such work, action or remediation within such 60-day period and provided written notice thereof to the Trustee and shall diligently and continuously prosecute the same to completion.

Within five days after actual knowledge by an Authorized Officer of the Trustee of an Event of Default under subsection (a) or (b) above, the Trustee shall give written notice, by registered or certified mail, to the Authority, all of the Bondholders, and upon notice as provided in Section 9.02(d) shall give similar notice of any other Event of Default.

Section 8.02 [Reserved]

Section 8.03 Remedies; Rights of Bondholders. (a) Upon the continuance of an Event of Default, if so requested by a Majority of the Bondholders, and if satisfactory indemnity has been furnished to it, the Trustee shall exercise such of the rights and powers conferred by this Agreement as the Trustee, being advised by counsel, shall deem most effective to enforce and protect the interests of the Bondholders.

(b) No remedy under this Agreement is intended to be exclusive, and to the extent permitted by law each remedy shall be cumulative and in addition to any other remedy hereunder or now or hereafter existing.

(c) No delay or omission to exercise any right or power shall impair such right or power or constitute a waiver of any Default or Event of Default or acquiescence therein; and each such right and power may be exercised as often as deemed expedient.

(d) No waiver by the Trustee or the Bondholders of any Default or Event of Default shall extend to any subsequent Default or Event of Default.

Section 8.04 Right of Bondholders to Direct Proceedings. Anything in this Agreement to the contrary notwithstanding, a Majority of the Bondholders shall have the right at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Agreement or for the appointment of a receiver or any other proceedings hereunder; provided that such direction shall be in accordance with applicable Law and this Agreement; provided that the Trustee shall be indemnified to its satisfaction.

Section 8.05 Application of Moneys After Event of Default. Upon the occurrence of an Event of Default, there shall be deposited in the CFC Revenue Fund all moneys and proceeds held or received by the Trustee or any receiver pursuant to this Agreement or any related document or the exercise of any rights granted hereby or thereby, except amounts in the Rebate Fund, which shall be held and applied in accordance with Section 6.09, and all moneys in the CFC Revenue Fund (except funds for which provision has been made under Section 6.14) shall be applied after first paying all Costs of Collection incurred by the Trustee or any receiver (i) to the payment of interest then due on the Bonds (other than Subordinate Bonds) without regard to when such interest became due, (ii) then any remaining amounts shall be applied to the payment of principal and premium, if any, then due on the Bonds (other than Subordinate

Bonds), without regard to when such principal or premium, if any, became due, (iii) then any remaining amounts shall be applied to the payment of interest then due on the Subordinate Bonds without regard to when such interest became due, (iv) then any remaining amounts shall be applied to the payment of principal and premium, if any, then due on the Subordinate Bonds, without regard to when such principal or premium, if any, became due; or in such other order as may be determined by the Trustee with the written consent of all the Bondholders; provided, however, that funds collected from any Account of the Project Fund shall be applied solely to the payment of principal of and interest on the Series of Bonds secured by such Account. Payments shall be made ratably, according to the amounts due respectively for interest and principal and premium, if any, among Bondholders entitled to receive the payment being made.

Section 8.06 Remedies Vested in Trustee. All rights of action (including the right to file proofs of claim) under this Agreement or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or their production in any proceeding; and any such proceeding instituted by the Trustee shall be brought in its name, as Trustee, without the necessity of joining as plaintiffs or defendants any holders of the Bonds; and any recovery of the judgment shall be for the benefit of the holders of the Bonds, subject, however, to the provisions of this Agreement.

Section 8.07 Rights and Remedies of Bondholders. No Bondholder shall have any right to institute any proceedings for the enforcement of this Agreement or any right or remedy granted hereby unless (i) an Event of Default is continuing, (ii) an Authorized Officer of the Trustee is deemed to have notice or knowledge thereof or has been notified as provided in Section 9.02(d), (iii) a Majority of the Bondholders shall have made written request to the Trustee and shall have afforded the Trustee reasonable opportunity to exercise its powers or to institute such proceeding in its own name, and have offered to the Trustee indemnity satisfactory to it, and (iv) the Trustee shall have failed or refused to exercise its power or to institute such proceeding. Such notice, request and offer of indemnity shall at the option of the Trustee be conditions precedent to the execution of the powers and trusts of this Agreement, and to any action for the enforcement of this Agreement or of any right or remedy granted hereby; it being understood and intended that the holders of the Bonds shall have no right to affect or prejudice the lien of this Agreement by their action or to enforce any right hereunder except in the manner herein provided and that proceedings shall be instituted and maintained in the manner herein provided and for the benefit of the holders of all Bonds then outstanding. Notwithstanding the foregoing, each Bondholder shall have a right of action to enforce the payment of the principal of an premium, if any, and interest on any Bond held by it at and after the maturity thereof, from the sources and in the manner expressed in such Bond.

Section 8.08 Waivers of Events of Default. The Trustee shall waive (in advance or otherwise) any Event of Default and its consequences and rescind any declaration of maturity of principal upon the written request of a Majority of the Bondholders or, in the case of an Event of Default whose waiver would constitute a violation of Section 10.02, the Bondholder or Bondholders whose consent is required by Section 10.02, but no such waiver (except as specifically provided therein) or rescission shall extend to any subsequent or other Event of Default.

Section 8.09 Effect of Discontinuation of Proceedings. In case any proceeding

taken by the Trustee or Bondholders on account of any Event of Default shall have been discontinued or abandoned for any reason, then and in every such case the Authority, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been taken.

Section 8.10 Intervention by Trustee. In any judicial proceeding which the Trustee believes has a substantial bearing on the interests of the Bondholders, the Trustee may intervene on behalf of the Bondholders.

Section 8.11 Remedies of Authority on Event of Default. Upon the occurrence and continuance of an Event of Default, the Authority shall not be required to take any action which in its opinion might cause it to expend time or money or otherwise incur any liability unless satisfactory indemnity has been furnished to it. Notwithstanding any contrary provision in this Agreement, the Authority may enforce the Unassigned Rights by any lawful available remedy; and nothing in this Agreement shall restrict the exercise of Unassigned Rights by the Authority as lessor under the Leases or the exercise of rights by the Authority as operator of the Airport.

ARTICLE 9 THE TRUSTEE

Section 9.01 The Trustee; Corporate Organization, Authorization and Capacity.

The Trustee represents and warrants that it is a national banking association duly organized and validly existing under the laws of the United States of America and duly licensed or qualified to do business in the Commonwealth, with the capacity to exercise the powers and duties of the Trustee hereunder and that by proper corporate action it has duly authorized the execution and delivery of this Agreement.

Section 9.02 Acceptance of Trusts. The Trustee accepts the trusts imposed upon it by this Agreement and agrees to perform such trusts, but only upon the terms and conditions contained herein.

(a) The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Agreement, and no implied agreements or obligations shall be read into this Agreement against the Trustee. In case an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Agreement, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(b) The Trustee may execute any of its trusts or powers and perform any of its duties through attorneys, agents, receivers or employees but shall be answerable for their conduct in accordance with the above standard, except that as to attorneys, agents and receivers the Trustee shall be answerable only as to the selection of same in accordance with said standards. The Trustee shall be entitled to advice of Counsel concerning all matters of trust duties hereunder, and may pay reasonable compensation to all such

attorneys, agents, receivers, employees and Counsel as may reasonably be employed. The Trustee shall be entitled to the advice of Counsel (who may or not be Counsel for the Authority) and shall be wholly protected as to any action taken or omitted to be taken in good faith in reliance on such advice. The Trustee may rely conclusively on any notice, certificate or other document furnished to it hereunder and reasonably believed by it to be genuine. The Trustee shall not be liable for any action taken by it in good faith and reasonably believed by it to be within the discretion or powers conferred upon it, in good faith omitted to be taken by it and reasonably believed to be beyond the discretion or powers conferred upon it, taken by it pursuant to any direction or instruction by which it is governed hereunder, or omitted to be taken by it by reason of the lack of direction or instruction required hereby for such action; nor shall it be responsible for the consequences of any error of judgment reasonably made by it. The duties of the Trustee are those expressly set forth in this Agreement, and no additional duties shall be implied. When any payment, consent or other action by it is called for hereby, it may defer such action pending receipt of such evidence, if any, as it may require in support thereof. The Trustee shall in no event be liable for the application or misapplication of funds, or for other acts or defaults by any Person, except its own directors, officers, and employees. The Trustee has no responsibility for the validity or sufficiency of this Agreement or the Bonds or any security therefor.

(c) Any action taken by the Trustee pursuant to this Agreement upon the request or authority or consent of any Person who at the time of making such request or giving such authority or consent is the holder of any Bond shall be conclusive and binding upon all future holders of such Bond.

(d) The Trustee shall not be required to take notice or be deemed to have notice or knowledge of any Default hereunder, except Events of Default described in Section 8.01(a) or (b), unless an Authorized Officer of the Trustee shall be notified in writing of such Default by the Authority or by the holders of at least 25% in aggregate principal amount of Bonds then outstanding. Until such notice is received, the Trustee may conclusively assume there is no such Default and shall not be bound to inquire as to the performance of the Authority.

(e) The Trustee shall not be required to give any bond or surety.

(f) The Trustee shall not be required to monitor the financial condition of the Authority, any RAC, or the physical condition of the Project and, unless otherwise expressly provided, shall not have any responsibility with respect to notices, certificates or other documents filed with it hereunder, except to make them available for inspection by the Bondholders. The Trustee shall not be required to take any action hereunder (other than the giving of notice), including any remedial action, which shall require it to expend its own funds or otherwise incur any financial liability in the performance of its duties hereunder or thereunder or in the exercise of any rights or powers hereunder or thereunder unless indemnity reasonably satisfactory to it is furnished for any expense or liability to be incurred herein, other than liability for failure to meet the standards set forth in this section. A permissive right or power to act shall not be construed as a requirement to act.

(g) The Trustee shall not be responsible for any recital herein or in the Bonds (other than its Certificate of Authentication), or in any material furnished to anyone in connection with the issuance, sale or any resale of the Bonds, or for the recording, filing or re-filing of this Agreement, or for insuring the Trust Estate or the Project or collecting any insurance money, or for the validity of this Agreement or of any supplements thereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby, or for the value or title of the Project or otherwise as to the maintenance or operation of the Project or the Trust Estate, but the Trustee may require of the Authority full information and advice as to the performance of the covenants, conditions and agreements aforesaid and as to the condition of the Project. Except as otherwise provided in this Agreement, the Trustee shall have no obligation to perform any of the duties of the Authority under this Agreement, and the Trustee shall not be liable for any loss suffered in connection with any investment of funds made by it, provided that the Trustee shall have complied with instructions delivered to it hereunder.

(h) To the extent that it is necessary for the Trustee to determine whether any Person is a Beneficial Owner, the Trustee shall make such determination based on a certification of such Person (on which the Trustee may conclusively rely) setting forth in satisfactory detail the principal balance and bond certificate owned and any intermediaries through which such bond certificate is held. The Trustee shall be entitled to rely conclusively on information it receives from DTC or other applicable Securities Depository, its direct participants and the indirect participating brokerage firms for such Participants with respect to the identity of a Beneficial Owner.

Section 9.03 Successor Trustee. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer all or substantially all its corporate trust business and assets, and any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer, ipso facto, shall be and become successor Trustee hereunder and vested with all the trusts, power, discretion, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act on the part of the parties hereto, anything herein to the contrary notwithstanding; provided, however, that any such successor Trustee shall be a trust company or bank in good standing having trust powers.

Section 9.04 Resignation by Trustee; Removal. The Trustee may at any time resign from the trusts hereby created by giving 30 days' written notice to the Authority and to each Bondholder, but such resignation shall not take effect until the appointment of a successor Trustee, acceptance by the successor Trustee of such trusts and assignment to such successor Trustee of the rights of the predecessor Trustee under this Agreement. The Trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the Trustee by a Majority of the Bondholders, but such removal shall not take effect until the appointment of a successor Trustee and acceptance by the successor Trustee of such trusts, provided, in the case of removal by the Authority, notice of such removal must be provided by the Authority to the Bondholders at least 45 days prior to the effective date of such removal. The Trustee may also be removed at any time for any breach of trust, or for acting or proceeding in violation of, or for failing to act or proceeding in accordance with, any provision of this Agreement with respect to the duties and obligations of the Trustee, by any court of competent

jurisdiction upon the application of the Authority or the holders of not less than 25% in aggregate principal amount of the Bonds, excluding any Bonds held by or for the account of the Authority. Notwithstanding the foregoing provisions, at the end of the fifth Fiscal Year following the Fiscal Year in which the Series 2011 Bonds are issued, and at the end of every fifth Fiscal Year thereafter, the Authority may remove the Trustee, except during the existence of an Event of Default, upon 120 days written notice to the Trustee by filing with the Trustee an instrument signed by an Authorized Representative of the Authority.

Section 9.05 Appointment of Successor Trustee. If the Trustee hereunder shall resign or be removed, or be dissolved, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor shall be appointed by the Authority. If the Authority does not appoint a successor Trustee within 30 days of the Trustee providing notice of its resignation, the Trustee may petition a court of competent jurisdiction to appoint a successor Trustee. At any time within one year after any such vacancy shall have occurred and provided a court has not appointed a successor Trustee as provided above, a Majority of the Bondholders may appoint a successor Trustee by an instrument or concurrent instruments in writing signed by or on behalf of such holders, which appointment shall supersede any Trustee theretofore appointed by the Authority. Each successor Trustee shall be a trust company or bank having the powers of a trust company which is in good standing and has a repolied capital, surplus and undivided profits of not less than \$100,000,000. Any such successor Trustee shall become Trustee upon giving notice to the Authority and the Bondholders of its acceptance of the appointment, vested with all the property, rights and powers of the Trustee hereunder, without any further act or conveyance. Any predecessor Trustee shall execute, deliver and record and file such instruments as the Trustee may reasonably require to confirm or perfect any such succession.

Section 9.06 Fees and Expenses of Trustee. The Authority shall pay to the Trustee from time to time reasonable compensation for all services rendered under this Agreement or any Supplemental Agreement, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees incurred in and about the performance of their powers and duties under this Agreement or any Supplemental Agreement. The Authority further agrees to indemnify and save the Trustee harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, which are not due to its negligence or default. The Authority acknowledges that the compensation, fees, expenses and indemnification costs payable to the Trustee as provided in this Section are a general obligation of the Authority, payable from any amounts legally available to the Authority therefor.

Section 9.07 Dealing in Bonds. The Trustee and any of its directors, officers, employees or agents may become the owners of any or all of the Bonds secured hereby with the same rights as if such owner were not the Trustee or an affiliate of the Trustee.

Section 9.08 Trustee as Bond Registrar; List of Bondholders. The Trustee is hereby designated as Registrar for the Bonds and, as such, will keep on file a list of names and addresses of the holders of all Bonds; provided, however, that the Trustee shall be under no responsibility with regard to the accuracy of the address of any Bondholder. At reasonable times and under reasonable regulations established by the Trustee, such list may be inspected and

copies by the Authority or by owners (or a designated representative thereof) of Bonds then outstanding, such ownership and the authority of any such designated representative to be evidenced to the satisfaction of the Trustee.

Section 9.09 Successor Trustee as Custodian of Funds; Bond Registrar and Paying Agent. In the event of a change in the office of Trustee, the predecessor Trustee which has resigned or been removed shall cease to be custodian of any funds it may hold pursuant to this Agreement, and to cease to be the Registrar and paying agent for any of the Bonds, and the successor Trustee shall become such custodian, Registrar and paying agent.

Section 9.10 Adoption of Authentication. In case any Bonds shall have been authenticated but not delivered, any successor Trustee may adopt the certificate of authentication of the predecessor Trustee and deliver the Bonds as so authenticated.

Section 9.11 Designation and Succession of Paying Agents. After 15 days' written notice to the Authority and subject to the Authority's approval (which shall not unreasonably be withheld or delayed), the Trustee may designate any other banks or trust companies as paying agent. Any bank or trust company with or into which any paying agent other than the Trustee may be merged or consolidated, or to which the assets and business of such paying agent may be sold, shall be deemed the successor to such paying agent for the purposes of this Agreement. If the position of such paying agent shall become vacant for any reason, the Trustee shall, within 30 days thereafter, appoint a bank or trust company located in the same state as such paying agent to fill such vacancy, subject to the Authority's approval (which shall not unreasonably be withheld or delayed). The paying agents shall enjoy the same protective provisions in the performance of their duties hereunder as are specified in Section 9.02 with respect to the Trustee, insofar as such provisions may be applicable.

Section 9.12 Trust Estate May be Vested in Co-Trustees. It is the purpose hereof that there shall be no violation of any Law of any jurisdiction denying or restricting the right of banking corporations or associations to transact business as trustee in such jurisdiction. It is recognized that in case of litigation hereunder, and in particular in case of the occurrence of an Event of Default, it may be necessary that the Trustee appoint an additional institution as a separate Trustee or Co-Trustee. The following provisions of this Section 9.12 are adapted to these ends.

Upon the incapacity or lack of authority of the Trustee, by reason of any present or future Law of any jurisdiction, to exercise any of the rights, powers and trusts herein granted to the Trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed herein or intended to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in a separate Trustee or Co-Trustee appointed by the Trustee but only to the extent necessary to enable the separate Trustee or Co-Trustee to exercise such rights, powers and trusts, and every agreement and obligation necessary to the exercise thereof by such separate Trustee or Co-Trustee shall run to and be enforceable by either of them.

Should any deed, conveyance or instrument in writing from the Authority be required by the separate Trustee or Co-Trustee so appointed by the Trustee in order to more fully and

certainly vest in and confirm to him or it such properties, rights, powers, trusts, duties obligations, any and all such deeds, conveyances and instruments shall, on request, be executed, acknowledged and delivered by the Authority. In case any separate Trustee or Co-Trustee, or a successor to either, shall become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate Trustee or Co-Trustee, so far as permitted by Law, shall vest in and be exercised by the Trustee until the appointment of a new Trustee or successor to such separate Trustee or Co-Trustee. Any separate Trustee or Co-Trustee appointed pursuant to this Section 9.12 shall be a trust company or bank in good standing having trust powers and having a reported capital, surplus and individual profits of not less than \$50,000,000.

Section 9.13 Trustee to Retain Information; No Responsibility. So long as any of the Bonds shall be outstanding, the Trustee shall retain all certificates and all other written information furnished to it by or on behalf of the Authority or any other Person under this Agreement and shall make such documentation available for review after reasonable notice during regular business hours at the principal corporate trust office of the Trustee to the Authority and any Bondholder and, so long as the Bonds are held by the DTC or other Securities Depository or its nominee, any Beneficial Owner of Bonds presenting evidence of such ownership reasonably satisfactory to the Trustee. The Trustee shall permit such reviewers to take copies of all or any part of such documentation, subject to their payment of such reasonable copying and handling charges as the Trustee may impose. Unless otherwise expressly provided, the Trustee shall not have any responsibility with respect to any such reports, notices, certificates, financial statements and other written information furnished to it hereunder, except to make them available for inspection, at reasonable times, as provided above.

Section 9.14 Certain Notices to Rating Agencies and Bondholders. The Trustee or the Authority shall give or cause to be given to each Rating Agency then rating the Bonds or any Series thereof notice of (i) any optional redemption, mandatory redemption, defeasance or acceleration of Bonds or (ii) the occurrence of any Event of Default under this Agreement. The Authority may elect, in its sole discretion, to have the Bonds or any Series thereof, rated by any or all of the Rating Agencies, provided, however, that the Authority shall use its best efforts to ensure that the Bonds or any Series thereof are rated by no less than two Rating Agencies.

Section 9.15 Reports by Trustee. The Trustee shall prepare monthly reports by the 10th day of each month (or as soon thereafter as practicable) showing the Customer Facility Charges and Contingent Rent (if any) received from each of the RACs for deposit into the CFC Revenue Fund during the prior calendar month, together with the total of such amounts. Such report shall be sent to the Authority and made available to each RAC upon their request.

ARTICLE 10 SUPPLEMENTAL AGREEMENTS AND WAIVERS

Section 10.01 Supplemental Agreements Not Requiring Consent of Bondholders.

The parties to this Agreement (provided that the Continuing Disclosure Certificate shall not be subject to this Section 10.01 but instead shall be amended in accordance with its terms) may without the consent of, or notice to, any of the Bondholders enter into agreements

supplemental to this Agreement and financing statements or other instruments evidencing the existence of a lien as shall not, in their opinion, be inconsistent with the terms and provisions hereof or thereof for any one or more of the following purposes:

- (a) To cure any ambiguity, inconsistency or formal defect or omission in this Agreement;
- (b) To grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, or authority that may lawfully be granted to or conferred upon the Bondholders or the Trustee;
- (c) To subject to the lien and pledge of this Agreement additional revenues or collateral;
- (d) To evidence any succession to the Authority and the assumption by such successor of the agreements of the Authority contained in this Agreement and the Bonds;
- (e) To the extent required by law, to permit registration of the Bonds under the Securities Act, the Trust Indenture Act, or any applicable state securities law, and to permit qualification of this Agreement under the Trust Indenture Act;
- (f) To revise the provisions of Section 6.09 hereof or any other provision of this Agreement or any related document or certificate relating to rebate of arbitrage profits to the United States, provided the Trustee shall have received an opinion of Bond Counsel that such revision does not adversely affect the exclusion from gross income of interest on the Tax-Exempt Bonds for federal income tax purposes;
- (g) To effect any other change herein or therein which, in the judgment of the Trustee, is not to the prejudice of the holders of the Bonds;
- (h) To provide for the issuance of Additional Bonds, including without limitation to provide for the establishment of additional Accounts in the various Funds as necessary to reflect the parity or subordinate status of such Additional Bonds; and
- (i) To modify the definition of Permitted Investments in Exhibit 612 hereof as directed by the Authority, provided that the Authority shall have provided evidence to the Trustee that the details of such modification have been provided in writing to each Rating Agency then assigning a rating to an Outstanding Bond and that each such Rating Agency has either (i) confirmed in writing that such modification will not adversely affect such ratings or (ii) issued a rating on a Series of Bonds to be issued which is not lower than the rating assigned by such Rating Agency to Outstanding Bonds prior to such modification, or any other evidence satisfactory to the Trustee that modification will not adversely affect the then current ratings, if any, assigned to the Bonds by any Rating Agency.

Section 10.02 Supplemental Agreement Requiring Consent of Bondholders. In addition to supplemental agreements permitted by Section 10.01, a Majority of the Bondholders shall have the right, from time to time, to consent to and approve the execution by the parties to

this Agreement or other agreement or agreements supplemental hereto or thereto for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Agreement or in any supplemental agreement; provided, however, that nothing in this Section 10.02 shall permit (i) an extension of the stated maturity of the principal of or the interest on any Bond without the consent of the holder of such Bond; (ii) a reduction in the principal amount of any Bond, the rate of interest thereon or the premium, if applicable, to be paid upon the redemption thereof prior to maturity without the consent of the holder of such Bond; (iii) an extension of the date for making any scheduled mandatory redemption under Section 5.01(b) or in any Supplemental Agreement without the consent of all of the Bondholders of the affected Series; (iv) the establishment of a privilege or priority of any Bond or Bonds over any other Bond or Bonds (other than Subordinate Bonds) without the consent of all the Bondholders; (v) a reduction in the percentage of the aggregate principal amount of Bonds the holders of which are required to consent to any such supplemental agreement without the consent of the holders of all the Bonds at the time outstanding which would be affected by the action to be taken; (vi) a release of collateral granted under this Agreement without the consent of all of the Bondholders, except as expressly provided herein or therein; or (vii) a modification of the rights, duties or immunities of the Authority or the Trustee without the written consent of the affected party.

If at any time the Authority shall request the Trustee to enter into any supplemental agreement pursuant to this Section 10.02, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution to be made in the manner required for redemption of principal of Bonds pursuant to Section 5.04; provided, however, that failure to give such notice, or any defect therein, shall not affect the validity of the proceedings.

Such notice shall briefly set forth the nature of the proposed supplemental agreement and shall state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Bondholders. Except as otherwise provided in this Section 10.02, if, within 60 days or such longer period (not to exceed two years) as shall be prescribed by the Authority following the final mailing of such notice, not less than a Majority of the Bondholders at the time of the execution of any such supplemental agreement shall have consented to and approved the execution thereof, no holder of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Authority from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such supplemental agreement as in this Section permitted and provided, this Agreement shall be and be deemed to be modified and amended in accordance therewith.

Section 10.03 Amendments to Leases and Concession Agreements. The provisions of Section 10.02 providing for Bondholder consent to certain Supplemental Agreements shall also apply to the modification of Section 6.01 of the Leases and to the definitions of terms used therein as so used in a manner that could materially, adversely affect the Bondholders, but shall not apply to any other provisions of the Leases, including without limitation the Unassigned Rights; and with respect to the modification or waiver of such other provisions of the Leases, the consent of the Bondholders shall not be required.

Section 10.04 Opinion of Counsel. The Trustee shall be entitled to receive, and shall

be fully protected in relying upon, the opinion of any Counsel approved by it, who may be Counsel for the Authority, as conclusive evidence that a proposed supplemental agreement complies with the provisions of this Agreement, and that it is proper for the Trustee, under the provisions of this Article, to join in the execution of such supplemental agreement.

Section 10.05 Modification by Unanimous Consent. Notwithstanding anything contained elsewhere in this Agreement, the rights and obligations of the Authority, the Trustee and the holders of the Bonds, and the terms and provisions of the Bonds and this Agreement, or any supplemental agreement may be modified or altered in any respect with the consent of the Authority, the Trustee and the holders of all of the Bonds then outstanding.

ARTICLE 11 MISCELLANEOUS

Section 11.01 Consents, etc. of Bondholders. Any consent, request, direction, approval, objection or other instrument required by this Agreement to be executed by the Bondholders may be in any number of concurrent writings of similar tenor and may be executed by such Bondholders in person or by an agent appointed in writing.

Section 11.02 Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or implied in or inferred from this Agreement or the Bonds shall give to any Person other than the parties hereto and the holders of the Bonds any right or remedy with respect to this Agreement. This Agreement and all of the covenants, conditions and provisions hereof are for the sole and exclusive benefit of the parties hereto and the holders of the Bonds as herein provided.

Section 11.03 Severability. In the event that any provision of this Agreement shall be held to be invalid in any circumstance, such invalidity shall not affect any other provision or circumstance.

Section 11.04 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and, except (i) as provided in Section 6.09 regarding certificates or other materials to be provided to the Authority or (ii) notices to be given to the Trustee, and (iii) as provided in Section 9.02(d), shall be deemed to be delivered if in writing or in the form of a facsimile addressed to the appropriate Notice Address and if either (a) actually delivered at said address or (b) in the case of a letter, three Business Days shall have elapsed after the same shall have been deposited in the United States mails, first-class postage prepaid and registered or certified or (c) in the case of delivery to the Trustee, notice will be deemed given when actually received. A copy of each notice, certificate or other communication given by any party hereto shall also be given to the other party hereto and the manner provided for in this Section 11.04.

Section 11.05 Payments Due on Saturdays, Sundays and Holidays. In any case where a Payment Date is not a Business Day, then payment of interest or principal and any premium due on such day need not be made by the Trustee on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the Payment Date.

Section 11.06 Extent of Authority Covenants; No Personal Liability. No covenant, stipulation, obligation or agreement of the Authority contained in this Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future

member, officer, employee or agent of the Authority in his or her individual capacity; and no such person (including any such person executing the Bonds) shall be liable personally on the Bonds or be subject to any personal liability by reason of their issuance. No recourse shall be had by the Trustee or any Bondholder for any claim based on this Agreement or any Bond against any member, officer, employee or agent of the Authority alleging personal liability on the part of such person unless such claim is based upon the willful dishonesty of or intentional violation of law by such person.

Section 11.07 Bonds Owned by Authority. In determining whether holders of the requisite aggregate principal amount of the Bonds have concurred in any direction, consent or waiver under this Agreement, Bonds which are owned by the Authority shall be disregarded and deemed not to be outstanding for the purpose of any such determination, except that, for the purpose of determining whether the Trustee shall be protected in relying on any such direction, consent or waiver, only Bonds which the Trustee knows are so owned shall be so disregarded. Bonds so owned which have been pledged in good faith may be regarded as outstanding if the pledge establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that the pledge is not the Authority. In case of a dispute as to such right, any decision by the Trustee taken in good faith upon the advice of counsel shall be full protection to the Trustee in accordance with its standards of performance hereunder.

Section 11.08 Caption; Index. The captions, headings and index in this Agreement are for convenience only and in no way define or describe the scope or content of any provision of this Agreement.

Section 11.09 Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same Agreement

Section 11.10 Governing Law; Sealed Instrument. The validity and interpretation of this Agreement and the Bonds shall be governed by the laws of the Commonwealth. It is intended that this Agreement shall have the effect of a sealed instrument.

Section 11.11 Agreements to Constitute Covenants. Words of agreement and promises shall also constitute covenants.

[Signature Page Follows]

IN WITNESS WHEREOF, each of the Authority and the Trustee has caused this Agreement to be executed and delivered as a sealed instrument in its name and behalf by its authorized officer, as of the date appearing on page 1.

[SEAL]

MASSACHUSETTS PORT AUTHORITY

By: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Authorized Officer

Exhibit 301
Form of Series 2011 Bond

No. R[A][B] -
CUSIP: 57589

\$ _____ -

UNITED STATES OF AMERICA
THE COMMONWEALTH OF MASSACHUSETTS
MASSACHUSETTS PORT AUTHORITY
SPECIAL FACILITIES REVENUE BOND
(CONRAC PROJECT), SERIES 2011[A][B (Federally Taxable)]

REGISTERED OWNER: CEDE & CO.
PRINCIPAL AMOUNT: _____ DOLLARS (\$ _____)
MATURITY DATE: JULY 1, _____
INTEREST RATE: _____ PERCENT (_____%)
BOND DATE: _____, 2011

THIS SERIES 2011[A][B] BOND DOES NOT CONSTITUTE A GENERAL DEBT OR LIABILITY, OR A PLEDGE OF THE FAITH AND CREDIT, OF THE MASSACHUSETTS PORT AUTHORITY OR THE COMMONWEALTH OF MASSACHUSETTS OR ANY POLITICAL SUBDIVISION OR MUNICIPALITY THEREOF. THE PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON THIS SERIES 2011[A][B] BOND ARE PAYABLE SOLELY FROM THE PLEDGED RECEIPTS REFERRED TO HEREIN AND THE FUNDS AND ACCOUNTS SPECIFICALLY PLEDGED UNDER THE TRUST AGREEMENT REFERRED TO HEREIN.

1. Payment Provisions. The Massachusetts Port Authority (the "Authority"), a body politic and corporate and a public instrumentality of The Commonwealth of Massachusetts (the "Commonwealth") duly created by Chapter 465 of the Acts of 1956 of the Commonwealth, as amended from time to time (as so amended, the "Act"), for value received, promises to pay to the Registered Owner of this Series 2011[A][B] Bond, or registered assigns or legal representatives (but only from the limited sources and in the manner herein described), the Principal Amount on the Maturity Date unless redeemed prior thereto as hereinafter provided, and to pay interest on the unpaid Principal Amount of this Series 2011[A][B] Bond outstanding from time to time from the Bond Date at the Interest Rate set forth above, payable semiannually on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing January 1, 2012.

The final payment of principal, premium, if any, and interest with respect to this Series 2011[A][B] Bond shall be payment in immediately available funds at the principal corporate trust office of the Trustee (hereinafter defined) upon surrender of this Series 2011[A][B] Bond, and other payments shall be payable by check or draft mailed by the Trustee to the Registered Owner at its address appearing on the bond register kept by the Trustee as of the close of business on the Record Date, which when used herein shall mean the fifteenth day of the month

immediately preceding the month in which an Interest Payment Date occurs; provided, however, that if the holder of this Series 2011[A][B] Bond or group of which such holder is a part holds Series 2011[A][B] Bonds aggregating \$1,000,000 or more in outstanding principal amount and gives written notice thereof to the Trustee accompanied by sufficient wire transfer instructions, then payments of interest with respect to this Series 2011[A][B] Bond shall be payable by wire transfer of immediately available funds. As used herein, "Business Day" means any day other than a Saturday, Sunday or legal holiday or the equivalent (other than a moratorium) on which banking institutions generally in any of the City of Boston, Massachusetts, or New York, New York are authorized or required by law or executive order to close.

Principal of and premium, if any, and interest on this Series 2011[A][B] Bond are payable in lawful money of the United States of America.

2. Interest. This Series 2011[A][B] Bond shall bear interest from and including the Bond Date until payment of the principal hereof shall have been made or provided for in accordance with the provisions hereof and of the Trust Agreement (hereinafter defined) whether at maturity, upon redemption or otherwise. This Series 2011[A][B] Bond will bear interest at the Interest Rate computed on the basis of a 360-day year, consisting of twelve 30-day months.

3. Description of Bond Issue. This Series 2011[A][B] is one of an issue of \$_____ Massachusetts Port Authority Special Facilities Revenue Bonds (ConRAC Project), Series 2011[A][B (Federally Taxable)] (the "Series 2011[A][B] Bonds") issued under a Trust Agreement dated as of May 18, 2011 (as from time to time in effect, the "Trust Agreement") between the Authority and U.S. Bank National Association, as Trustee (with its successors and, where the context so requires, any separate Trustee or Co-Trustee appointed by the Trustee pursuant to the provisions of the Trust Agreement, the "Trustee"). The Authority also has issued its \$_____ Massachusetts Port Authority Special Facilities Revenue Bonds (ConRAC Project), Series 2011[A][B (Federally Taxable)] (the "Series 2011[A][B] Bonds" and, together with the Series 2011[A][B] Bonds, the "Series 2011 Bonds"). The proceeds of the Series 2011 Bonds will be applied to finance the design and construction of a consolidated rental car facility and related facilities at Boston-Logan International Airport (the "Project"), which are being leased by the Authority to the rent-a-car businesses ("RACs") serving Airport Customers (as defined in the Trust Agreement) that lease space within the Project upon its completion, pursuant to a lease agreement entered into from time to time between the Authority and each RAC for the lease of premises within the Project, as the same may be duly supplemented, modified or amended from time to time (each, a "Lease" and, collectively, the "Leases"). The Series 2011 Bonds are issued pursuant to and in full compliance with the laws of the Commonwealth, including the Act, and the issuance of the Series 2011 Bonds and the execution and delivery of the Trust Agreement have been duly authorized by the Authority.

The right of the Authority under the Leases to receive CFCs and Contingent Rent (as each are defined in the Trust Agreement), certain insurance and condemnation proceeds, and certain funds and accounts established under the Trust Agreement (collectively, the "Pledged Receipts") have been pledged by the Authority to the Trustee to secure the Series 2011 Bonds. The Series 2011 Bonds and such Additional Bonds (as defined in the Trust Agreement) (other than Subordinate Bonds, as defined in the Trust Agreement) as may from time to time be issued

under the Trust Agreement are to be equally and ratably secured and entitled to the protection given by the Pledged Receipts and the Trust Agreement. The Authority may also, pursuant to the Trust Agreement, issue as Additional Bonds, Subordinate Bonds, the principal of and interest on which shall be payable from the Pledged Receipts on a subordinate basis to the Series 2011 Bonds. Reference is hereby made to such documents for a description of the nature and the extent of the security for the Series 2011 Bonds, the rights, duties and obligations and immunities of the Authority, the Trustee and the Registered Owners and the terms upon which the Series 2011 Bonds and such Additional Bonds are or may be issued and secured.

4. Exchange and Transfer; Book-Entry System. Upon surrender of this Series 2011[A][B] Bond at the principal corporate trust office of the Trustee, as bond registrar, together with an assignment duly executed by the Registered Owner or its attorney or legal representative in such form and with such guaranty of signature as shall be satisfactory to the Trustee, this Series 2011[A][B] Bond may be exchanged for fully registered Series 2011[A][B] Bonds aggregating in amount the then unpaid principal amount of the Series 2011[A][B] Bond so surrendered, in denominations of not less than \$5,000 or any integral multiple thereof.

This Series 2011(A)[B] Bond may be transferred upon the books kept for the registration and transfer of Series 2011(A)[B] Bonds upon its surrender to the Trustee, as bond registrar, together with an assignment duly executed by the Registered Owner or its attorney or legal representative in such form and with such guaranty of signature as shall be satisfactory to the Trustee; provided, that the Trustee should not be obliged to make any exchange or transfer of a Series 2011[A][B] Bond during the period between a Record Date and the corresponding Interest Payment Date.

BY ACCEPTANCE OF THIS SERIES 2011[A][B] BOND, THE REGISTERED OWNER AGREES THAT IT WILL NOT TRANSFER OR GRANT PARTICIPATIONS IN SUCH SERIES 2011[A][B] BOND IN DENOMINATIONS OF LESS THAN \$5,000.

The foregoing provisions of this Section 4 to the contrary notwithstanding, the Series 2011[A][B] Bonds will be issued initially as fully registered bonds in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), as Registered Owner of the Series 2011[A][B] Bonds, and deposited in the custody of DTC. One fully registered Series 2011[A][B] Bond of each maturity will be registered to Cede & Co. Beneficial Owners of the Series 2011[A][B] Bonds will not receive physical delivery of the Series 2011[A][B] Bonds. Individual purchases of the Series 2011[A][B] Bonds may be made in book-entry form only in principal amounts of \$5,000 or any integral multiple thereof. Principal and interest payments on the Series 2011[A][B] Bonds will be made to DTC or its nominee as Registered Owner of the Series 2011[A][B] Bonds.

DTC shall pay through its Participants interest to the Beneficial Owners of record of the Series 2011[A][B] Bonds as of the close of business on the Record Date. DTC shall pay the principal and redemption price of the Series 2011[A][B] Bonds called for redemption to the Beneficial Owners of record of the Series 2011[A][B] Bonds through its participants in accordance with its customary procedures.

Transfer of ownership interests in Series 2011[A][B] Bonds shall be made by DTC and its Participants, acting as nominees of the Beneficial Owners of the Series 2011[A][B] Bonds, in

DTC, its Participants or other nominees of the Beneficial Owners of the Series 2011[A][B] Bonds will act in accordance with such rules or on a timely basis.

Bond certificates will be issued directly to owners of the Series 2011[A][B] Bonds other than DTC, or its nominee, upon the occurrence of certain events specified in Section 3.09 of the Trust Agreement.

5. Redemption of Series 2011[A][B] Bonds. The Series 2011[A][B] Bonds are subject to redemption prior to stated maturity as follows:

(a) Optional Redemption. Series 2011[A][B] Bonds [maturing July 1, _____, _____, and _____ (the "Par Call Bonds")] shall be subject to redemption on and after July 1, _____ by the Authority, in whole on any date or in part on any date, in the amount of \$5,000 or an integral multiple thereof, at the following redemption price (expressed as a percentage of the principal amount of the Series 2011[A][B] Bonds, or portion thereof, to be redeemed), plus accrued interest to the redemption date:

<u>Redemption Period</u> <u>(both dates inclusive)</u>	<u>Redemption Price</u>
July 1, _____ through June 30, _____	%
July 1, _____ and thereafter	100%

[The Series 2011B Bonds maturing July 1, _____, _____ and _____ are subject to optional redemption by the Authority, in whole or in part, on any Business Day, at the Make-Whole Redemption Price, plus accrued and unpaid interest on the Series 2011B Bonds to be redeemed on the date fixed for redemption. The Authority shall provide, or cause to be provided, the amount of the Make-Whole Redemption Price to the Trustee.

[The "Make Whole Redemption Price" is the greater of (x) 100% of the principal amount of the Series 2011B Bonds to be redeemed and (y) the sum of the present value of the remaining scheduled payments of principal of and interest on the Series 2011B Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Series 2011B Bonds are to be redeemed, discounted to the date on which the Series 2011B Bonds are to be redeemed on a semi-annual basis, assuming a 360 day year consisting of twelve 30-day months, at the Treasury Rate (defined below), plus[_] basis points.

["Treasury Rate" means, with respect to any redemption date for a particular Series 2011B Bond, the rate per annum, expressed as a percentage of the principal amount, equal to the semi-annual equivalent yield to maturity or interpolated maturity of the Comparable Treasury Issue, assuming that the Comparable Treasury Issue is purchased on the redemption date for a price equal to the Comparable Treasury Price, as calculated by the Designated Investment Banker.

["Comparable Treasury Issue" means, with respect to any redemption date for a particular Series 2011B Bond, the United States Treasury security or securities selected by the Designated Investment Banker which has an actual or interpolated maturity comparable to the remaining average life of the Series 2011B Bond to be redeemed, and that would be utilized in accordance with customary financial practice in pricing new issues of debt securities of comparable maturity to the remaining average life of the Series 2011B Bond to be redeemed.

["Comparable Treasury Price" means, with respect to any redemption date for a particular Series 2011B Bond:

(A) the most recent yield data for the applicable U.S. Treasury maturity index from the Federal Reserve Statistical Release H.15 Daily Update (or any comparable successor publication) reported, as of 11:00 a.m. New York City time, on the Valuation Date; or

(B) if the yield described in (A) above is not reported as of such time or the yield reported as of such time is not ascertainable, the average of four Reference Treasury Dealer Quotations for that redemption date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or if the Designated Investment Banker obtains fewer than four Reference Treasury Dealer Quotations, the average of all quotations obtained by the Designated Investment Banker.

["Designated Investment Banker" means one of the Reference Treasury Dealers appointed by the Authority.

["Reference Treasury Dealer" means each of not less than four firms, specified by the Authority from time to time, that are primary United States Government securities dealers in the City of New York (each, a "Primary Treasury Dealer"); provided, that if any of them ceases to be a Primary Treasury Dealer, the Authority will substitute another Primary Treasury Dealer.

["Reference Treasury Dealer Quotation" means, with respect to each Reference Treasury Dealer and any redemption date for a particular Series 2011B Bond, the average, as determined by the Designated Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Designated Investment Banker by such Reference Treasury Dealer at 3:30 p.m., New York City time, on the Valuation Date.

["Valuation Date" means the third Business Day preceding the redemption date.]

(b) Mandatory Sinking Fund Redemption. The Series 2011[A][B] Bonds maturing on July 1, 20__ shall be subject to mandatory redemption in part at a redemption price equal to 100% of the principal amount redeemed plus accrued interest to the redemption date, without premium, on July 1 in each year, commencing July 1, 20__, in the amounts provided in Exhibit 301C to the Trust Agreement, as the same may be adjusted from time to time on account of an optional or extraordinary mandatory partial redemption of Series 2011[A][B] Bonds as provided in the last paragraph of Section 5.01(b) of the Trust Agreement.

(c) Selection of Series 2011[A][B] Bonds to be Redeemed; Procedure for Redemption.

[Series 2011A Bonds. In the case of any redemption in part of the Series 2011A Bonds, the maturities (or sinking fund maturities within a term bond) of such Series 2011A Bonds to be optionally redeemed shall be selected by the Authority. If less than all the Series 2011A Bonds of a particular maturity (or sinking fund maturity within a term bond) shall be called by the Authority for redemption, the particular Series 2011A Bonds of such maturity (or sinking fund maturity) to be redeemed shall be selected by the Trustee, in such manner as the Trustee in its discretion may deem fair and appropriate; provided, however (a) that the portion of any Series 2011A Bond to be redeemed shall be in the principal amount of the Authorized Denomination applicable to the Series 2011A Bonds or any multiple thereof, (b) that, in selecting Series 2011A Bonds for redemption, the Trustee shall treat each Series 2011A Bond as representing that number of Series 2011A Bonds that is obtained by dividing the principal amount of such Series 2011A Bond by the Authorized Denomination applicable to the Series 2011A Bonds, and (c) that, to the extent practicable, the Trustee will not select any Series 2011A Bond for partial redemption if the amount of such Series 2011A Bond remaining Outstanding would be reduced by such partial redemption to less than the Authorized Denomination applicable to the Series 2011A Bonds. Notwithstanding the foregoing, for so long as the Series 2011A Bonds are registered in book-entry only form, if less than all of the Series 2011A Bonds of a particular maturity are called for prior redemption, such Bonds will be selected for redemption, in accordance with DTC procedures, by lot.]

[Series 2011B Bonds. In the event of a partial optional redemption of Series 2011B Bonds, the Trustee shall allocate the principal amount of the Series 2011B Bonds to be redeemed as nearly as feasible pro rata among the maturities of the Series 2011B Bonds and mandatory sinking fund redemptions (including the final payment) so as to change as little as possible the remaining weighted average life of the Outstanding Series 2011B Bonds.]

If the Series 2011B Bonds are registered in book-entry only form and so long as DTC or a successor securities depository is the sole registered owner of the Series 2011B Bonds, if less than all of the Series 2011B Bonds, other than the Par Call Bonds (if any), of a maturity are called for prior redemption, the particular Series 2011B Bonds or portions thereof to be redeemed shall be selected on a pro rata pass-through distribution of principal basis in accordance with DTC procedures, provided that, so long as such Series 2011B Bonds are held in book-entry form, the selection for redemption of such Series 2011B Bonds shall be made in accordance with the operational arrangements of DTC then in effect, and, if the DTC operational arrangements do not allow for redemption on a pro rata pass-through distribution of principal basis, such 2011B Bonds will be selected for redemption, in accordance with DTC procedures, by lot. If the Series 2011B Bonds are not registered in book-entry only form, any redemption of less than all of a maturity of the Series 2011B Bonds (other than the Par Call Bonds, if any) shall be allocated among the registered owners of such Series 2011B Bonds on a pro-rata basis.

[If less than all of the Par Call Bonds are called for prior redemption, such Par Call Bonds will be selected for redemption, in accordance with DTC procedures, or, if the Par Call Bonds are not registered in book-entry only form, by the Trustee, in each case by lot.]

If there shall be called for redemption less than all of a Series [A][B] Bond, the Authority shall execute and deliver and the Trustee shall authenticate, upon surrender of such Series [A][B] Bond, and at the expense of the Authority and without charge to the owner thereof, a replacement Bond in the principal amount of the unredeemed balance of the Series [A][B] Bond so surrendered.

At its option, to be exercised on or before the 45th day next preceding any mandatory sinking fund redemption date referred to in subsection (b) above, the Authority may deliver to the Trustee for cancellation Series 2011[A][B] Bonds in any aggregate principal amount which have been purchased by the Authority in the open market. Each Series 2011[A][B] Bond so delivered shall be credited by the Trustee at 100% of the principal amount thereof against the mandatory sinking fund redemption requirement referred to in said subsection (b) on such mandatory sinking fund redemption date and any excess of such amount shall be credited against future mandatory sinking fund redemption requirements in chronological order.

In the event any of the Series 2011[A][B] Bonds are called for redemption, the Trustee shall give notice, in the name of the Authority, of the redemption of such Series 2011[A][B] Bonds, which notice shall (i) specify the Series 2011[A][B] Bond to be redeemed, the redemption date, the redemption price, and the place or places where amounts due upon such redemption will be payable and, if less than all of the Series 2011[A][B] Bonds are to be redeemed, the numbers of the Series 2011[A][B] Bonds, and the portions of the Series 2011[A][B] Bonds, to so be redeemed, (ii) state any condition to such redemption, and (iii) state that on the redemption date, and upon the satisfaction of any such condition, the Series 2011[A][B] Bonds to be redeemed shall cease to bear interest. CUSIP number identification shall accompany all redemption notices. Such notice may set forth any additional information relating to such redemption. Such notice shall be given by mail, postage prepaid, at least 30 days but not more than 60 days prior to the date fixed for redemption to each Registered Owner of Series 2011[A][B] Bonds to be redeemed at its address shown on the registration books kept by the Trustee; provided, however, that failure to give such notice to any Registered Owner or any defect in such notice shall not affect the validity of the proceedings for the redemption of any of the other Series 2011[A][B] Bonds. The Trustee shall send a second notice of redemption by certified mail return receipt requested to any registered holder who has not submitted Series 2011[A][B] Bonds called for redemption 30 days after the redemption date, provided, however, that the failure to give any second notice by mailing, or any defect in such notice, shall not affect the validity of any proceedings for the redemption of any of the Series 2011[A][B] Bonds and the Trustee shall not be liable for any failure by the Trustee to send any second notice.

Any Series 2011[A][B] Bonds and portions of Series 2011[A][B] Bonds which have been duly selected for redemption and which are paid in accordance with Section 6.14 of the Trust Agreement shall cease to bear interest on the specified redemption date.

6. Additional Provisions. The Registered Owner shall have no right to enforce the provisions of the Trust Agreement or to institute or appear in proceedings with respect to the Trust Agreement or its enforcement except as provided in the Trust Agreement. Modifications or alterations of the Trust Agreement, or of any supplements thereto, may be made only as provided by the Trust Agreement.

Reference is hereby made to the Trust Agreement, which is on file and may be inspected during regular business hours at the principal corporate trust office of the Trustee, for a description of the security for the Series 2011[A][B] Bonds and for the provisions thereof with respect to the rights, limitations of rights, duties, obligations and immunities of the Authority, the Trustee and the Registered Owner hereof. All capitalized terms used herein and not herein defined are used with the meanings specified for such terms in the Trust Agreement.

This Series 2011[A][B] Bond shall not constitute the personal obligation, either jointly or severally, of any member, director, officer, employee or agent of the Authority.

This Series 2011[A][B] Bond shall not be valid or entitled to any security or benefit under the Trust Agreement until the certificate of authentication hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, the Massachusetts Port Authority has caused this Series 2011[A][B] Bond to be duly executed in its name, and its corporate seal to be hereunder manually impressed or imprinted by facsimile and attested, by the manual or facsimile signature of its Chairman, Vice Chairman or Executive Director.

(Seal or Facsimile)

MASSACHUSETTS PORT AUTHORITY

By: _____

Chairman, Vice Chairman or Executive
Director

CERTIFICATE OF AUTHENTICATION

This Series 2011[A][B] Bond is one of the Series 2011[A][B] Bonds described in the
aforementioned Trust Agreement.

U.S. Bank National Association, as Trustee

By: _____

Authorized Signature

ASSIGNMENT

FOR VALUE RECEIVED, _____ the undersigned, hereby sells, assigns, and transfers unto

(please print or typewrite name and address including zip code of transferee)

(please insert Social Security or other identifying number of assignee)

the within Bond and all rights thereunder and hereby irrevocably constitute and appoints

attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Signature Guarantee:

Bank, Trust Company or Brokerage Firm

By: _____

Authorized Signature

Exhibit 301C
Details of the Series 2011 Bonds

- A. Aggregate Principal Amount of the Series 2011A Bonds: \$58,030,000.
- B. Aggregate Principal Amount of the Series 2011B Bonds: \$156,030,000.
- C. Dated date of the Series 2011A Bonds: June 15, 2011.
- D. Dated date of the Series 2011B Bonds: June 15, 2011.
- E. Series 2011A Bonds: Maturity Date, Interest Rate and Yield:
\$58,030,000 5.125% Term Bond maturing July 1, 2041
at a yield of 5.30%
- F. Series 2011B Bonds: Maturity Dates, Interest Rates and Price:

Maturity (July 1)	Principal	Interest Rate	Price or Yield	Maturity (July 1)	Principal	Interest Rate	Price or Yield
2012	\$2,575,000	0.900	100%	2017	\$3,620,000	4.139	100%
2013	\$3,185,000	1.300	100%	2018	\$3,780,000	4.439	100%
2014	\$3,260,000	1.910	100%	2019	\$3,960,000	4.855	100%
2015	\$3,360,000	3.230	100%	2020	\$4,165,000	5.005	100%
2016	\$3,485,000	3.530	100%	2021	\$4,385,000	5.105	100%

\$62,415,000 6.202% Term Bonds maturing July 1, 2031 at a Price of 100%

\$57,840,000 6.352% Term Bonds maturing July 1, 2037 at a Price of 100%

- G. Optional Redemption provisions of Series 2011A Bonds:

The Series 2011A Bonds shall be subject to redemption prior to stated maturity on and after July 1, 2021 by the Authority, in whole or in part on any date, at par, plus accrued interest to the redemption date:

H. Optional Redemption provisions of Series 2011B Bonds:

The Series 2011B Bonds are subject to optional redemption prior to stated maturity by the Authority, upon not less than 35 written notice to the Trustee, in whole or in part, on any Business Day, at the Make-Whole Redemption Price, plus accrued and unpaid interest on the Series 2011B Bonds to be redeemed on the date fixed for redemption. The Authority shall provide, or cause to be provided, the amount of the Make-Whole Redemption Price to the Trustee.

The "Make Whole Redemption Price" is the greater of (x) 100% of the principal amount of the Series 2011B Bonds to be redeemed and (y) the sum of the present value of the remaining scheduled payments of principal of and interest on the Series 2011B Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Series 2011B Bonds are to be redeemed, discounted to the date on which the Series 2011B Bonds are to be redeemed on a semi-annual basis, assuming a 360 day year consisting of twelve 30-day months, at the Treasury Rate (defined below), plus 40 basis points.

"Treasury Rate" means, with respect to any redemption date for a particular Series 2011B Bond, the rate per annum, expressed as a percentage of the principal amount, equal to the semi-annual equivalent yield to maturity or interpolated maturity of the Comparable Treasury Issue, assuming that the Comparable Treasury Issue is purchased on the redemption date for a price equal to the Comparable Treasury Price, as calculated by the Designated Investment Banker.

"Comparable Treasury Issue" means, with respect to any redemption date for a particular Series 2011B Bond, the United States Treasury security or securities selected by the Designated Investment Banker which has an actual or interpolated maturity comparable to the remaining average life of the Series 2011B Bond to be redeemed, and that would be utilized in accordance with customary financial practice in pricing new issues of debt securities of comparable maturity to the remaining average life of the Series 2011B Bond to be redeemed.

"Comparable Treasury Price" means, with respect to any redemption date for a particular Series 2011B Bond:

(A) the most recent yield data for the applicable U.S. Treasury maturity index from the Federal Reserve Statistical Release H.15 Daily Update (or any comparable successor publication) reported, as of 11:00 a.m. New York City time, on the Valuation Date; or

(B) if the yield described in (A) above is not reported as of such time or the yield reported as of such time is not ascertainable, the average of four Reference Treasury Dealer Quotations for that redemption date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or if the Designated Investment Banker obtains fewer than four Reference Treasury Dealer Quotations, the average of all quotations obtained by the Designated Investment Banker.

"Designated Investment Banker" means one of the Reference Treasury Dealers appointed by the Authority.

"Reference Treasury Dealer" means each of not less than four firms, specified by the Authority from time to time, that are primary United States Government securities dealers in the City of New York (each, a "Primary Treasury Dealer"); provided, that if any of them ceases to be a Primary Treasury Dealer, the Authority will substitute another Primary Treasury Dealer.

"Reference Treasury Dealer Quotation" means, with respect to each Reference Treasury Dealer and any redemption date for a particular Series 2011B Bond, the average, as determined by the Designated Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Designated Investment Banker by such Reference Treasury Dealer at 3:30 p.m., New York City time, on the Valuation Date.

"Valuation Date" means the third Business Day preceding the redemption date.

I. Mandatory Sinking Fund Redemption of Series 2011A Bonds:

The Series 2011A Bonds maturing July 1, 2041 shall be redeemed in part on July 1 in each year listed below, commencing July 1, 2037, at a redemption price equal to 100% of the principal amount redeemed plus accrued interest thereon to the redemption date, without premium, in the principal amount set forth below next to such year:

Series 2011A (Tax-Exempt) Bonds maturing July 1, 2041

<u>Year</u>	<u>Sinking Fund Payment</u>
2037	\$ 4,265,000
2038	\$ 12,450,000
2039	\$ 13,090,000
2040	\$ 13,760,000
2041	\$14,465,000*

* Maturity date

J. Mandatory Sinking Fund Redemption of Series 2011B Bonds:

The Series 2011B Bonds maturing July 1, 2031 shall be redeemed in part on July 1 in each year listed below, commencing July 1, 2022, at a redemption price equal to 100% of the principal amount redeemed plus accrued interest thereon to the redemption date, without premium, in the principal amount set forth below next to such year:

Series 2011B (Federally Taxable) Bonds maturing July 1, 2031

<u>Year</u>	<u>Sinking Fund Payment</u>	<u>Year</u>	<u>Sinking Fund Payment</u>
2022	\$4,620,000	2027	\$ 6,335,000
2023	\$4,920,000	2028	\$6,750,000
2024	\$5,245,000	2029	\$ 7,190,000
2025	\$ 5,585,000	2030	\$7,660,000
2026	\$5,950,000	2031	\$ 8,160,000*

* Maturity date

The Series 2011B Bonds maturing July 1, 2037 shall be redeemed in part on July 1 in each year listed below, commencing July 1, 2032, at a redemption price equal to 100% of the principal amount redeemed plus accrued interest thereon to the redemption date, without premium, in the principal amount set forth below next to such year:

Series 2011B (Federally Taxable) Bonds maturing July 1, 2038

<u>Year</u>	<u>Sinking Fund Payment</u>	<u>Year</u>	<u>Sinking Fund Payment</u>
2032	\$ 8,690,000	2035	\$10,550,000
2033	\$9,270,000	2036	\$11,250,000
2034	\$9,890,000	2037	\$ 8,190,000*

* Maturity date

K. Application of Proceeds of the Series 2011 Bonds:

Proceeds of the Series 2011A Bonds to be deposited to the Series 2011A Project Account: \$50,193,588.44, of which \$6,080,254.44 shall be applied to pay capitalized interest on the Series 2011A Bonds.

Proceeds of the Series 2011B Bonds to be deposited to the Series 2011B Project Account: \$135,995,360.09.

Proceeds of the Series 2011A Bonds to be deposited to the Series 2011 Costs of Issuance Account: \$252,634.20.

Proceeds of the Series 2011B Bonds to be deposited to the Series 2011 Costs of Issuance Account: \$690,053.93.

Exhibit 602
Form of Requisition Certificate

This Requisition is furnished pursuant to Section 6.02 of the Trust Agreement (the "Agreement") dated as of May 18, 2011, between The Massachusetts Port Authority (the "Authority") and U.S. Bank National Association, as Trustee (the "Trustee"). Terms not defined herein shall have the meaning set forth in the Agreement.

1. Obligations in the stated amounts have been incurred by the Authority and each item specified on the Requisition Summary is a proper charge against the Project Fund and has not been the subject of a prior requisition from the Project Fund.

2. The portion of the work for which payments is being requisitioned has been satisfactorily performed in accordance with the construction agreement for the Project.

3. The obligations set forth on the Requisition Summary were incurred for Costs of the Project referred to in Section 6.02(c) of the Agreement. Such costs are proper expenditures from the Account of the Agreement identified in the Requisition Summary for payment thereof.

4. The undersigned has reviewed the provisions of the Tax Agreement and the payment of this Requisition will not result in any proceeds of the Series 2011A Bonds being expended in violation of the provisions of said Tax Agreement.

5. No obligation for which payment or reimbursement is sought was originally paid or incurred before April 11, 2007, except to the extent that reimbursement of architectural, engineering and similar costs incurred prior to that date is permitted under Treasury Regulation Section 1.150-2(-t)(n).

6. The disbursement requested hereby is to be paid \$ _____ from the Series 2011A Project Account and \$ _____ from the Series 2011B Project Account.

MASSACHUSETTS PORT AUTHORITY

By: _____
Its

Date: _____

[Attach Requisition Summary]

Exhibit 603
Table of Bus Facility Debt

	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>	<u>FY2021</u>
Series 2010-A Bond debt service	\$6,504,000	6,501,000	6,505,000	6,501,000	6,504,000	6,504,000	6,505,000	6,507,000	6,506,000
Amount allocated to ConRAC		\$494,075	494,379	494,075	494,303	494,303	494,379	494,531	494,455
Debt service coverage component (@ 25%)		<u>\$123,519</u>	<u>123,595</u>	<u>123,519</u>	<u>123,576</u>	<u>123,576</u>	<u>123,595</u>	<u>123,633</u>	<u>123,614</u>
Bus Facility Debt fee		\$617,594	617,974	617,594	617,879	617,879	617,974	618,164	618,069
	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY2029</u>	<u>FY2030</u>
Series 2010-A Bond debt service	\$6,505,000	6,507,000	6,506,000	6,504,000	6,505,000	6,504,000	6,505,000	6,504,000	6,505,000
Amount allocated to ConRAC	\$494,379	494,531	494,455	494,303	494,379	494,303	494,379	494,303	494,379
Debt service coverage component (@25%)	<u>\$123,595</u>	<u>123,633</u>	<u>123,614</u>	<u>123,576</u>	<u>123,595</u>	<u>123,576</u>	<u>123,595</u>	<u>123,576</u>	<u>123,595</u>
Bus Facility Debt fee	\$617,974	618,164	618,069	617,879	617,974	617,879	617,974	617,879	617,974

(a) Share of Series 2010-A Bond proceeds		<u>Percent</u>	
Bus maintenance garage	\$20,000,000	20.3%	= Share of debt service on Series 2010-A Bonds allocated to the Bus Maintenance Facility
Other projects	<u>78,737,000</u>	<u>79.7%</u>	
Total proceeds used for projects	\$98,737,000	100.0%	

	Number of Buses:	
ConRAC/T	28	56.00%
Other Routes	<u>22</u>	<u>44.00%</u>
Bus Fleet	50	

Source: Source: Final OS for the Series 2010 A, B, C Bonds (page A-25).

A	20.3%	= Share of debt service on Series 2010-A Bonds allocated to the Bus Maintenance Facility
B	56.0%	= ConRAC/T share of Bus Fleet
C	67.0%	= ConRAC share of CATS capital costs
A*B*C=	7.6%	plus 25% coverage= RAC share of Bus Facility Debt or Bus Facility Debt Fee

Exhibit 612
Permitted Investments

"Permitted Investments" shall mean and include any of the following securities:

- (a) Direct general obligations of, or obligations the timely payment of principal of and interest on which are fully and unconditionally guaranteed by, the United States of America ("Government Obligations");
- (b) certificates or receipts representing direct ownership of future interest or principal payments on Government Obligations or any obligations of agencies or instrumentalities of the United States of America which are backed by the full faith and credit of the United States, which certificates or receipts are issued directly by the United States Department of Treasury or by the agency or instrumentality issuing such obligations or which obligations are held by a custodian in safekeeping on behalf of the holders of such receipts;
- (c) bonds, debentures, notes or other evidences of indebtedness issued by any of the following: Federal Home Loan Mortgage Corporation ("Freddie Mac"); Federal Home Loan Banks; Federal National Mortgage Association ("Fannie Mae"); Government National Mortgage Association; Bank for Cooperatives; Farm Credit System; Federal Intermediate Credit Banks; Federal Financing Bank; Export-Import Bank of the United States; Federal Land Banks; or any other agency or instrumentality of the United States of America;
- (d) [reserved];
- (e) (i) time or demand deposits, certificates of deposit, or other similar banking arrangements with any government securities dealer, bank, trust company, savings and loan association, national banking association or other savings institution, provided that such deposits, certificates, and other arrangements are fully insured by the Federal Deposit Insurance Corporation, or (ii) time or demand deposits or certificates of deposit with any bank, trust company, national banking association or other savings institution, provided such deposits and certificates are in or with a bank, trust company, national banking association or other savings institution whose long-term unsecured debt is rated in one of the three highest long-term Rating Categories without regard to gradations within categories, by any two Rating Agencies;
- (f) repurchase agreements collateralized by securities described in subparagraph (a), (b), or (c) above with any primary dealer recognized by a Federal Reserve Bank or any commercial bank the long-term unsecured debt of which (or of the corporate parent of which), in either case, is rated in one of the three highest long-term Rating Categories by any Rating Agencies; provided that (i) a specific written repurchase agreement governs the transaction, (ii) the securities are held, free and clear of any lien, by the Authority or the Trustee, as the case may be, or an independent third party acting solely as agent for the Authority or the Trustee, and such third party is (1) a Federal Reserve Bank, or (2) a bank, savings and loan association, or diversified securities broker dealer having at least \$5 billion in assets and \$500 million in capital and subject to regulation of capital standards by any state or federal regulatory agency, and the Authority or the Trustee will have received written confirmation from such third party that it holds such

securities, free and clear of any lien, as agent for the Authority or the Trustee, (iii) if the repurchase agreement has a term of more than one day then the Authority or the Trustee will value the collateral securities daily and will liquidate the collateral securities if any deficiency in the required collateral percentage is not restored within two Business Days of notification to the provider, (iv) the fair market value of the collateral securities in relation to the amount of the repurchase obligation, including principal and interest, is equal to at least 102% and (v) the repurchase agreement shall provide that if during its term the provider's rating by any Rating Agency is withdrawn or suspended or falls below one of the highest three Rating Categories (without regard to gradations within such categories), the provider must, at the direction of the Authority or the Trustee, within ten days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium charged to the Authority or the Trustee;

(g) shares in open-end investment funds, provided such funds are: (i) registered under the Federal Investment Company Act of 1940 (the "40 Act") and operated in accordance with 17 C.F.R. 270.2a.7; (ii) rated in the highest Rating Category, without regard to gradations within such Rating Category, by any two Rating Agencies; and (iii) properly registered for sale in the Commonwealth of Massachusetts;

(h) commercial paper rated in the highest Rating Category without regard to gradations within such Rating Category, by any two Rating Agencies;

(i) bankers acceptances issued by a domestic bank or a federally chartered domestic office of a foreign bank, which are (i) eligible for purchase by the Federal Reserve System, and (ii) rated in the highest Rating Category, without regard to gradations within such Rating Category, by any two Rating Agencies;

(j) advance-refunded municipal bonds;

(k) short-term or long-term obligations that are rated in any of the two highest Rating Categories, without regard to gradations within such Rating Category, by any two Rating Agencies, or shares of investment companies registered under the federal Investment Company Act of 1940 that are authorized to invest primarily in such obligations;

(l) participation units in a combined investment fund created under Section 38A of Chapter 29 of the General Laws of the Commonwealth;

(m) investments or deposits in the Massachusetts Municipal Depository Trust;

(n) investment contracts with, or guaranteed by, banks or other financial institutions whose long-term unsecured debt or claims-paying ability is rated in one of the two highest Rating Categories, without regard to gradations within such Rating Categories, by any two Rating Agencies; provided, that each such contract shall provide that if during its term the provider's rating by any Rating Agency is withdrawn or suspended or falls below one of the highest three Rating Categories (without regard to gradations within such categories), the provider must, at the direction of the Authority or the Trustee, within ten days of receipt of such direction, terminate such contract, with no penalty or premium charged to the Authority or the Trustee; and

(o) any other investment authorized pursuant to an amendment or supplement to this Agreement as described under Section 10.01(i) of this Agreement.

Obligations of any Trustee, Paying Agent or Depositary or an affiliate thereof may be Permitted Investments, provided that they otherwise qualify.