
TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

CBDTP SECOND SUBORDINATE REVENUE RESOLUTION

Adopted December 18, 2019

authorizing

**CBDTP SECOND SUBORDINATE REVENUE OBLIGATIONS
(Central Business District Tolling Program)**

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**CBDTP SECOND SUBORDINATE REVENUE OBLIGATIONS
(Central Business District Tolling Program)**

BE IT RESOLVED by the Board of the Triborough Bridge and Tunnel Authority as follows:

ARTICLE I

**STANDARD RESOLUTION PROVISIONS; DEFINITIONS; STATUTORY
AUTHORITY**

Section 101. Standard Resolution Provisions. Except as otherwise specifically provided herein, by Supplemental Resolution or by Section A-102, the Standard Resolution Provisions appended hereto as Annex A constitute an integral part of this CBDTP Second Subordinate Revenue Resolution and have the same force and effect as if set forth in the forepart of this CBDTP Second Subordinate Revenue Resolution.

Section 102. Definitions. Except as the context shall otherwise require, capitalized terms used but not otherwise defined herein shall have the respective meanings set forth in the **Standard Resolution Provisions** and the **Senior Resolution**. The following terms shall, for all purposes of this CBDTP Second Subordinate Revenue Resolution, have the following meanings:

“**Capital Cost CBDTP Second Subordinate Revenue Obligations**” shall mean CBDTP Second Subordinate Revenue Obligations authenticated and delivered on original issuance pursuant to Section 203.

“**Capital Costs**” shall mean (i) the costs of the Issuer or any other Related Entity for the planning, design, acquisition, construction, reconstruction, rehabilitation or improvement of all or any part of the Central Business District Tolling Program, including costs of acquisition of real or personal property or any interests therein, legal, administrative, engineering, planning, design, studies, insurance, financing costs (including Costs of Issuance), and initial working capital required for the commencement of operation of any such project and any capital contributions, whether or not represented by equity or debt securities or other evidences of indebtedness, made by the Issuer or any other Related Entity to any Person participating in the Central Business District Tolling Program for the purpose of funding any costs described in this clause (i); (ii) amounts paid into any Fund or Account upon the issuance of any CBDTP Second Subordinate Revenue Obligations; and (iii) payment when due (whether at the maturity of principal or on the due date of interest or upon redemption or when otherwise due, including by purchase or through tender or exchange) on any indebtedness or obligation of the Issuer or any other Related Entity which was issued or incurred to finance costs that could at the time of such payment be funded directly hereunder, including Obligations, Obligation Anticipation Notes, Parity Debt, Subordinated Indebtedness, Subordinated Contract Indebtedness (in each case, within the meaning of this CBDTP Second Subordinate Revenue Resolution, the Subordinate Resolution or the Senior

Resolution), or any termination or other payments for financial hedging arrangements, or any such indebtedness or obligation issued or incurred by any Related Entity in connection with the Central Business District Tolling Program.

“CBDTP Second Subordinate Revenue Obligations” or **“Obligations”** shall mean any bonds, notes, commercial paper or other form of indebtedness of the Issuer payable from the Debt Service Fund, authorized by Section 201 and delivered pursuant to Section 202 or authorized pursuant to Section A-203, *but excluding* CBDTP Second Subordinated Obligation Anticipation Notes to the extent payable from, and expected by an Authorized Officer to be paid from, the proceeds of CBDTP Second Subordinate Revenue Obligations or other CBDTP Second Subordinated Obligation Anticipation Notes.

“CBDTP Second Subordinate Revenue Resolution” or **“Resolution”** shall mean this CBDTP Second Subordinate Revenue Resolution (including the Standard Resolution Provisions set forth as Annex A) authorizing CBDTP Second Subordinate Revenue Obligations, as from time to time amended or supplemented by Supplemental Resolutions.

“Central Business District” shall mean the area described in Section 1704 of the New York Vehicle and Traffic Law where tolls may be charged for a vehicle’s entry into or remaining in such district, as amended or supplemented from time to time.

“Central Business District Tolling Collection System” shall mean the electronic system of collecting tolls or other charges using electronic data and/or images that the Issuer will plan, design, install and construct pursuant to the City Memorandum of Understanding, and that the Issuer shall operate as part of the Central Business District Tolling Program.

“Central Business District Tolling Customer Service Center” shall mean the customer contact and back-office system and operation services for the collection of Central Business District Tolls and enforcement of Central Business District Toll violations that the Issuer will plan, design, implement and operate as part of the Central Business District Tolling Program.

“Central Business District Tolling Infrastructure” shall mean the devices and structures, including but not limited to gantries, clear signage delineating entry into the Central Business District and toll amounts, and power and communication lines that the Issuer will plan, design, construct, and use as part of the Central Business District Tolling Program.

“Central Business District Tolling Program” shall mean the program for charging tolls for vehicles that enter or remain in the Central Business District and includes the Central Business District Tolling Infrastructure, the Central Business District Tolling Collection System and the Central Business District Tolling Customer Service Center. For purposes of clarification, the Central Business District Tolling Program shall also include the activities and costs included in the City Memorandum of Understanding in accordance with Section 1704 of the New York Vehicle and Traffic Law and Section 553-j of the New York Public Authorities Law.

“City Memorandum of Understanding” shall mean Memorandum of Understanding, dated June 11, 2019, between the Issuer and the New York City Department of Transportation entered into in accordance with Section 1704(2-a) of the New York Vehicle and Traffic Law, as amended or supplemented from time to time.

“**COI Account**” shall mean the Account by that name established in the Proceeds Fund pursuant to Section 502.

“**Debt Service Fund**” shall mean the Fund by that name established in Section 502.

“**Events of Default**” shall mean the events defined as such in Section 701.

“**Issuer**” shall mean TBTA.

“**Proceeds Fund**” shall mean the fund by that name established in Section 502.

“**Refunding CBDTP Second Subordinate Revenue Obligations**” shall mean all CBDTP Second Subordinate Revenue Obligations authenticated and delivered on original issuance pursuant to Section 204.

“**Senior Obligations**” shall mean Obligations as defined in the Senior Resolution.

“**Senior Parity Debt**” shall mean Parity Debt as defined in the Senior Resolution.

“**Senior Resolution**” shall mean the General Resolution authorizing General Revenue Obligations, adopted by the Issuer on March 26, 2002, as from time to time amended or supplemented by Supplemental Resolutions in accordance with the terms thereof.

“**Standard Resolution Provisions**” shall mean the Standard Resolution Provisions appended hereto as Annex A.

“**Subordinated Obligations**” shall mean Obligations as defined in the Subordinate Resolution.

“**Subordinate Parity Debt**” shall mean Parity Debt as defined in the Subordinate Resolution.

“**Subordinate Resolution**” shall mean the 2001 Subordinate Revenue Resolution authorizing Subordinated Obligations, adopted by the Issuer on March 26, 2002, as from time to time amended or supplemented by Supplemental Resolutions in accordance with the terms thereof.

“**Taxable CBDTP Second Subordinate Revenue Obligations**” or “**Taxable Obligations**” shall mean any CBDTP Second Subordinate Revenue Obligations which are not Tax-Exempt CBDTP Second Subordinate Revenue Obligations.

“**Tax-Exempt CBDTP Second Subordinate Revenue Obligations**” or “**Tax-Exempt Obligations**” shall mean any CBDTP Second Subordinate Revenue Obligations the interest on which is intended by the Issuer to be generally excluded from gross income for federal income tax purposes and which are designated as Tax-Exempt CBDTP Second Subordinate Revenue Obligations in the Supplemental Resolution authorizing such obligations.

“**Trust Estate**” shall mean, collectively, but subject to the terms and provisions of Section 501, all right, title and interest of the Issuer in:

- (i) the proceeds of the sale of the CBDTP Second Subordinate Revenue Obligations,
- (ii) the Revenues, and

(iii) all Funds, Accounts and subaccounts established by this CBDTP Second Subordinate Revenue Resolution (other than funds, and any accounts and subaccounts therein, established pursuant to a Supplemental Resolution in connection with Variable Interest Rate Obligations, Put Obligations, Parity Debt, Subordinated Indebtedness or Subordinated Contract Obligations; *provided however, that* such funds, accounts and subaccounts are specifically excepted from the Trust Estate by the Supplemental Resolution authorizing such Variable Interest Rate Obligations, Put Obligations, Subordinated Indebtedness or Subordinated Contract Obligations), including the investments, if any, thereof.

Section 103. Authority for this CBDTP Second Subordinate Revenue Resolution.

This CBDTP Second Subordinate Revenue Resolution is adopted pursuant to the provisions of the Issuer Act, authorizes debt which is Subordinated Indebtedness (as defined in the Subordinate Resolution), and is permitted by and consistent with the Senior Resolution and the Subordinate Resolution.

Section 104. Interpretation; Amendments to Certain Standard Resolution Provisions.

1. For purposes of clarification, the terms “Subordinated Indebtedness” and “Subordinated Contract Obligations” as used in any bond resolution of the Issuer secured by Revenues shall mean indebtedness and contract obligations secured by Revenues on a subordinated basis to the obligations and related parity debt issued under that bond resolution, notwithstanding the level of subordination. For example, the Subordinated Obligations and Subordinated Contract Obligations and the CBDTP Second Subordinate Revenue Obligations and Second Subordinate Parity Debt shall constitute Subordinated Indebtedness and Subordinated Contract Obligations for purposes of the Senior Resolution. Consequently, for purposes of the Senior Resolution, including, for example, the provisions of Section 503(1)(c) of the Senior Resolution relating to the application of Revenues prior to the transfer to the General Fund thereunder and Section 606(1)(A)(ii) relating to the rate covenant applicable to Subordinated Indebtedness and Subordinated Contract Obligations, reference to “Subordinated Indebtedness” and “Subordinated Contract Obligations” includes Subordinated Indebtedness and Subordinated Contract Obligations created under the Senior Resolution, the Subordinate Resolution and this CBDTP Second Subordinate Revenue Resolution. In addition, unless otherwise noted herein, the use of the terms Subordinated Indebtedness and Subordinated Contract Obligations for purposes of this CBDTP Second Subordinate Revenue Resolution refers to obligations that are secured in priority below the security for the CBDTP Second Subordinate Revenue Obligations and the Second Subordinate Parity Debt.

2. In the Standard Resolution Provisions, the term “Obligations” refers to “CBDTP Second Subordinate Revenue Obligations,” the term “Obligation Anticipation Notes” refers to “CBDTP Second Subordinated Obligation Anticipation Notes” and the term “Parity Debt” refers to “Second Subordinate Parity Debt.”

ARTICLE II

AUTHORIZATION AND ISSUANCE OF CBDTP SECOND SUBORDINATE REVENUE OBLIGATIONS

Section 201. Authorization of the CBDTP Second Subordinate Revenue Obligations. 1. This CBDTP Second Subordinate Revenue Resolution hereby authorizes Subordinated Indebtedness (as defined in the Subordinate Resolution) of the Issuer, to be designated as “CBDTP Second Subordinate Revenue Obligations (Central Business District Tolling Program)”, which CBDTP Second Subordinate Revenue Obligations, if and when authorized by the Issuer pursuant to one or more Supplemental Resolutions, may be issued in one or more Series or subseries. CBDTP Second Subordinate Revenue Obligations may be issued as Tax-Exempt CBDTP Second Subordinate Revenue Obligations, as Taxable CBDTP Second Subordinate Revenue Obligations, as obligations which convert on a particular date or dates from Taxable CBDTP Second Subordinate Revenue Obligations to Tax-Exempt CBDTP Second Subordinate Revenue Obligations, or as Taxable CBDTP Second Subordinate Revenue Obligations which are mandatorily exchangeable on a particular date or dates for Tax-Exempt CBDTP Second Subordinate Revenue Obligations, or otherwise as determined by Supplemental Resolution and not contrary to this CBDTP Second Subordinate Revenue Resolution as then in effect. The CBDTP Second Subordinate Revenue Obligations shall be special obligations of the Issuer payable solely from the Trust Estate pledged to the payment thereof pursuant to subsection 1 of Section 501. The aggregate principal amount of the CBDTP Second Subordinate Revenue Obligations which may be executed and delivered under this CBDTP Second Subordinate Revenue Resolution is not limited except as provided in this CBDTP Second Subordinate Revenue Resolution or as may from time to time be limited by law.

2. The CBDTP Second Subordinate Revenue Obligations may, if and when authorized by the Issuer pursuant to one or more Supplemental Resolutions, be issued in one or more Series or subseries, and the designations thereof, in addition to the name “CBDTP Second Subordinate Revenue Obligations”, shall include such further or different designations in such title for the CBDTP Second Subordinate Revenue Obligations of any particular Series or subseries as the Issuer may determine. Each CBDTP Second Subordinate Revenue Obligation shall bear upon its face the designation so determined for the Series or subseries to which it belongs.

3. Nothing in this CBDTP Second Subordinate Revenue Resolution shall be deemed to prevent the consolidation into a single Series or subseries for purposes of issuance and sale of CBDTP Second Subordinate Revenue Obligations otherwise permitted by this CBDTP Second Subordinate Revenue Resolution to be issued at the same time in two or more separate Series or subseries. In the event that separate Series or subseries are combined for purposes of issuance and sale, they may be issued under a single Supplemental Resolution notwithstanding any other provision of this CBDTP Second Subordinate Revenue Resolution. Nor shall anything in this CBDTP Second Subordinate Revenue Resolution (except to the extent required by Supplemental Resolution) be deemed to prevent the separation into separate Series or subseries for purposes of issuance and sale CBDTP Second Subordinate Revenue Obligations otherwise permitted by this CBDTP Second Subordinate Revenue Resolution to be issued in one Series or subseries.

4. CBDTP Second Subordinate Revenue Obligations may be issued for any of the purposes set forth in Sections 203, 204 and 205.

Section 202. General Provisions for Issuance of CBDTP Second Subordinate Revenue Obligations. CBDTP Second Subordinate Revenue Obligations may be issued pursuant to a Supplemental Resolution upon satisfaction of the provisions of Section A-201, except that the Opinion of Bond Counsel required by Section A-201.2(a)(iii) shall be to the effect that the CBDTP Second Subordinate Revenue Obligations are valid and binding special obligations of the Issuer, enforceable in accordance with their terms and the terms of this CBDTP Second Subordinate Revenue Resolution and entitled to the benefits of the Issuer Act as amended to the date of such Opinion of Bond Counsel.

Section 203. Special Provisions for Capital Cost CBDTP Second Subordinate Revenue Obligations. 1. CBDTP Second Subordinate Revenue Obligations of one or more Series may at any time, or from time to time, be authenticated and delivered upon original issuance pursuant to this Section 203 to pay, or to provide for the payment of, all or part of any Capital Costs only upon receipt by the Trustee (in addition to the items required by Section 202 and subsection 2 of this Section 203) of a certificate of an Authorized Officer certifying that the aggregate principal amount of all CBDTP Second Subordinate Revenue Obligations and Second Subordinate Parity Debt of all Series to be Outstanding immediately after such authentication and delivery shall not exceed five hundred and six million dollars; provided that there shall not be taken into account for purposes of such limitation the principal amount of Refunding CBDTP Second Subordinate Revenue Obligations issued in accordance with Section 204 hereof to the extent in excess of the principal amount of the CBDTP Second Subordinate Revenue Obligations being refunded thereby.

2. Regardless of the type of Capital Costs being financed, the CBDTP Second Subordinate Revenue Obligations of each Series delivered pursuant to subsection 1 of this Section 203 shall be authenticated and delivered by the Trustee only upon receipt by the Trustee (in addition to the items required by Section 202) of a certificate of an Authorized Officer to the effect that the Issuer then is, and upon the authentication and delivery of the CBDTP Second Subordinate Revenue Obligations of such Series shall be, in compliance with all applicable provisions of the Issuer Act relating to the issuance, sale and delivery of such CBDTP Second Subordinate Revenue Obligations.

Section 204. Refunding CBDTP Second Subordinate Revenue Obligations. 1. In addition to refinancings permitted under Section 203, one or more Series of Refunding CBDTP Second Subordinate Revenue Obligations (in an aggregate principal amount which will provide funds, together with other money available therefor, to accomplish such refunding) may be authenticated and delivered upon original issuance to refund (including by redemption, payment at maturity or in connection with exchanges or tenders) all or any portion of any Outstanding CBDTP Second Subordinate Revenue Obligations or Second Subordinate Parity Debt.

2. In addition to the requirements of Section 202, the Refunding CBDTP Second Subordinate Revenue Obligations of any Series shall be authenticated and delivered by the Trustee only upon receipt by the Trustee of:

(a) If the CBDTP Second Subordinate Revenue Obligations or Second Subordinate Parity Debt to be refunded is to be redeemed, instructions to the appropriate trustee, satisfactory to it, to give due notice of redemption of all the CBDTP Second Subordinate Revenue Obligations or Second Subordinate Parity Debt to be refunded on the redemption dates specified in such instructions;

(b) If the CBDTP Second Subordinate Revenue Obligations or Second Subordinate Parity Debt to be refunded is to be deemed paid within the meaning of the second sentence of subsection 2 of Section A-1101 of this CBDTP Second Subordinate Revenue Resolution, irrevocable instructions to the Trustee, satisfactory to it, to provide notice in the manner provided in the second sentence of such subsection 2 of Section A-1101 or similar provision with respect to Second Subordinate Parity Debt with respect to the payment of such CBDTP Second Subordinate Revenue Obligations or Second Subordinate Parity Debt pursuant to such Section or provision;

(c) If the CBDTP Second Subordinate Revenue Obligations or Second Subordinate Parity Debt to be refunded is to be deemed paid within the meaning of the second sentence of subsection 2 of Section A-1101, either (i) money or (ii) Defeasance Securities as shall be necessary to comply with the provisions of the second sentence of subsection 2 of Section A-1101, which money and Defeasance Securities shall be held in trust and used only as provided in said subsection 2;

(d) If the proceeds of such Series of Refunding CBDTP Second Subordinate Revenue Obligations are to be utilized by the Issuer to purchase (in connection with a tender for or redemption of CBDTP Second Subordinate Revenue Obligations of Second Subordinate Parity Debt, or otherwise) CBDTP Second Subordinate Revenue Obligations or Second Subordinate Parity Debt to be delivered to the appropriate trustee in satisfaction of a Sinking Fund Installment in accordance with subsection 3 of Section A-502 or similar provision with respect to Second Subordinate Parity Debt, a certificate of an Authorized Officer specifying the matters required thereby; and

(e) A certificate of an Authorized Officer certifying that the Calculated Debt Service (as defined in the Standard Resolution Provisions appended hereto as Annex A) (*including* the Refunding CBDTP Second Subordinate Revenue Obligations then proposed to be issued *but not including* the CBDTP Second Subordinate Revenue Obligations or Second Subordinate Parity Debt to be refunded) in each year that the CBDTP Second Subordinate Revenue Obligations or Second Subordinate Parity Debt to be refunded were Outstanding following the refunding is less than before the refunding. In the event that such certification cannot be delivered, the Issuer may provide for such refunding by satisfying the requirements of Section 203.

The proceeds, including accrued interest, of the Refunding CBDTP Second Subordinate Revenue Obligations of each such Series shall be applied simultaneously with the delivery of such CBDTP Second Subordinate Revenue Obligations in the manner provided in the Supplemental Resolution authorizing such CBDTP Second Subordinate Revenue Obligations.

Section 205. Separately Financed Projects. Nothing in this CBDTP Second Subordinate Revenue Resolution shall prevent the Issuer from authorizing and issuing bonds,

notes, or other obligations or evidences of indebtedness, other than CBDTP Second Subordinate Revenue Obligations, for any project authorized by the Issuer Act or by other then-applicable State statutory provisions, or from financing any such project from other available funds (any such project including the Convention Center Project being referred to herein as a “**Separately Financed Project**”), if the debt service on such bonds, notes, or other obligations or evidences of indebtedness, if any, and the Issuer’s share of any operating expenses related to such Separately Financed Project are payable solely from funds not pledged to the payment of CBDTP Second Subordinate Revenue Obligations, including amounts released from the lien of the Senior Resolution, the Subordinate Resolution and this CBDTP Second Subordinate Revenue Resolution.

ARTICLE III

FORM OF CBDTP SECOND SUBORDINATE REVENUE OBLIGATIONS

Section 301. Form of CBDTP Second Subordinate Revenue Obligations. Subject to the provisions of this CBDTP Second Subordinate Revenue Resolution and except as otherwise provided pursuant to a Supplemental Resolution, each Series of CBDTP Second Subordinate Revenue Obligations shall be issued as fully registered securities in substantially the form provided in **Exhibit One**. Any Authorized Officer executing and delivering any such CBDTP Second Subordinate Revenue Obligations may make such changes in the form thereof as deemed necessary or convenient by such Authorized Officer, including changes to conform with (i) the terms of sale, (ii) the provisions of the related Supplemental Resolution, (iii) the requirements of the related Securities Depository, provider of a Credit Facility or Rating Agency, (iv) industry practice or (v) federal, State or City regulatory requirements, and the execution (whether manual or by facsimile) and delivery of any such obligations shall be conclusive evidence of the approval of all terms thereof by such Authorized Officer.

ARTICLE IV

REDEMPTION AT DEMAND OF THE STATE OR THE CITY

Section 401. Redemption at Demand of the State or the City. Except as otherwise provided pursuant to a Supplemental Resolution, either the State or the City may, upon furnishing sufficient funds therefor, require the Issuer to redeem all or any portion of the CBDTP Second Subordinate Revenue Obligations as provided in the Issuer Act.

ARTICLE V

MAINTENANCE AND ESTABLISHMENT OF FUNDS AND ACCOUNTS AND APPLICATION THEREOF

Section 501. The Pledge Effected by this CBDTP Second Subordinate Revenue Resolution. 1. The CBDTP Second Subordinate Revenue Obligations constitute Subordinated Indebtedness (as defined in the Senior Resolution and the Subordinate Resolution) and the rights of Owners to payment of the principal of and interest on the CBDTP Second Subordinate Revenue Obligations are subordinated to the rights of owners of Senior Obligations and Senior Parity Debt to the extent and in the manner provided in this Article V and in the Senior Resolution and are

further subordinated to the rights of the owners of Subordinated Obligations and Subordinate Parity Debt to the extent and in the manner provided in this Article V and in the Subordinate Resolution. The Trust Estate, subject to the subordination referenced in the preceding sentence, is hereby pledged for the payment of the principal and Redemption Price of, and interest on, and Sinking Fund Installments for, the CBDTP Second Subordinate Revenue Obligations and, on a parity basis, the Second Subordinate Parity Debt, in accordance with their terms and the provisions of this CBDTP Second Subordinate Revenue Resolution, subject only to the provisions of the Senior Resolution, the Subordinate Resolution and this CBDTP Second Subordinate Revenue Resolution permitting the application thereof for the purposes and on the terms and conditions set forth therein and herein.

2. The CBDTP Second Subordinate Revenue Obligations are payable solely from the Trust Estate subject and subordinate to the payments to be made with respect to Senior Obligations and Senior Parity Debt as provided in Sections 503, 507 and 604 of the Senior Resolution, and further subject and subordinate to the payments to be made with respect to Subordinated Obligations and Subordinate Parity Debt as provided in Section 503 of the Senior Resolution and Sections 505 and 602 of the Subordinate Resolution, and shall be secured by a lien on and pledge of the Trust Estate junior and inferior to the lien on and pledge of the Trust Estate created by the Senior Resolution for the payment of the Senior Obligations and Senior Parity Debt and further junior and inferior to the lien on and pledge of the Trust Estate created by the Subordinate Resolution for the payment of the Subordinated Obligations and Subordinate Parity Debt. The CBDTP Second Subordinate Revenue Obligations shall be payable from such amounts as shall from time to time be available for transfer pursuant to either Section 503.1(c) or Section 506.2 of the Senior Resolution and subject to the provisions of the Subordinate Resolution and any amounts so transferred shall thereafter be free and clear of the lien of the Senior Resolution and the Subordinate Resolution. The pledge created by this Section 501 shall in all respects secure on a *pari passu* basis all of the CBDTP Second Subordinate Revenue Obligations and Second Subordinate Parity Debt and, except as expressly so provided, nothing contained in this CBDTP Second Subordinate Revenue Resolution shall be deemed to confer on the Owners of any CBDTP Second Subordinate Revenue Obligations or Second Subordinate Parity Debt any rights in the Trust Estate superior or inferior to the Owners of any other CBDTP Second Subordinate Revenue Obligations or Second Subordinate Parity Debt.

3. The pledge created by subsection 1 of this Section 501 shall be valid and binding from and after the date of issuance and delivery of the first CBDTP Second Subordinate Revenue Supplemental Resolution Obligations, and the Trust Estate shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Issuer irrespective of whether such parties have notice thereof.

4. Subject to the provisions of this Section 501, the Trust Estate is and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge created by this CBDTP Second Subordinate Revenue Resolution, and all corporate action on the part of the Issuer to that end has been duly and validly taken; *provided, however, that* the Issuer may issue Subordinated Indebtedness or incur Subordinated Contract Obligations (in each case, as defined in the Senior Resolution and the Subordinate Resolution) secured on a *pari passu* basis with the CBDTP Second Subordinate Revenue

Obligations and Second Subordinate Parity Debt as to amounts available for transfer pursuant to either Section 503.1(c) or Section 506.2 of the Senior Resolution and subject to the Subordinate Resolution.

5. Nothing contained in this Section 501 shall be construed as limiting any authority granted to the Issuer elsewhere in this CBDTP Second Subordinate Revenue Resolution to issue or incur Obligation Anticipation Notes, other Subordinated Indebtedness (within the meaning of the Senior Resolution or the Subordinate Resolution or this CBDTP Second Subordinate Revenue Resolution) or Subordinated Contract Obligations (within the meaning of the Senior Resolution or the Subordinate Resolution or this CBDTP Second Subordinate Revenue Resolution), or shall be deemed a limitation upon the authority of the Issuer to issue any other bonds, notes or other obligations under the Issuer Act secured by any income and funds other than the Trust Estate.

Section 502. Establishment of Funds and Accounts. The following funds to be held by the Issuer are hereby established:

1. Proceeds Fund, and
2. Debt Service Fund.

There is hereby established in the Proceeds Fund, the COI Account. The Issuer may establish one or more additional funds, accounts or subaccounts by delivering to the Trustee a certificate of an Authorized Officer. Amounts held at any time by the Issuer in any of the Funds or Accounts established pursuant to this Section 502 shall be held in trust separate and apart from all other funds of the Issuer. The Trustee shall have no obligation to invest or reinvest any amounts held hereunder in the absence of written investment direction from the Issuer.

Section 503. Proceeds Fund. 1. The Issuer shall pay into the Proceeds Fund (and any designated Account or subaccount thereof) the amounts required to be so paid by the provisions of this CBDTP Second Subordinate Revenue Resolution or any Supplemental Resolution authorizing the issuance of any Series of CBDTP Second Subordinate Revenue Obligations for the purpose of financing Capital Costs relating to the Central Business District Tolling Program. The portion of any such amount determined by Supplemental Resolution to be used for the payment of Costs of Issuance shall be paid into and disbursed from the COI Account.

2. Unless otherwise provided in a Supplemental Resolution or in a resolution authorizing Obligation Anticipation Notes, amounts in the Proceeds Fund shall be applied solely to pay Capital Costs relating to the Central Business District Tolling Program. Any amounts in the Proceeds Fund which are in excess of the amounts required to pay for such costs may at the direction of an Authorized Officer be transferred to the Debt Service Fund. Upon the direction of an Authorized Officer, amounts in the Proceeds Fund may be invested in Authorized Investments. Except to the extent that a certificate of an Authorized Officer or a Supplemental Resolution provides that earnings on money and investments in the Proceeds Fund shall be deposited in the Debt Service Fund, such earnings shall be retained in the Proceeds Fund. Upon the direction of an Authorized Officer, the Issuer may, and to the extent required for payments from the Proceeds Fund shall, sell any such obligations at any time, and the proceeds of such sale, and of all payments

of principal or interest received at maturity or upon redemption or otherwise of such obligations shall be deposited in the Proceeds Fund.

3. When amounts are deposited in the Proceeds Fund to pay the capitalized cost of interest on CBDTP Second Subordinate Revenue Obligations of the Issuer, the Issuer shall pay from the Proceeds Fund to the Paying Agent, on or before the date or dates on which interest on such CBDTP Second Subordinate Revenue Obligations becomes due and payable, an amount equal to such interest.

4. Notwithstanding the above provisions of this Section but subject to any priority for Obligation Anticipation Notes, amounts in such Proceeds Fund must be applied to the payment of principal and Redemption Price of and interest on the CBDTP Second Subordinate Revenue Obligations and the payment of Second Subordinate Parity Debt, on a parity basis, when due at any time that other money is not available therefor.

Section 504. Debt Service Fund. 1. The Issuer shall transfer from the Revenue Fund (as defined in the Senior Resolution) from time to time (but no less frequently than on or before the 25th day of each calendar month), and after the monthly deposits required to be made pursuant to Section 5.04 of the Subordinate Resolution, from such amounts as shall from time to time be available for transfer pursuant to either Section 503.1(c) or Section 506.2 of the Senior Resolution, free and clear of the lien of the Senior Resolution and the Subordinate Resolution, the amount, if any, required so that the balance in said Fund shall equal the Accrued Debt Service to the last day of the current calendar month; *provided however, that* in no event shall the amount to be so transferred be less than the amounts required for all payment dates occurring prior to the 25th day of the next succeeding calendar month; *provided further that*, for the purposes of computing the balance in said Fund, there shall be included the amount, if any, set aside in any account within the Debt Service Fund or the Proceeds Fund or otherwise in trust for the payment of interest on CBDTP Second Subordinate Revenue Obligations or Second Subordinate Parity Debt to the last day of the current calendar month.

2. The Issuer shall pay out of the Debt Service Fund to the respective Paying Agents (i) on or before each interest payment date for any of the CBDTP Second Subordinate Revenue Obligations and Second Subordinate Parity Debt the amount required for the interest payable on such date unless such interest is paid pursuant to subsection 3 of Section 503, (ii) on or before each principal payment due date for any of the CBDTP Second Subordinate Revenue Obligations or Parity Debt the amount required for the principal amount (including the portion thereof payable in respect of a Parity Reimbursement Obligation) payable on such date, and (iii) on or before any redemption date for the CBDTP Second Subordinate Revenue Obligations and Second Subordinate Parity Debt the amount required for the payment of the Redemption Price of and interest on the CBDTP Second Subordinate Revenue Obligations or Second Subordinate Parity Debt then to be redeemed.

3. In the event of the refunding (including in connection with any payment at maturity, redemption, purchase, tender or exchange) of any CBDTP Second Subordinate Revenue Obligations, the Issuer may withdraw from the Debt Service Fund all or any portion of the amounts accumulated therein with respect to the Debt Service on the CBDTP Second Subordinate Revenue Obligations being refunded and (a) deposit such amounts, free and clear of any lien, pledge or

claim of this CBDTP Second Subordinate Revenue Resolution, with itself or an escrow agent to be held in trust solely for the purchase, exchange or payment of the principal or Redemption Price, if applicable, of and interest on the CBDTP Second Subordinate Revenue Obligations being refunded, (b) apply such amounts to pay the Costs of Issuance of the refunding CBDTP Second Subordinate Revenue Obligations, or (c) deposit such amounts in any Fund or Account established hereunder; *provided however, that* no such withdrawal or deposit shall be made unless (i) upon such refunding, the CBDTP Second Subordinate Revenue Obligations being refunded shall be deemed to have been paid within the meaning and with the effect provided in Section A-1101 and (ii) at the time of and giving effect to such withdrawal and refunding, there shall exist no deficiency in any Fund or Account established under this CBDTP Second Subordinate Revenue Resolution.

Section 505. Subordinated Indebtedness; Subordinated Contract Obligations. 1.

The Issuer may, at any time, or from time to time, issue Subordinated Indebtedness or incur Subordinated Contract Obligations payable out of, and which may be secured by a pledge of and lien on, such amounts as may from time to time be available for transfer pursuant to either Section 503.1(c) or Section 506.2 of the Senior Resolution, as specified with respect to any such Subordinated Indebtedness or Subordinated Contract Obligations by Supplemental Resolution or an Authorized Officer; *provided however, that* (a) such pledge shall be, and shall be expressed to be, subordinate in all respects to the pledge created by (i) the Senior Resolution as security for the Senior Obligations and Senior Parity Debt, (ii) the Subordinate Resolution as security for the Subordinated Obligations and Subordinate Parity Debt and (iii) this CBDTP Second Subordinate Revenue Resolution as security for the CBDTP Second Subordinate Revenue Obligations and the Second Subordinate Parity Debt, and (b) to the extent provided by Supplemental Resolution, any amounts so transferred shall thereafter be free and clear of any lien, pledge or claim of the Senior Resolution, the Subordinate Resolution and this CBDTP Second Subordinate Revenue Resolution. The Issuer may establish such priorities of payment and security among such Subordinated Indebtedness and Subordinated Contract Obligations as it deems appropriate.

2. The Issuer shall have the right to covenant with Persons to whom Subordinated Contract Obligations run and with the holders from time to time of Subordinated Indebtedness in order to add to the conditions, limitations and restrictions under which any additional Capital Cost Obligations or Refunding Obligations (each as defined in the Senior Resolution), Capital Cost Obligations or Refunding Obligations (each as defined in the Subordinate Resolution), or Capital Cost CBDTP Second Subordinate Revenue Obligations or Refunding CBDTP Second Subordinate Revenue Obligations may be issued, or Senior Parity Debt, Subordinate Debt or Second Subordinate Parity Debt may be incurred; *provided however, that* the Supplemental Resolution or indenture or other agreement providing for the issuance of such Subordinated Indebtedness or the incurrence of such Subordinated Contract Obligations shall not permit the holders of such obligations to declare the same, nor to instruct such holders' trustee to declare the same, to be immediately due and payable prior to any time that all Senior Obligations and Senior Parity Debt, Subordinated Obligations and Subordinate Parity Debt and CBDTP Second Subordinate Revenue Obligations and Second Subordinate Parity Debt have become due and payable.

ARTICLE VI

PARTICULAR COVENANTS OF THE ISSUER

The Issuer covenants and agrees as follows:

Section 601. Payment of CBDTP Second Subordinate Revenue Obligations. The Issuer shall duly and punctually pay or cause to be paid from the Trust Estate, subject to the subordination set forth in Section 501 hereof, the principal or Redemption Price, if any, of all CBDTP Second Subordinate Revenue Obligations and the interest thereon, at the dates and places and in the manner mentioned in the CBDTP Second Subordinate Revenue Obligations, according to the true intent and meaning thereof. The Issuer shall make the transfers required by Section 504.1 from such amounts as shall from time to time be available for transfer pursuant to either Section 503.1(c) or Section 506.2 of the Senior Resolution after satisfaction of the requirements of the Subordinate Resolution. In the event that at any time the amounts available to be transferred are not sufficient to make in full any transfer required hereunder and under any other Subordinated Indebtedness or Subordinated Contract Obligations (each as defined in the Senior Resolution and the Subordinate Resolution) of the Issuer on a parity with the CBDTP Second Subordinate Revenue Obligations as to such amounts, the Issuer shall apply the amounts then available pro rata among all such amounts then due with respect to all such parity obligations.

Section 602. Power to Issue CBDTP Second Subordinate Revenue Obligations and Effect Pledge. The Issuer is duly authorized under all applicable laws to create and issue the CBDTP Second Subordinate Revenue Obligations, adopt this CBDTP Second Subordinate Revenue Resolution and pledge the Trust Estate in the manner and to the extent provided in this CBDTP Second Subordinate Revenue Resolution. The CBDTP Second Subordinate Revenue Obligations and the provisions of this CBDTP Second Subordinate Revenue Resolution are and will be the legally valid and binding special obligations of the Issuer enforceable in accordance with their terms and the terms of this CBDTP Second Subordinate Revenue Resolution. The Issuer shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Trust Estate and all the rights of the Owners of CBDTP Second Subordinate Revenue Obligations under this CBDTP Second Subordinate Revenue Resolution against all claims and demands of all Persons whomsoever.

Section 603. Operation and Maintenance. The Issuer shall at all times operate or cause to be operated the TBTA Facilities properly and in a sound and economical manner and shall maintain, preserve and keep the same or cause the same to be maintained, preserved and kept, in good repair, working order and condition, and shall from time to time make, or cause to be made, all necessary and proper repairs, replacements and renewals so that at all times the operation thereof may be properly and advantageously conducted; *provided, however, that* nothing herein contained shall be construed (i) to affect the Issuer's powers under Section 602 of the Senior Resolution or (ii) to prevent the Issuer from ceasing to operate or maintain, or from leasing or disposing of, all or any of the TBTA Facilities if, in the judgment of the Issuer, it is advisable to lease, dispose of, or not to operate and maintain the same and the operation thereof shall not be essential to the maintenance and continued operation of any remaining TBTA Facilities and such cessation or disposition will not materially impair the Issuer's ability to meet the requirements of the rate covenant set forth in Section 606 of the Senior Resolution, and *provided further, however,*

the sale-leaseback or the lease-leaseback of any of the TBTA Facilities or other similar contractual arrangements, the effect of which is that the Issuer continues to retain as part of the Trust Estate the Revenues from such TBTA Facilities, shall not constitute a lease or disposition of such TBTA Facility for purposes of this Section 603 or Section 602 of the Senior Resolution.

Section 604. Rate and Other Covenants. The covenants of the Issuer contained in Sections 601, 602 and 606 of the Senior Resolution, as amended from time to time, shall inure to the benefit of owners of the CBDTP Second Subordinate Revenue Obligations hereunder and such Sections 601, 602 and 606, as amended from time to time, are hereby incorporated herein by reference to the same extent as if set forth verbatim and any CBDTP Second Subordinate Revenue Obligations issued and Outstanding hereunder shall be treated as Subordinated Indebtedness (as defined in the Senior Resolution) for purposes of such Section 606 of the Senior Resolution.

Section 605. Agreement of the State; Limited Waiver by Owners. The Issuer does hereby incorporate herein the pledges, covenants and agreements of the State with the Owners of the CBDTP Second Subordinate Revenue Obligations set forth in §§563 and 566-a of the TBTA Act as though set forth in full herein. Notwithstanding the provisions of the agreement of the State contained in subdivisions 2 and 3 of §563 of the TBTA Act, all Owners, by their acceptance and holding of the CBDTP Second Subordinate Revenue Obligations, consent to the construction and operation by the Issuer (or to the construction by Persons other than the Issuer if the Issuer shall have assumed the operation thereof), and waive any and all rights under said subdivisions of said §563 with respect to such construction and operation, of any vehicular toll bridge or toll tunnel crossing the East River in the City as to which a Supplemental Resolution confirming the pledge of the revenues therefrom shall have been filed with the Trustee together with the Counsel's Opinion required in connection therewith pursuant to Article A-VIII of the Senior Resolution.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES

Section 701. Events of Default. Each of the following events is defined as and shall constitute an "Event of Default" under this CBDTP Second Subordinate Revenue Resolution:

- (1) if default shall be made in the due and punctual payment of the principal or Redemption Price of, or interest on, any CBDTP Second Subordinate Revenue Obligation when and as the same shall become due and payable, whether at maturity or by call for redemption, or otherwise and such default shall continue for a period of 30 days, or
- (2) if default shall be made by the Issuer in the performance or observance on its part of any other of the covenants, agreements or conditions contained in this CBDTP Second Subordinate Revenue Resolution or in the CBDTP Second Subordinate Revenue Obligations, and such default shall continue for a period of 60 days after written notice thereof to the Issuer by the Trustee or to the Issuer and to the Trustee by the Owners of a majority in principal amount of the CBDTP Second Subordinate Revenue Obligations Outstanding, provided, however, that if such default shall be such that it cannot be corrected within such 60 day period, it shall not constitute an

Event of Default if corrective action is instituted within such period and diligently pursued until the failure is corrected.

Section 702. Powers of Trustee. 1. In the event that any Event of Default specified in Section 701 shall occur and be continuing, the Trustee may, and, upon written request of the Owners of a majority in aggregate principal amount of the CBDTP Second Subordinate Revenue Obligations then Outstanding, shall, in its name,

(a) by suit, action or proceeding in accordance with the civil practice law and rules, enforce all rights of the Owners of CBDTP Second Subordinate Revenue Obligations;

(b) bring suit upon the CBDTP Second Subordinate Revenue Obligations against the Issuer;

(c) by action or suit, require the Issuer to account as if it were the trustee of an express trust for the Owners of the CBDTP Second Subordinate Revenue Obligations;

(d) by action or suit, enjoin any acts or things which may be unlawful or in violation of the rights of the Owners of the CBDTP Second Subordinate Revenue Obligations; or

(e) declare, on thirty days' written notice to the Issuer, the principal of all the CBDTP Second Subordinate Revenue Obligations then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and be immediately due and payable, anything in this CBDTP Second Subordinate Revenue Resolution or in any of the CBDTP Second Subordinate Revenue Obligations contained to the contrary notwithstanding; *provided however, that* the CBDTP Second Subordinate Revenue Obligations shall not in any event be declared due and payable prior to such time as all Senior Obligations and Senior Parity Debt have become due and payable.

The right of the Trustee or of the Owners of a majority in principal amount of the CBDTP Second Subordinate Revenue Obligations to make any such declaration as aforesaid, however, is subject to the condition that if, at any time after such declaration, but before the CBDTP Second Subordinate Revenue Obligations shall have matured by their terms, all overdue installments of interest upon the CBDTP Second Subordinate Revenue Obligations, together with the reasonable and proper charges, expenses and liabilities of the Trustee, and all other sums then payable by the Issuer under this CBDTP Second Subordinate Revenue Resolution (except the principal of, and interest accrued since the next preceding interest date on, the CBDTP Second Subordinate Revenue Obligations due and payable solely by virtue of such declaration) shall either be paid by or for the account of the Issuer or provision satisfactory to the Trustee shall be made for such payment, and all defaults under the CBDTP Second Subordinate Revenue Obligations or under this CBDTP Second Subordinate Revenue Resolution (other than the payment of principal and interest due and payable solely by reason of such declaration) shall be made good or be secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, then and in every such case the Owners of a majority in principal amount of the CBDTP Second Subordinate Revenue Obligations Outstanding, by written notice to the Issuer and to the Trustee, may rescind such declaration and annul such default in its entirety, or, if the Trustee shall have acted without a direction from the Owners, and if there shall not have been theretofore

delivered to the Trustee written direction to the contrary by the Owners of a majority in principal amount of the CBDTP Second Subordinate Revenue Obligations then Outstanding, then any such declaration shall automatically be deemed to be rescinded and any such default and its consequences shall automatically be deemed to be annulled, but no such rescission and annulment shall extend to or affect any subsequent default or impair or exhaust any right or power consequent thereon.

2. Subject to the provisions of Sections 701 and A-1001 and the foregoing provisions of this Section 702, the remedies conferred upon or reserved to the Trustee in respect of any Event of Default are not intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this CBDTP Second Subordinate Revenue Resolution or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than notice as may be expressly required herein.

3. The Trustee shall in addition to the foregoing powers, have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incidental to the general representation of Owners of CBDTP Second Subordinate Revenue Obligations in the enforcement and protection of their rights.

4. The Issuer covenants that if an Event of Default shall have happened and shall not have been remedied, the books of record and account of the Issuer and all other records relating to the Trust Estate shall at all times be subject to the inspection and use of the Trustee and of its agents and attorneys and, upon demand of the Trustee, the Issuer will account, as if it were the trustee of an express trust, for the Trust Estate for such period as shall be stated in such demand.

5. The right of the Trustee to the appointment of a receiver as provided in Section 567 of the Issuer Act is hereby abrogated.

Section 703. Priority of Payments After Default. 1. In the event that the funds held by the Fiduciaries shall be insufficient for the payment of interest and principal or Redemption Price then due on the CBDTP Second Subordinate Revenue Obligations and for payments then due with respect to Parity Debt, such funds (excluding funds held for the payment or redemption of particular CBDTP Second Subordinate Revenue Obligations which have theretofore become due at maturity or by call for redemption and funds which at the time of their deposit into any fund or account under this CBDTP Second Subordinate Revenue Resolution have been designated to be applied solely to the payment of the principal of and premium, if any, and interest on any series of Subordinated Obligation Anticipation Notes) and any other money received or collected by the Fiduciaries, or the Trustee, after making provision for the payment of any expenses necessary in the opinion of the Trustee to preserve the continuity of the amounts to be received under this CBDTP Second Subordinate Revenue Resolution or otherwise to protect the interest of the Owners of the CBDTP Second Subordinate Revenue Obligations, and for the payment of the charges and

expenses and liabilities incurred and advances made by the Fiduciaries in the performance of their duties under this CBDTP Second Subordinate Revenue Resolution, shall be applied as follows:

2. Unless the principal of all of the CBDTP Second Subordinate Revenue Obligations shall have become due and payable,

First: To the payment to the Persons entitled thereto of all installments of interest then due with respect to CBDTP Second Subordinate Revenue Obligations and the interest components of Parity Debt in the order of the maturity of such installments and interest components, and, if the amount available shall not be sufficient to pay in full any installments and interest components due on the same date, then to the payment thereof ratably, according to the amounts due on such installments and interest components, to the Persons entitled thereto, without any discrimination or preference, except as to the difference in the respective rates of interest specified in such CBDTP Second Subordinate Revenue Obligations and Parity Debt; and

Second: To the payment to the Persons entitled thereto of the unpaid principal or Redemption Price of any CBDTP Second Subordinate Revenue Obligations and the principal component of Parity Debt which shall have become due, whether at maturity or by call for redemption, in the order of their due dates and, if the amount available shall not be sufficient to pay in full all the CBDTP Second Subordinate Revenue Obligations and Parity Debt due on any date, then to the payment thereof ratably, according to the amounts of principal and Redemption Price and principal component due on such date, to the Persons entitled thereto, without any discrimination or preference

3. If the principal of all of the CBDTP Second Subordinate Revenue Obligations and the principal component of Parity Debt shall have become due and payable, to the payment of the principal and interest then due and unpaid upon the CBDTP Second Subordinate Revenue Obligations and Parity Debt without preference or priority of principal or principal component over interest or interest component or of interest or interest component over principal or principal component, or of any installment of interest or interest component over any other installment of interest or interest component, or of any CBDTP Second Subordinate Revenue Obligation or Parity Debt over any other CBDTP Second Subordinate Revenue Obligation or Parity Debt, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto, without any discretion or preference except as to any difference in the respective rates of interest specified in the CBDTP Second Subordinate Revenue Obligations and Parity Debt.

4. The provisions of this Section 703 are in all respects subject to the provisions of Section A-602.

EXHIBIT ONE

FORM OF CBDTP SECOND SUBORDINATE REVENUE OBLIGATIONS

[FORM OF CBDTP SECOND SUBORDINATE REVENUE OBLIGATIONS]

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the Resolution referred to herein, until the termination of the system of book-entry-only transfers through DTC and notwithstanding any other provision of the Resolution to the contrary, a portion of the principal amount of this Bond may be paid or redeemed without surrender hereof to the Paying Agent. DTC or a nominee, transferee or assignee of DTC of this Bond may not rely upon the principal amount indicated hereon as the principal amount hereof outstanding and unpaid. The principal amount hereof outstanding and unpaid shall for all purposes be the amount determined in the manner provided in the Resolution.

**TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY
CBDTP SECOND SUBORDINATE REVENUE BOND
(Central Business District Tolling Program),
SERIES _____**

REGISTERED NO.

DOLLARS

INTEREST RATE

MATURITY DATE

DATED DATE

CUSP

Registered Owner:

Principal Sum:

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY (herein called “TBTA”), a body corporate and politic constituting a public benefit corporation, organized and existing under and by virtue of the laws of the State of New York, acknowledges itself indebted to, and for value received hereby promises to pay to the Registered Owner stated above, or registered assigns, on the Maturity Date set forth above, but solely from the Trust Estate defined below, upon presentation and surrender of this Bond at the office or agency of TBTA designated for such payment in the Borough of Manhattan, City and State of New York, or, at the option of the Registered Owner hereof at any other office or agency of TBTA designated by TBTA for such payment, the Principal Sum set forth above in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and to pay to the Registered Owner hereof interest on such Principal Sum, such payment to be made by _____, as Paying Agent, from the Dated Date set forth above or such later date to which interest has been paid, at the Interest Rate per annum set forth

above, payable on _____, and semi-annually thereafter on the first days of _____ and _____ in each year, until TBTA's obligation with respect to the payment of such Principal Sum shall be discharged. Interest on the Series _____ Bonds shall be computed on the basis of a 360-day year consisting of 12 30-day months. Interest will be paid by check mailed on the interest payment date by the Paying Agent to the Registered Owner at his address as it appears on the registration records or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Series _____ Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner, provided such Owner has notified the Trustee (as hereinafter defined) in writing of such Owner's wire transfer address (which shall be in the continental United States) at least 15 days prior to the relevant payment date. *In the event that any payment date is not a business day, payment will be made on the next business day with the same force and effect as if made on the nominal date provided in the Resolution and no interest shall accrue during the intervening period with respect to any payment so deferred.*

This Bond is one of a duly authorized issue of obligations of TBTA designated as its "CBDTP Second Subordinate Revenue Obligations (Central Business District Tolling Program)" (herein called the "Bonds") issued under and pursuant to the Triborough Bridge and Tunnel Authority Act, Title 3 of Article 3 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of the State of New York, as amended (herein called the "TBTA Act"), and under and pursuant to a resolution of TBTA adopted on December __, 2019, entitled "CBDTP Second Subordinate Revenue Resolution Authorizing Second Subordinate Revenue Obligations (Central Business District Tolling Program)", as supplemented. Said resolution, as supplemented and amended, is herein called the "Resolution". The Bonds constitute "Subordinate Indebtedness" under the resolutions of TBTA adopted on March 26, 2002, entitled "General Resolution Authorizing General Revenue Obligations" (the "Senior Resolution") and "2001 Subordinate Revenue Resolution" (the "Subordinate Resolution"). This Bond is one of a series of Bonds designated as "Second Subordinate Revenue Bonds (Central Business District Tolling Program), Series ____ (herein called the "Series ____ Bonds"), issued in the aggregate principal amount of \$ _____ under said Resolution. All capitalized terms used but not otherwise defined have the respective meanings ascribed by the Resolution.

Copies of the Resolution are on file at the office of TBTA and at the principal corporate trust office of _____, New York New York as Trustee under the Resolution, or its successor as Trustee (herein called the "Trustee"), in the Borough of Manhattan, City and State of New York and reference to the Resolution and any and all supplements thereto and modifications and amendments thereof and to the TBTA Act is hereby made for a complete description of the pledge and covenants securing the Series ____ Bonds, the nature, extent and manner of enforcement of and limitation with respect to, such pledge, the rights and remedies of the registered owners of the Series ____ Bonds with respect thereto, and the terms and conditions upon which the Bonds are issued and may be issued thereunder.

This bond is a special obligation of TBTA, secured by a pledge, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution, of all right, title and interest of TBTA in the "Trust Estate", being (i) all Revenues, (ii) the proceeds of the sale of the Bonds, and (iii) all Funds, accounts and sub-accounts established by the Resolution (subject to specified provisions of the Resolution) including the investments, if any, thereof. *The Pledge created by the Resolution,*

insofar as it relates to any portion of the Trust Estate pledged pursuant to the either the Senior Resolution or the Subordinate Resolution, is, and is hereby expressly declared to be, subordinate in all respects to the pledge thereof created pursuant to such Senior Resolution and Subordinate for so long as the lien of either the Senior Resolution or the Subordinate Resolution remains. No payment shall be made from the Trust Estate, whether for interest, principal or premium on any of the Bonds, except as and to the extent permitted by either the Senior Resolution or the Subordinate Resolution.

To the extent provided in the Resolution, the Bonds may be issued from time to time pursuant to Supplemental Resolutions in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as provided in the Resolution. The aggregate principal amount of Bonds which may be issued under the Resolution is not limited except as provided in the Resolution, and all Bonds issued and to be issued under the Resolution are and will be equally secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in the Resolution. The Bondholders, by their acceptance and holding of the Bonds, waive, to the extent provided in the Resolution, all rights under subdivisions 2 and 3 of Section 563 of the TBTA Act with respect to certain competitive connections for vehicular traffic across the East River in The City of New York.

The events specified in the Resolution as such shall constitute Events of Default and the Trustee and the Owners shall have the rights and remedies provided by the Resolution. The principal of the Bonds may be declared due and payable before maturity thereof as provided in the Resolution.

To the extent provided in the Resolution, Parity Debt, secured on a parity with the Bonds with respect to all right, title and interest of TBTA in the Trust Estate may be issued or entered into by TBTA. The aggregate principal amount of Parity Debt which may be issued or entered into under the Resolution is not limited except as provided in the Resolution.

To the extent and in the manner permitted by the terms of the Resolution, modification or amendment of the Resolution and of the rights and obligations of TBTA and of the Owners of the Bonds may be made by a Supplemental Resolution, in certain instances without the written consent of the Owners of the Bonds. Reference is made to the Resolution for the terms and provisions thereof relating to amendments and supplements.

The Series ___ Bonds are issued by means of a book-entry-only system, with no physical distribution of bond certificates to be made except as provided in the Resolution. One or more bond certificates for each maturity, registered in the name of the Securities Depository Nominee, is being issued for deposit with the Securities Depository and immobilized in its custody. TBTA and the Trustee will recognize the Securities Depository Nominee, while the Registered Owner of this Bond, as the owner of this Bond for all purposes, including payments of principal of and Redemption Price and interest on this Bond, notices and voting.

The Series ___ Bonds are subject to redemption as provided in the Resolution, as supplemented in connection with the issuance of the Series ___ Bonds.

Either the State of New York or The City of New York may, upon furnishing sufficient funds therefor, require TBTA to redeem all or any portion of the Bonds as provided in the TBTA Act and the Resolution.

The TBTA Act provides that neither the members of TBTA nor any person executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

THE BONDS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR THE CITY OF NEW YORK AND NEITHER THE STATE NOR THE CITY SHALL BE LIABLE THEREON.

It is hereby certified and recited that all conditions, acts and things required by law and the Resolution to exist, to have happened and to have been performed precedent to and in the issuance of this Bond, exist, have happened and have been performed and that the issue of the Series _____ Bonds, together with all other indebtedness of TBTA, is within every debt and other limit prescribed by the laws of the State of New York.

This Bond shall not be entitled to any benefit under the Resolution or be valid or become obligatory for any purpose until this Bond shall have been authenticated by the execution by the Trustee of the Trustee's Certificate of Authentication hereon.

IN WITNESS WHEREOF, TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY has caused this Bond to be signed in its name and on its behalf by the manual or facsimile signature of its Authorized Officer as of the Dated Date.

**TRIBOROUGH BRIDGE AND TUNNEL
AUTHORITY**

BY: _____
[Authorized Officer]

[FORM OF CERTIFICATE OF AUTHENTICATION]

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within mentioned Resolution.

Date of Authentication:

BY: _____
Authorized Signatory

[Form of Assignment]

ASSIGNMENT

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

[PLEASE INSERT SOCIAL SECURITY NUMBER OR OTHER IDENTIFYING
NUMBER OF ASSIGNEE]

[PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF
TRANSFeree]

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints
_____ attorney to transfer the within Bond on
the books kept for registration thereof, with full power of substitution in the premises.

Date:

In the Presence of:

NOTICE: The signature must be guaranteed by
an officer of a commercial bank, trust company
or by a member of The New York Stock
Exchange or other national securities
exchange. Notarized or witnessed signatures
are not acceptable.

NOTICE: The signature of 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.

ANNEX A

STANDARD RESOLUTION PROVISIONS

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STANDARD RESOLUTION PROVISIONS

ARTICLE A-I

DEFINITIONS AND STATUTORY AUTHORITY

Section A-101. Definitions. Capitalized terms used but not otherwise defined in this Annex A shall have the meanings set forth in the Resolution to which this Annex A is appended. The following terms shall, for all purposes herein and (except as the context may otherwise require) in the Resolution to which this Annex A is appended, have the following meanings:

Account or **Accounts** shall mean each account or all of the accounts established in Article V of the Resolution.

Accreted Value shall mean with respect to any Capital Appreciation Obligations (i) as of any Valuation Date, the amount set forth for such date in the Supplemental Resolution authorizing such Capital Appreciation Obligations and (ii) as of any date other than a Valuation Date, the sum of (a) the Accreted Value on the preceding Valuation Date and (b) the product of (1) a fraction, the numerator of which is the number of days having elapsed from the preceding Valuation Date and the denominator of which is the number of days from such preceding Valuation Date to the next succeeding Valuation Date and (2) the difference between the Accreted Values for such Valuation Dates. For purposes of this definition, the number of days having elapsed from the preceding Valuation Date and the number of days from the preceding Valuation Date to the next succeeding Valuation Date shall be calculated on the basis of a 360-day year of 12 30-day months, unless otherwise provided pursuant to a Supplemental Resolution.

Accrued Debt Service shall mean, as of any date of calculation, an amount equal to the sum of the amounts of accrued and unpaid Debt Service with respect to all Obligations and Parity Debt, calculating the accrued Debt Service with respect to each obligation at an amount equal to the sum of (i) as estimated by an Authorized Officer, interest on the Obligations and interest components of Parity Debt accrued and unpaid and to accrue to the end of the then current calendar month, and (ii) Principal Installments due and unpaid and that portion of the Principal Installment for such Obligations and Parity Debt next due which would have accrued (if deemed to accrue in the manner set forth in the definition of “Debt Service”) to the end of such calendar month. For purposes of calculating Debt Service Fund deposits, Principal Installments shall not include amounts that an Authorized Officer has notified the Trustee are to be paid from sources other than Revenues, nor shall Accrued Debt Service include any amounts that, as certified by an Authorized Officer, have been set aside hereunder or otherwise in trust for the payment thereof.

Amortized Value, when used with respect to Authorized Investments purchased at a premium above or a discount below par, shall mean the value of such Authorized Investments computed by using an industry standard constant yield method selected by an Authorized Officer of the Issuer.

Appreciated Value shall mean with respect to any Deferred Income Obligations (i) as of any Valuation Date, the amount set forth for such date in the Supplemental Resolution authorizing such Deferred Income Obligations, (ii) as of any date prior to the Interest Commencement Date

other than a Valuation Date, the sum of (a) the Appreciated Value on the preceding Valuation Date and (b) the product of (1) a fraction, the numerator of which is the number of days having elapsed from the preceding Valuation Date and the denominator of which is the number of days from such preceding Valuation Date to the next succeeding Valuation Date and (2) the difference between the Appreciated Values for such Valuation Dates, and (iii) as of any date on and after the Interest Commencement Date, the Appreciated Value on the Interest Commencement Date. For purposes of this definition, the number of days having elapsed from the preceding Valuation Date and the number of days from the preceding Valuation Date to the next succeeding Valuation Date shall be calculated on the basis of a 360-day year of 12 30-day months, unless otherwise provided pursuant to a Supplemental Resolution.

Authorized Investments shall mean and include any of the following, to the extent the same are legal for investment of the Issuer's funds:

- (i) obligations of the State or the United States government;
- (ii) obligations the timely payment of the principal and interest on which are unconditionally guaranteed by the State or the United States government;
- (iii) certificates of deposit of banks or trust companies in the State, secured, if the Issuer shall so require, by obligations of the United States or of the State of a market value equal at all times to the amount of the deposit;
- (iv) banker's acceptances with a maturity of 90 days or less which are eligible for purchase by the federal reserve banks and whose rating at the time of purchase is in the highest Rating Category of each of the Rating Agencies that then rates such banker's acceptances;
- (v) obligations of any bank or corporation created under the laws of either the United States or any state of the United States maturing within 270 days, provided that such obligations are rated in the highest Rating Category of each of the Rating Agencies that then rates such obligations;
- (vi) notes, bonds, debentures, mortgages and other evidences of indebtedness, issued or guaranteed at the time of the investment by the United States Postal Service, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Student Loan Marketing Association, the Federal Farm Credit System, or any other United States government sponsored agency, provided that at the time of the investment such agency or its obligations are rated and the agency receives, or its obligations receive, ratings in the highest Rating Category of each of the Rating Agencies that then rates such agency or its obligations;
- (vii) (A) general obligation bonds and notes of any state other than the State, provided that such bonds and notes are rated in the highest Rating Category of each of the Rating Agencies that then rates such bonds and notes, and (B) bonds and notes of any county, town, city, village, fire district or school district of the State, provided that such bonds and notes are rated in either

of the 2 highest Rating Categories of each of the Rating Agencies that then rates such bonds and notes;

- (viii) mutual funds registered with the United States Securities and Exchange Commission, whose investments are limited to obligations of the State described in clause (i) above, obligations the principal and interest of which are guaranteed by the State as described in clause (ii) above, and those securities described in clause (vii) above, and that are rated in the highest Rating Category of each of the Rating Agencies that then rates such funds;
- (ix) repurchase agreements with any dealer or bank, which agreement is secured by any one or more of the securities described in clauses (i), (ii) or (vi) above, which securities shall (A) at all times have a market value of not less than the full amount held or invested pursuant to the agreement and (B) be delivered to a Bank as defined in clause (i) or (ii) of the definition thereof, as custodian, that is independent from the dealer or bank with whom the repurchase agreement is executed; and
- (x) any other investment in which the Issuer is authorized from time to time to invest under applicable law with respect to which an Authorized Officer has, on or before the date thereof, delivered to the Trustee (A) a certificate to the Trustee designating the additional investment as an Authorized Investment and (B) Rating Confirmation.

In addition to the foregoing, in the case of any money held in reserve and sinking funds “Authorized Investments” shall include any other securities in which the trustee or trustees of any public retirement system or pension fund has the power to invest the money thereof pursuant to Article four-a of the Retirement and Social Security Law of the State, each such reserve and sinking fund being treated as a separate fund for the purposes of Article four-a of the Retirement and Social Security Law of the State.

Any investment in any of the foregoing obligations may be made in the form of an entry made on the records of the issuer of the particular obligations or of a recognized securities depository.

Authorized Officer shall mean (i) the Chairman and the Vice Chairman, (ii) the Executive Director, the Comptroller, the Chief Financial Officer, the Secretary and any Assistant Secretary of the Issuer, (iii) the Chief Financial Officer, the Director of Finance, and the Director of Budget and Financial Management of the MTA, and (iv) any other Person authorized by the Issuer to perform the act or sign the document in question.

Balloon Obligations shall mean Obligations which have been identified in a Certificate of Determination as a Balloon Obligation. Such Certificate of Determination shall set forth the expected refinancing, including the expected ultimate final maturity and amortization schedule of the refinancing or refinancings of such Balloon Obligation (including successor Balloon Obligations) and the Estimated Average Interest Rate for purposes of determining Calculated Debt Service of such Balloon Obligation.

Bank shall mean any (i) bank or trust company organized under the laws of any state of the United States of America, (ii) national banking association, (iii) savings bank or savings and loan association chartered or organized under the laws of any state of the United States of America, or (iv) federal branch or agency pursuant to the International Banking Act of 1978 or any successor provisions of law, or domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America.

Business Day shall mean any day of the year other than (i) Saturday or Sunday, (ii) any day on which Banks located in New York, New York or the city in which the Principal Office of the Trustee is located are required or authorized by law to remain closed, or (iii) any day on which the New York Stock Exchange is closed.

Calculated Debt Service for any period shall mean, as of any date of calculation and with respect to any Series of Obligations or any Parity Debt, the sum of Debt Service for such period determined by the Issuer based on the following adjustments:

(1) Interest on **Variable Interest Rate Obligations** shall be based on the Estimated Average Interest Rate applicable thereto.

(2) Interest on any **Obligation or Parity Debt** in respect of which the Issuer has entered into a **Qualified Swap** shall be based on:

(a) the fixed rate or rates of the Qualified Swap if the Issuer has entered into what is generally referred to as a “**floating-to-fixed**” Qualified Swap (where the Issuer pays a fixed rate and receives a floating rate); or

(b) the lower of (i) the Estimated Average Interest Rate and (ii) the effective capped rate of any Obligation or Parity Debt if the Issuer has entered into a Qualified Swap that is generally referred to as an “**interest rate cap**” (where the Issuer receives a payment if a variable rate exceeds a certain amount); or

(c) the Estimated Average Interest Rate of the Qualified Swap if the Issuer has entered into either what is generally referred to as a “**fixed-to-floating**” Qualified Swap (where the Issuer pays a variable rate and receives a fixed rate) or a “**floating-to-floating**” Qualified Swap (where the Issuer pays a variable rate and receives a different variable rate).

(3) With respect to **Put Obligations** and **Balloon Obligations** of a Series, (i) Principal Installments shall be deemed to amortize over a 30-year period from their date of issuance based on substantially level debt service as estimated by the Issuer, and (ii) interest shall be based on the actual interest rate or the Estimated Average Interest Rate, as applicable, or for both (i) and (ii) above, as otherwise set forth in a Supplemental Resolution or Certificate of Determination with respect to the issuance of such Obligations.

(4) If the Issuer **has irrevocably deposited Authorized Investments** or money with the Trustee (or otherwise in trust) for the payment of any portion of Debt Service, the expected future cash flow from such Authorized Investments and money shall be deducted from Debt Service.

(5) If the Issuer has, at any time, **irrevocably called for redemption** one or more Series of Obligations, including pursuant to a covenant to apply any portion of the Trust Estate to redeem Obligations or Parity Debt (which particular Obligations or Parity Debt need not be specifically identified in advance, except as to interest rate and maturity), the Issuer shall take into account such redemption for purposes of determining Calculated Debt Service.

(6) With respect to **Parity Reimbursement Obligations**, accelerated payments of principal shall only be taken into account if, at the time of calculation, such amounts are payable due to a draw under a credit or liquidity facility.

Capital Appreciation Obligations shall mean any Obligations denominated as such and issued as to which interest is payable only at the maturity or prior redemption of such Obligations. Except as otherwise provided by Supplemental Resolution, for the purposes of (i) receiving payment of the Redemption Price if a Capital Appreciation Obligation is redeemed prior to maturity, (ii) computing the principal amount of Obligations held by the registered owner of a Capital Appreciation Obligation in giving to the Issuer or the Trustee any notice, consent, request, or demand pursuant to the Resolution for any purpose whatsoever or (iii) computing Debt Service, the principal amount of a Capital Appreciation Obligation shall be deemed to be its Accreted Value (which in the case of clause (ii) may be the Accreted Value as of the immediately preceding Valuation Date).

Certificate of Determination shall mean a certificate of an Authorized Officer of the Issuer fixing terms, conditions and other details of Obligations, Parity Debt, Credit Facilities, Subordinated Indebtedness or Subordinated Contract Obligations in accordance with the delegation of power to do so under a Supplemental Resolution.

City shall mean The City of New York.

Costs of Issuance shall mean the costs of the authorization, sale and issuance of a Series of Obligations, Obligation Anticipation Notes, Subordinated Indebtedness, Parity Debt, Subordinated Contract Obligations or other obligations authorized under the Resolution, including with respect to any party to a transaction State bond issuance charges, document printing and reproduction costs, filing and recording fees, costs of credit ratings, fees and charges of the Trustee and other Fiduciaries and agents, legal fees and charges, professional consultants' fees, underwriting fees, fees and charges for execution, transportation and safekeeping of Obligations, premiums, fees and charges in order to obtain, renew, extend or terminate Credit Facilities and Qualified Swaps and other financial arrangements, costs and expenses of refunding such Obligations, Obligation Anticipation Notes, Subordinated Indebtedness, Parity Debt, Subordinated Contract Obligations or other obligations authorized under this Resolution, and other costs, charges and fees, including those of the Issuer and any other Related Entities, in connection with the foregoing.

Counsel's Opinion or **Opinion of Counsel** or **Opinion** shall mean an opinion signed by an attorney or firm of attorneys of recognized standing (who may be counsel to the Issuer) selected by the Issuer.

Credit Facility shall mean any letter of credit, standby bond purchase agreement, line of credit, policy of bond insurance, surety bond, guarantee or similar instrument, or any agreement relating to the reimbursement of any payment thereunder (or any combination of the foregoing), which is obtained by the Issuer and is issued by a financial institution, insurance provider or other Person and which provides security or liquidity in respect of any Outstanding Obligations, Parity Debt or Obligation Anticipation Notes.

Debt Service for any period shall mean, as of any date of calculation and with respect to any Series of Obligations or any Parity Debt outstanding, the sum of (i) interest on the Obligations of such Series and the interest components of Parity Debt accruing during such period and (ii) that portion of each Principal Installment for such Obligations and Parity Debt that would accrue during such period if such Principal Installment were deemed to accrue daily in equal amounts from the preceding Principal Installment payment date on Outstanding Obligations and Parity Debt; *provided, however, that*, unless otherwise set forth in a Supplemental Resolution, no Principal Installment shall be deemed to begin accruing until *the later of* one year prior to such Principal Installment's due date and the date of issuance or incurrence of the related Obligation or Parity Debt.

Debt Service Payment Date shall mean, with respect to any portion of Debt Service, the date on which the Debt Service shall be payable.

Defeasance Security shall mean

(i) an Authorized Investment as specified in clause (i) of the definition thereof (other than an obligation of the State), which is not redeemable at the option of the issuer thereof

(ii) an Authorized Investment as specified in clause (i) (which is an obligation of the State), (ii), (iii), (vi) or (vii) of the definition thereof, which is not redeemable at the option of the issuer thereof and which shall be rated at the time of the investment in the highest long-term Rating Category by each Rating Agency,

(iii) any depositary receipt issued by a Bank as custodian with respect to any Defeasance Security which is specified in clause (a) above and held by such Bank for the account of the holder of such depositary receipt, or with respect to any specific payment of principal of or interest on any such Defeasance Security which is so specified and held, provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depositary receipt from any amount received by the custodian in respect of the Defeasance Security or the specific payment of principal or interest evidenced by such depositary receipt,

(iv) any certificate of deposit specified in clause (iii) of the definition of Authorized Investments in Section A-101, including certificates of deposit issued by the Trustee or by a Paying Agent, secured by obligations specified in clause (a) above of a market value equal at all times to the amount of the deposit, which shall be rated at the time of the investment in the highest long-term Rating Category by each Rating Agency, or

(v) any other Authorized Investment designated in a Supplemental Resolution as a Defeasance Security for purposes of defeasing the Obligations authorized by such Supplemental Resolution, which is not redeemable at the option of the issuer thereof and which shall be rated at the time of the investment in the highest long-term Rating Category by each Rating Agency.

Deferred Income Obligation shall mean any Obligation (A) as to which interest accruing thereon prior to the Interest Commencement Date of such Obligation is (i) compounded on each Valuation Date for such Deferred Income Obligation and (ii) payable only at the maturity or prior redemption of such Obligations and (B) as to which interest accruing after the Interest Commencement Date is payable on the first interest payment date succeeding the Interest Commencement Date and periodically thereafter on the dates specified in or determined by Supplemental Resolution. Except as otherwise provided by Supplemental Resolution, for the purposes of (i) receiving payment of the Redemption Price if a Deferred Income Obligation is redeemed prior to maturity, (ii) computing the principal amount of Obligations held by the registered owner of a Deferred Income Obligation in giving to the Issuer or the Trustee any notice, consent, request, or demand pursuant to the Resolution for any purpose whatsoever or (iii) computing Debt Service, the principal amount of a Deferred Income Obligation shall be deemed to be its Appreciated Value (which in the case of clause (ii) may be the Appreciated Value as of the immediately preceding Valuation Date).

Estimated Average Interest Rate shall mean, as to any Variable Interest Rate Obligations or Qualified Swap and as of any date of calculation, the average interest rate or rates anticipated to be borne by such Obligations or Qualified Swap, or by the combination of such arrangements, over the period or periods for which such rate or rates are anticipated to be in effect, all as estimated by an Authorized Officer.

Fiduciary or Fiduciaries shall mean the Trustee, any Registrar, any Paying Agent, any tender agent or any or all of them, as may be appropriate, or any Person appointed to act as a Fiduciary as provided in the Resolution.

Final Judgment shall mean any judgment or order of any court of competent jurisdiction, or of any arbitrator or panel of arbitrators, as to which all appeals have been exhausted.

Fund or Funds shall mean each fund or all of the funds established in or pursuant to Article V of the Resolution.

Interest Commencement Date shall mean, with respect to any particular Deferred Income Obligation, the date determined by Supplemental Resolution after which interest accruing on such Obligation shall be payable on the first interest payment date succeeding such Interest Commencement Date and periodically thereafter on the dates determined pursuant to such Supplemental Resolution.

Issuer Act shall mean the MTA Act in the event that the MTA is defined in the Resolution as the Issuer or the TBTA Act in the event that the TBTA is defined in the Resolution as the Issuer, together with any other applicable law of the State authorizing the issuance of the related

Obligations by the Issuer or expressly limiting the issuance thereof or governing the security therefor.

LIRR shall mean The Long Island Rail Road Company and any successor thereto.

MaBSTOA shall mean the Manhattan and Bronx Surface Transit Operating Authority and any successor thereto.

MNCRC shall mean the Metro-North Commuter Railroad Company and any successor thereto.

MSBA shall mean the Metropolitan Suburban Bus Authority and any successor thereto.

MTA shall mean the Metropolitan Transportation Authority, the corporation organized and existing under the MTA Act, and any successor thereto.

MTA Act shall mean the Metropolitan Transportation Authority Act, being Title 11 of Article 5 of the New York Public Authorities Law, as from time to time amended.

MTA Bus shall mean the MTA Bus Company and any successor thereto.

Obligation Anticipation Notes shall mean any such notes issued and delivered pursuant to Section A-203, except to the extent (but only to the extent) that all or any portion of such notes either are not payable, or are anticipated by the Issuer not to be paid, from the proceeds of the Obligations in anticipation of which such notes are being issued.

Opinion of Bond Counsel shall mean an opinion signed by Nixon Peabody LLP, D. Seaton and Associates, P.A., P.C., Orrick, Herrington & Sutcliffe LLP, and Bryant Rabbino LLP, or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

Outstanding, when used with reference to Obligations or Obligations of a Series, shall mean, as of any date, Obligations or Obligations of such Series theretofore or thereupon to be delivered under the Resolution except:

- (i) Any Obligations canceled at or prior to such date;
- (ii) Obligations the principal and Redemption Price, if any, of and interest on which have been paid in accordance with the terms thereof;
- (iii) Obligations in lieu of or in substitution for which other Obligations shall have been delivered pursuant to Article A-III or Section A-406 or Section A-905;
- (iv) Obligations deemed to have been paid as provided in subsection 2 of Section A-1101;
- (v) Put Obligations tendered or deemed tendered in accordance with the provisions of the Supplemental Resolution authorizing such Obligations on the applicable

tender date, if the Purchase Price thereof and interest thereon shall have been paid or amounts are available and set aside for such payment as provided in such Supplemental Resolution, except to the extent such tendered Put Obligations thereafter may be resold pursuant to the terms thereof and of such Supplemental Resolution; and

(vi) For the purpose of any consent to be given or other action to be taken by or upon the direction of Owners of a specified portion of Obligations Outstanding, Obligations excluded pursuant to Section A-1111.

The principal component of any Parity Debt shall be deemed to be Outstanding in a principal amount equal to the principal amount of the obligation then owed by the Issuer thereunder in lieu of the related Obligation, regardless of the authorized amount of the principal component of such Parity Debt or the related Obligation and provided that, unless otherwise required pursuant to the related Supplemental Resolution, the principal component of such Parity Debt shall not by itself increase the Outstanding principal amount of Obligations.

Owner, or any similar terms, shall mean the registered owner of any Obligation as shown on the books for the registration and transfer of Obligations maintained in accordance with Section A-305.

Parity Debt shall mean any Parity Reimbursement Obligation, any Parity Swap Obligation or any other contract, agreement or other obligation of the Issuer designated as constituting “Parity Debt” in a certificate of an Authorized Officer delivered to the Trustee; *provided, however, that* any such Parity Reimbursement Obligation, Parity Swap Obligation, or other contract, agreement or other obligation shall not constitute Parity Debt solely to the extent of any obligations to pay termination or other fees, expenses, indemnification or other similar payments to the counterparty to such arrangement; *provided further* that Parity Reimbursement Obligations may include accelerated principal amortization provisions to the extent permitted by subsection 4 of Section A-202.

Parity Reimbursement Obligation has the meaning provided in subsection 4 of Section A-202.

Parity Swap Obligation has the meaning provided in subsection 6 of Section A-202.

Paying Agent shall mean any paying agent for the Obligations of any Series and its successor or successors and any other Person which may at any time be substituted in its place pursuant to the Resolution.

Person shall mean any individual, corporation, firm, partnership, joint venture, association, joint-stock company, trust, unincorporated association, limited liability company or other legal entity or group of entities, including any public benefit corporation, public instrumentality, quasi-governmental or governmental entity or any agency or subdivision thereof.

Principal Installments shall mean, as of any date of calculation and with respect to any Series of Obligations or any Parity Debt, as applicable, (a) the principal amount of Outstanding Obligations of such Series, due on the dates and in the amounts specified by Supplemental Resolution, reduced by the principal amount of such Obligations which would be retired by reason

of the payment when due and application in accordance with the Resolution of Sinking Fund Installments payable before such dates, plus the unsatisfied balance (determined as provided in Section A-502 of the Resolution) of any Sinking Fund Installments due on any certain future date for Obligations of such Series, together with such redemption premiums, if any, applicable on any such future date, and (b) with respect to any Parity Debt, the amount due thereunder on the dates and in the amounts established in accordance with Section A-202 as a principal component of such Parity Debt payable on a parity with the Obligations.

Principal Office of the Trustee shall mean the designated corporate trust office of the Trustee.

Purchase Price shall mean, with respect to any Obligation, 100% of the principal amount thereof plus accrued interest, if any, plus in the case of an Obligation subject to mandatory tender for purchase on a date when such Obligation is also subject to optional redemption at a premium, an amount equal to the premium that would be payable on such Obligation if redeemed on such date.

Put Obligations shall mean Obligations which by their terms may be tendered at the option of the Owner thereof, or are subject to a mandatory tender other than at the election of the Issuer or a Related Entity, for payment or purchase prior to the stated maturity or redemption date thereof.

Qualified Swap shall mean, to the extent from time to time permitted by law, with respect to Obligations, any financial arrangement (i) which is entered into by the Issuer with an entity that is a Qualified Swap Provider at the time the arrangement is entered into, (ii) which is a cap, floor or collar; forward rate; future rate; swap (such swap may be based on an amount equal either to the principal amount of such Obligations of the Issuer as may be designated or a notional principal amount relating to all or a portion of the principal amount of such Obligations); asset, index, price or market-linked transaction or agreement; other exchange or rate protection transaction agreement; other similar transaction (however designated); or any combination thereof; or any option with respect thereto, in each case executed by the Issuer for the purpose of moderating interest rate fluctuations, reducing debt service costs or creating either fixed interest rate Obligations or Variable Interest Rate Obligations on a synthetic basis or otherwise, and (iii) which has been designated in writing to the Trustee by an Authorized Officer as a Qualified Swap with respect to such Obligations.

Qualified Swap Provider shall mean an entity whose senior long term obligations, other senior unsecured long term obligations, financial program rating, counterparty rating, or claims paying ability, or whose payment obligations under an interest rate exchange agreement are guaranteed by an entity whose senior long term debt obligations, other senior unsecured long term obligations, financial program rating, counterparty rating, or claims paying ability, are rated either at least as high as (i) the third highest Rating Category of each Rating Agency then maintaining a rating for the Qualified Swap Provider or (ii) any such lower Rating Categories which each such Rating Agency indicates in writing to the Issuer and the Trustee will not, by itself, result in a reduction or withdrawal of its rating on the Outstanding Obligations subject to such Qualified Swap that is in effect prior to entering into such Qualified Swap.

Rating Agency shall mean each nationally recognized statistical rating organization then maintaining a rating on the Obligations at the request of the Issuer.

Rating Category shall mean one of the generic rating categories of any Rating Agency without regard to any refinement or gradation of such rating by a numerical modifier or otherwise.

Rating Confirmation shall mean evidence that no rating then in effect from a Rating Agency will be withdrawn or reduced solely as the result of an action to be taken hereunder; *provided, however, that* no action requiring Rating Confirmation shall be undertaken unless at least one Rating Agency at that time maintains a rating on Obligations.

Record Date, except as otherwise provided by Supplemental Resolution or a certificate of an Authorized Officer, shall mean the last Business Day preceding a payment date or other date on which an action is to be taken.

Redemption Price shall mean, with respect to any Obligation, 100% of the principal amount thereof plus the applicable premium, if any, payable upon the redemption thereof pursuant to the Resolution.

Registrar shall mean any registrar for the Obligations of any Series and its successor or successors and any other Person which may at any time be substituted in its place pursuant to the Resolution.

Reimbursement Obligation has the meaning provided in subsection 4 of Section A-202.

Related Entity shall mean any of the MTA, TBTA, MaBSTOA, the Transit Authority, MNCRC, LIRR, SIRTOA, MTA Bus, MSBA and any affiliate or subsidiary of any of the foregoing now or hereafter established and designated as a Related Entity by an Authorized Officer.

Responsible Officer shall mean any officer assigned to the corporate trust office of the Trustee, or any other officer of the Trustee customarily performing functions similar to those performed by any of such officers and who has direct responsibility for the administration of the Resolution, and also, with respect to a particular matter, any other officer, to whom such matter is referred because of such officer's knowledge of and familiarity with the particular subject.

Securities Depository shall mean a recognized securities depository selected by the Issuer to maintain a book-entry system in respect to all or any portion of a Series of Obligations (including, as appropriate, any nominee thereof), and shall include any substitute for or successor to the Securities Depository initially acting as Securities Depository.

Series shall mean all of the Obligations delivered on original issuance pursuant to a single Supplemental Resolution and denominated therein a single series, and any Obligations thereafter delivered in lieu of or in substitution therefor pursuant to Article A-III or Section A-406 or Section A-906, regardless of variations in maturity, interest rate, or other provisions.

Sinking Fund Installment shall mean, as of a particular date, any Sinking Fund Installment established pursuant to paragraph (m) of subsection 1 of Section A-201.

SIRTOA shall mean the Staten Island Rapid Transit Operating Authority and any successor thereto.

State shall mean the State of New York.

Subordinated Contract Obligation shall mean any payment obligation (other than a payment obligation constituting Parity Debt or Subordinated Indebtedness) arising under (a) any Credit Facility which has been designated as constituting a “Subordinated Contract Obligation” in a certificate of an Authorized Officer delivered to the Trustee, (b) any Qualified Swap or portion thereof which has been designated as constituting a “Subordinated Contract Obligation” in a certificate of an Authorized Officer delivered to the Trustee, and (c) any other contract, agreement or other obligation of the Issuer designated as constituting a “Subordinated Contract Obligation” in a certificate of an Authorized Officer delivered to the Trustee. Each Subordinated Contract Obligation shall be payable and secured in a manner permitted by Article V, and any lien on and pledge of any portion of the Trust Estate securing Subordinated Contract Obligations shall be junior and inferior to the lien on and pledge of the Trust Estate herein created for the payment of the Obligations and Parity Debt.

Subordinated Indebtedness shall mean any bond, note or other indebtedness authorized by Supplemental Resolution or other resolution of the Issuer and designated as constituting “Subordinated Indebtedness” in a certificate of an Authorized Officer delivered to the Trustee, which shall be payable and secured in a manner permitted by Article V of the Resolution, and any lien on and pledge of any portion of the Trust Estate securing Subordinated Indebtedness shall be junior and inferior to the lien on and pledge of the Trust Estate herein created for the payment of the Obligations and Parity Debt.

Supplemental Resolution shall mean any resolution supplemental to or amendatory of the Resolution adopted by the Issuer in accordance with the Resolution and, except as the context may otherwise require, including any related Certificate of Determination.

TA Act shall mean the New York City Transit Authority Act being Title 9 of Article 5 of the New York Public Authorities Law, as amended from time to time.

Taxable Obligations shall mean any Obligations which are not Tax-Exempt Obligations.

Tax-Exempt Obligations shall mean any Obligations the interest on which is intended by the Issuer to be generally excluded from gross income for federal income tax purposes and which are designated as Tax-Exempt Obligations in the Supplemental Resolution authorizing such obligations.

TBTA shall mean the Triborough Bridge and Tunnel Authority, the corporation organized and existing under the TBTA Act, and any successor thereto.

TBTA Act shall mean the Triborough Bridge and Tunnel Authority Act, being Title 3 of Article 3 of the New York Public Authorities Law, as amended from time to time.

Transit Authority shall mean the New York City Transit Authority, the corporation organized and existing under the TA Act, and any successor thereto.

Transportation District shall mean the Metropolitan Commuter Transportation District created by Section 1262 of the MTA Act.

Transportation District Project shall mean any project, program or facility that the Issuer or any other Related Entity (in either case, by itself or with any other Person) is authorized from time to time by law to plan, design, acquire, establish, construct, effectuate, operate, maintain, renovate, improve, extend, rehabilitate or repair within, or for the benefit of, the Transportation District.

Trustee shall mean the trustee appointed by the Issuer pursuant to Section A-701, and its successor or successors and any other Person which may at any time be substituted in its place pursuant to the Resolution.

Valuation Date shall mean (i) with respect to any Capital Appreciation Obligations the date or dates set forth in the Supplemental Resolution authorizing such Obligations on which specific Accreted Values are assigned to the Capital Appreciation Obligations and (ii) with respect to any Deferred Income Obligations, the date or dates on or prior to the Interest Commencement Date set forth in the Supplemental Resolution authorizing such Obligations on which specific Appreciated Values are assigned to the Deferred Income Obligations.

Variable Interest Rate shall mean a variable interest rate to be borne by any Obligation. The method of computing such variable interest rate shall be specified in the Supplemental Resolution authorizing such Series of Obligations.

Variable Interest Rate Obligations shall mean Obligations which bear a Variable Interest Rate.

Section A-102. Rules of Construction.

1. Words of one gender shall be deemed and construed to include correlative words of any other gender. Except where the context otherwise requires, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations and corporations.

2. Except as otherwise specified herein, all references in the Resolution (including this Annex A) to Articles, Sections, and other subdivisions are to the corresponding Articles, Sections or subdivisions of the Resolution (including this Annex A), and the words herein, hereof, hereunder and other words of similar import refer to the Resolution as a whole (including this Annex A) and not to any particular Article, Section or subdivision of the Resolution or of this Annex A. References in the Resolution to Articles or Sections with "A-" preceding the number of an Article or Section are to such Article or Section of this Annex A.

3. This Annex A constitutes an integral part of the Resolution and, except to the extent provided in the next 2 sentences, has the same force and effect as if set forth in the forepart of the Resolution. To the extent expressly provided in the Resolution (not including this Annex A), the Issuer may negate, amend or modify any provision of this Annex A. In the event of any conflict between this Annex A and the forepart of the Resolution, the forepart of the Resolution shall control.

4. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof (including any table of contents in the Resolution), shall be solely for convenience of reference and shall not limit or otherwise affect the meaning, construction or effect of the Resolution (including this Annex A) or describe the scope or intent of any provisions hereof.

5. All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with applicable generally accepted accounting principles as in effect from time to time.

6. All references herein to resolutions, contracts or other agreements shall be deemed to include any amendments to such documents that are approved in accordance with the terms thereof and hereof.

7. Every “request,” “order,” “demand,” “application,” “appointment,” “notice,” “statement,” “certificate,” “consent,” or similar action hereunder by any party shall, unless the form thereof is specifically provided, be in writing signed by a duly authorized representative of such party with a duly authorized signature, which may be delivered and “signed” pursuant to facsimile or other electronic-mail transmission in accordance with applicable law and practice.

8. The word “or” is not exclusive.

9. The word “including” means including without limitation.

Section A-103. Authority for the Resolution. The Resolution is adopted pursuant to the Issuer Act.

Section A-104. Resolution to Constitute Contract. In consideration of the purchase and acceptance of any and all of the Obligations and Parity Debt authorized to be issued hereunder by those who are Owners of the Obligations and Parity Debt from time to time, the Resolution shall be deemed to be and shall constitute a contract between the Issuer and the Owners from time to time of the Obligations and Parity Debt; and the pledge made in the Resolution and the covenants and agreements therein set forth to be performed on behalf of the Issuer shall be for the equal benefit, protection and security of the Owners of any and all of the Obligations and Parity Debt, all of which, regardless of the time or times of their authentication, issuance and delivery, or maturity, shall be of equal rank without preference, priority or distinction of any of the Obligations or Parity Debt over any other Obligations or Parity Debt, except as expressly provided in or permitted by the Resolution.

ARTICLE A-II

GENERAL PROVISIONS FOR ISSUANCE OR INCURRENCE OF OBLIGATIONS, PARITY DEBT AND OBLIGATION ANTICIPATION NOTES

Section A-201. General Provisions for Issuance of Obligations. 1. Obligations may be issued pursuant to a Supplemental Resolution in such principal amount or amounts for each Series or subseries as may be specified in such Supplemental Resolution. Obligations of any Series or subseries shall be authorized by a Supplemental Resolution which shall specify, among other things, the following matters (or the manner of determining such matters):

1. The authorized principal amount, designation and Series of such Obligations;

2. The purpose or purposes for which such Obligations are being issued which shall be one or more of the purposes set forth in Section 201;

3. The dates and the maturity dates of the Obligations of such Series;

4. If the Obligations of such Series are interest bearing Obligations, the interest rates of the Obligations of such Series and the interest payment dates therefor;

5. If Obligations of such Series are Capital Appreciation Obligations, the Valuation Dates for such Obligations and the Accreted Value on each such Valuation Date;

6. If Obligations of such Series are Deferred Income Obligations, the Interest Commencement Date for such Obligations, the Valuation Dates prior to the Interest Commencement Date for such Obligations and the Appreciated Value on each such Valuation Date;

7. If Obligations of such Series are Capital Appreciation Obligations or Deferred Income Obligations, the manner in which and the period during which principal and interest shall be deemed to accrue on such Obligations;

8. If Obligations of such Series are Variable Interest Rate Obligations, the maximum interest rate, if any, or the method of calculating such maximum rate for such Obligations, and the provisions, if any, as to the calculation or change of Variable Interest Rates;

9. If Obligations of such Series are Put Obligations, provisions regarding tender for purchase or redemption thereof and payment of the purchase or Redemption Price thereof;

10. The denominations of and the manner of dating, numbering and lettering, the Obligations of such Series;

11. The Paying Agents, if any, and the places of payment of the principal and Redemption Price, if any, of, and interest on, the Obligations of such Series;

12. The Redemption Prices, if any, and the redemption terms, if any, for the Obligations of such Series, provided that Obligations of any maturity for which Sinking Fund Installments shall be established pursuant to paragraph (m) of this subsection 1 shall in any event be redeemable, or payable at maturity, by application of the Sinking Fund Installments for such Obligations on the due dates of such Sinking Fund Installments;

13. The amount and due date of each Sinking Fund Installment, if any, for Obligations of like maturity of such Series;

14. Provisions necessary to authorize, in compliance with all applicable law, Obligations of such Series to be issued in the form of Obligations issued and held in book-entry form on the books of the Issuer or any Fiduciary appointed for that purpose by the Issuer and, in connection therewith, make such additional changes in the Resolution, not adverse to the rights of the Owners of the Obligations, as are necessary or appropriate to accomplish or recognize such book-entry form Obligations and specify and determine the matters and things relative to the issuance of such book-entry form Obligations as are appropriate or necessary;

15. To the extent applicable, the provisions relating to (a) any Credit Facility, Qualified Swap or other financial arrangement entered into in connection with the issuance of the Obligations of such Series and (b) the obligations payable thereunder;

16. The amount, if any, to be deposited in the Proceeds Fund or any Account therein;

17. If so determined by the Issuer, provisions for the application of any money available therefor to the purchase, exchange or redemption of Obligations of such Series and for the order of purchase, exchange or redemption of such Obligations;

18. If so determined by the Issuer, provisions for the sale of the Obligations of such Series;

19. The forms of the Obligations of such Series and of the Trustee's certificate of authentication if other than as provided in Section 301; and

20. Such other matters, not contrary to or inconsistent with the Resolution, as the Issuer may deem advisable or necessary in connection with the authorization, issuance, sale, or delivery of such Series of Obligations.

An Authorized Officer to whom a Supplemental Resolution has delegated the power to determine any of the foregoing shall execute a Certificate of Determination evidencing such determinations or other actions taken pursuant to the delegation under such Supplemental Resolution, and such Certificate of Determination shall be conclusive evidence of the determinations or actions of such Authorized Officer as to the matters stated therein. The matters set forth in any such Certificate of Determination shall have the same effect as if set forth in the related Supplemental Resolution.

2. The Obligations may be sold in one or more Series or subseries (each of which shall contain a designation distinguishing it from other Series or subseries), and shall be delivered by the Issuer under the Resolution but only upon receipt by the Trustee of:

1. An Opinion of Bond Counsel in customary form to the effect that (i) the Issuer has the right and power under the Issuer Act to adopt the Resolution, and the Resolution has been duly and lawfully adopted by the Issuer, is in full force and effect, and is valid and binding upon the Issuer, and enforceable in accordance with its terms, and no other authorization for the Resolution is required as of the date thereof; (ii) the Resolution creates the valid pledge which it purports to create of the Trust Estate in the manner and to the extent provided in Section 501; and (iii) the Obligations are valid and binding obligations of the Issuer, enforceable in accordance with their terms and the terms of the Resolution and entitled to the benefits of the Issuer Act as amended to the date of such Opinion of Bond Counsel, and (iv) such Obligations have been duly and validly authorized and issued in accordance with law and the Resolution;

2. A copy of the Supplemental Resolution authorizing such Obligations, certified by an Authorized Officer;

3. A written order of the Issuer as to the delivery of the Obligations, signed by an Authorized Officer;

4. A certificate of an Authorized Officer to the effect that, upon the delivery of the Obligations of such Series (i) no event which constitutes a default under the Resolution or any of the Obligations shall have occurred and be continuing or, if such an event is continuing, upon issuance of the Obligations such default shall be cured, and (ii) no such event would result from the authentication and delivery of the Obligations of such Series;

5. If any Obligations are Variable Interest Rate Obligations or a Qualified Swap is being entered into that will result in a variable interest rate obligation of the Issuer, a determination by an Authorized Officer of the Estimated Average Interest Rate;

6. If any Obligations of such Series are Put Obligations, a determination by an Authorized Officer of the method or methods to be employed to provide for the purchase or redemption of all Put Obligations of such Series if the Owners thereof elected to tender for purchase or redemption the entire aggregate Outstanding principal amount of the Put Obligations of such Series; and

7. Such further documents and money as are required by the provisions of Article II, this Article A-II or Article A-VIII.

3. If Obligations are to be listed on a domestic or foreign stock exchange, the Authorized Officers are hereby authorized to take all such actions as they deem necessary or appropriate to comply with the listing requirements of such exchange, including the appointment of a member of such exchange as listing agent, the publication where required by such exchange of all redemption notices, the appointment of a special clearing agent and paying agent, and the execution of an undertaking letter with such exchange.

4. The Obligations shall not be a debt of the State or the City and neither the State nor the City shall be liable thereon, nor shall Obligations be payable out of any funds other than those of the Issuer as provided in the Resolution.

Section A-202. Credit Facilities; Qualified Swaps and Other Similar Arrangements; Parity Debt. 1. The Issuer may include such provisions in a Supplemental Resolution authorizing the issuance of a Series of Obligations secured by a Credit Facility as the Issuer deems appropriate, and no such provisions shall be deemed to constitute an amendment to the Resolution requiring action under Article A-VIII or Article A-IX, including:

1. So long as the Credit Facility is in full force and effect and payment on the Credit Facility is not in default, then (i) the issuer of the Credit Facility shall be deemed to be the sole Owner of the Outstanding Obligations the payment of which such Credit Facility secures or (ii) in the alternative or with respect to particular matters, the approval, consent or action of the issuer of the Credit Facility shall be required in addition to the approval, consent or action of the applicable percentage of the Owners of the Outstanding Obligations, in either case when the approval, consent or action of the Owners for such Obligations is required or may be exercised under the Resolution including Section A-802 hereof and following an Event of Default hereunder; *provided, however, that no* issuer of a Credit Facility shall be deemed to be the sole Owner of Outstanding Obligations pursuant to this provision in the event that the Credit Facility or Credit Facilities securing such Obligations provide only liquidity support.

2. In the event that the principal, Sinking Fund Installments, if any, and Redemption Price, if applicable, and interest due on any Outstanding Obligations (or Purchase Price of any Outstanding Obligations to the extent the issuer of the Credit Facility has not been reimbursed) shall be paid under the provisions of the Credit Facility, all covenants, agreements and other obligations of the Issuer to the Owners of such Obligations shall continue to exist and such issuer of the Credit Facility shall be subrogated to the rights of such Owners in accordance with the terms of such Credit Facility.

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

3. The Issuer may enter into such agreements with the issuer of such Credit Facility providing for, *inter alia*: (i) the payment of fees and expenses to such issuer for the issuance of such Credit Facility, (ii) the terms and conditions of such Credit Facility and the Obligations affected thereby, and (iii) the security, if any, to be provided for the issuance of such Credit Facility.

4. The Issuer may secure such Credit Facility by an agreement providing for the purchase of the Obligations secured thereby with such adjustments to the rate of interest, method of determining interest, maturity, or redemption provisions as specified by the Issuer in

the applicable Supplemental Resolution. The Issuer may also in an agreement with the issuer of such Credit Facility agree to directly reimburse such issuer for amounts paid under the terms of such Credit Facility (together with interest thereon, the “**Reimbursement Obligation**”); *provided, however, that* no amounts shall be payable by the Issuer under a Reimbursement Obligation for purposes of the Resolution, until amounts are paid under such Credit Facility by the issuer thereof. As determined by Supplemental Resolution, any such Reimbursement Obligation, which may include interest calculated at a rate higher than the interest rate on the related Obligation and accelerated principal amortization, (i) may be secured by a pledge of, and a lien on, the Trust Estate on a parity with the lien created by Section 501 of the Resolution to secure the Obligations (a “**Parity Reimbursement Obligation**”), but only to the extent that (prior to any acceleration of all Obligations, if permitted) any principal amortization requirements are *either* (A) commensurate with the amortization requirements for such related Obligations, without acceleration or (B) accelerated to no greater extent than to require repayment in equal principal installments over 5 or more years, or (ii) may constitute a Subordinated Contract Obligation, as determined by the Issuer. Parity Reimbursement Obligations shall not include any payments (other than interest calculated at a higher rate pursuant to a Credit Facility) (i) of any fees or expenses, (ii) pursuant to any indemnification provisions or (iii) pursuant to term-loan or other principal amortization requirements in reimbursement of any such advance that are more accelerated than permitted by clauses (A) and (B) of the preceding sentence, and any such payments of the items specified in clauses (i), (ii) or (iii) shall constitute Subordinated Contract Obligations.

5. Any such Credit Facility shall be for the benefit of and secure such Obligations or portion thereof as specified in any applicable Supplemental Resolution.

6. In connection with the issuance of any Obligations or at any time thereafter so long as Obligations remain Outstanding, the Issuer may, to the extent permitted pursuant to law, from time to time enter into Qualified Swaps. The Issuer’s obligation to pay any amount under any Qualified Swap may be secured by a pledge of, and a lien on, the Trust Estate on a parity with the lien created by Section 501 of the Resolution to secure the Obligations (a “**Parity Swap Obligation**”), or may constitute a Subordinated Contract Obligation, as determined by the Issuer. Parity Swap Obligations shall not include any payments of any termination or other fees, expenses, indemnification or other obligations to a counterparty to a Qualified Swap, which payments shall be Subordinated Contract Obligations.

7. Parity Debt shall not be a debt of the State or the City and neither the State nor the City shall be liable thereon, nor shall Parity Debt be payable out of any funds other than those of the Issuer pledged therefor pursuant to the Resolution.

8. Except to the extent that an Authorized Officer directs that such amounts be deposited in any other Fund or Account pledged to the payment of Obligations, any amounts paid to the Issuer under a Qualified Swap shall be deposited in the Debt Service Fund.

9. To the extent applicable and not readily apparent with respect any Parity Debt, either the terms of such Parity Debt shall specify (or an Authorized Officer shall specify in writing) the interest and principal components of or the scheduled payments corresponding to principal and interest under, such Parity Debt or the manner of determining the foregoing.

Section A-203. Obligation Anticipation Notes. Whenever the Issuer shall have, by Supplemental Resolution, authorized the issuance of a Series of Obligations, the Issuer may by resolution authorize the issuance of Obligation Anticipation Notes in anticipation of the issuance of such authorized Series of Obligations, in a principal amount not exceeding the principal amount of the Obligations of such Series so authorized. The principal of and premium, if any, and interest on such Obligation Anticipation Notes and any renewals of such Obligation Anticipation Notes shall be payable only from any or all of the following items designated by the Issuer at or prior to issuance of any such series of Obligation Anticipation Notes (i) the proceeds of any renewals of such Obligation Anticipation Notes issued to repay such Obligation Anticipation Notes, (ii) the proceeds of the sale of the Series of Obligations in anticipation of which such Obligation Anticipation Notes are issued, (iii) amounts available to pay Subordinated Indebtedness, or (iv) any other money available therefor and not pledged under the Resolution. Such proceeds and other amounts set forth in clauses (i), (ii), (iii) and (iv) may be pledged for the payment of the principal of and premium, if any, and interest on such Obligation Anticipation Notes, and any such pledge of the items set forth in clauses (i) and (ii) shall have priority over any other pledge created by the Resolution, including Section 501. In any case, such Obligation Anticipation Notes shall be retired or provision shall be made for their retirement not later than the date of authentication and delivery of the Series of Obligations in anticipation of which they are issued. The proceeds of the sale of Obligation Anticipation Notes other than renewals thereof shall be applied to the purposes for which the Obligations in anticipation of which such Obligation Anticipation Notes are authorized and shall be deposited in the appropriate Fund or Account established by the Resolution for such purposes or, if so provided in the resolution authorizing renewals of Obligation Anticipation Notes issued to pay outstanding Obligation Anticipation Notes, applied directly to such payment. Investment earnings from any amounts on deposit in any Fund or Account under the Resolution representing the proceeds of any Obligation Anticipation Notes shall be applied in the manner set forth in the resolution authorizing such Obligation Anticipation Notes.

ARTICLE A-III

GENERAL TERMS AND PROVISIONS OF OBLIGATIONS

Except as otherwise provided by Supplemental Resolution, the Obligations shall be subject to the terms and provisions of these Standard Resolution Provisions.

Section A-301. Medium of Payment; Form and Date.

1. The Obligations and Parity Debt shall be payable, with respect to interest, principal and Redemption Price, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts (or to the extent permitted by law, in any other coin or currency authorized pursuant to a Supplemental Resolution for related Obligations and Parity Debt).

2. Obligations shall be issued in the form of fully registered Obligations without coupons. Obligations, the certificate of authentication, if any, and the form of assignment shall be in substantially the form provided for in Exhibit One with such appropriate variations, omissions, substitutions and insertions as are permitted or required hereby or thereby or are required by law, and may have such letters, numbers or other marks of identification and such legends and endorsements placed thereon as may be required to comply with any applicable laws or rules or regulations, or as may, consistent herewith, be determined by the officers executing such Obligations, as evidenced by their execution of the Obligations. Any portion of the text of any Obligation may be set forth on the reverse thereof, with an appropriate reference thereto on the face of such Obligation, or as multiple pages (with or without such a reference). Obligations may be typewritten, printed, engraved, lithographed or otherwise produced.

3. Obligations shall be dated, and shall bear or not bear interest, as provided in the Supplemental Resolution authorizing such Obligations.

Section A-302. Legends. Obligations may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of the Resolution as may be necessary or desirable to comply with custom, the rules of any securities exchange or commission or brokerage board, or otherwise, as may be determined by the Issuer.

Section A-303. Execution and Authentication.

1. The Obligations shall be executed in the name of the Issuer by the manual or facsimile signature of an Authorized Officer or in such other manner as may be required by law or specified in a Supplemental Resolution. In case any of the officers who shall have signed any of the Obligations shall cease to be such officer before the Obligations so signed shall have been actually delivered, such Obligations may, nevertheless, be delivered as herein provided, and may be issued as if the Persons who signed such Obligations had not ceased to hold such offices. Any Obligation may be signed on behalf of the Issuer by such Persons as at the actual time of the execution of such Obligation shall be duly authorized or hold the proper office in the Issuer, although at the date of the Obligations such Persons may not have been so authorized or have held such office.

2. Obligations of each Series shall bear thereon a certificate of authentication, executed manually by the Trustee. Only such Obligations as shall bear thereon such certificate of authentication shall be entitled to any right or benefit under the Resolution and no Obligation shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee. Such certificate of the Trustee upon any Obligation executed on behalf of the Issuer shall be conclusive evidence that the Obligation so authenticated has been duly authenticated and delivered under the Resolution and that the Owner thereof is entitled to the benefits of the Resolution.

Section A-304. Interchangeability of Obligations. Obligations, upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the Owner or his duly authorized attorney, may, at the option of such Owner, be exchanged for an equal aggregate principal amount of Obligations of the same Series, maturity and interest rate of any other authorized denomination.

Section A-305. Negotiability, Transfer and Registry. All the Obligations issued under the Resolution shall be negotiable, subject to the provisions for registration and registration of transfer contained in the Resolution and in the Obligations. So long as any of the Obligations shall remain Outstanding, the Issuer shall maintain and keep, at the office of the Registrar, books for the registration and registration of transfer of Obligations; and, upon presentation thereof for such purpose at said office and under such reasonable regulations as it or the Registrar may prescribe, the Issuer shall register or cause to be registered therein, and permit to be transferred thereon, the registration of any Obligation entitled to registration or registration of transfer. So long as any of the Obligations remain Outstanding, the Issuer shall make all necessary provision to permit the exchange of Obligations at the office of the Registrar.

Section A-306. Transfer of Obligations.

1. The transfer of each Obligation shall be registerable only upon the books of the Issuer, which shall be kept by the Registrar, by the Owner thereof in person or by his attorney authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar executed by the Owner or his authorized attorney. Upon the registration of transfer of any such Obligation, the Issuer shall issue in the name of the transferee a new Obligation of the same aggregate principal amount, Series, maturity and interest rate as the surrendered Obligation.

2. The Issuer and each Fiduciary may deem and treat the Person in whose name any Outstanding Obligation shall be registered upon the books of the Issuer as the absolute owner of such Obligation, whether such Obligation shall be overdue or not, for the purpose of receiving payment of or on account of, the principal and Redemption Price, if any, of and interest on such Obligation and for all other purposes, and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Obligation to the extent of the sum or sums so paid, and neither the Issuer nor any Fiduciary shall be affected by any notice to the contrary. The Issuer agrees to indemnify and save each Fiduciary harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, unless acting in bad faith or with negligence under the Resolution, in so treating such registered owner.

Section A-307. Regulations With Respect to Exchanges and Transfers. In all cases in which the privilege of exchanging Obligations or registering the transfer of Obligations is exercised, the Issuer shall execute and the Registrar shall deliver Obligations in accordance with the provisions of the Resolution. All Obligations surrendered in any such exchanges or registrations of transfer shall forthwith be canceled by the Registrar. For every such exchange or registration of transfer of Obligations, whether temporary or definitive, the Issuer or the Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer.

Section A-308. Obligations Mutilated, Destroyed, Stolen or Lost. In case any Obligation shall become mutilated or be destroyed, stolen or lost, the Issuer shall execute, and thereupon the Trustee and Registrar shall deliver, a new Obligation of like tenor, Series, maturity, interest rate and principal amount as the Obligation so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Obligation, upon surrender and cancellation of such mutilated Obligation, or in lieu of and substitution for the Obligation destroyed, stolen or lost, upon filing with the Trustee and Registrar evidence satisfactory to the Issuer and the Trustee and Registrar that such Obligation has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Issuer and the Trustee and Registrar with indemnity satisfactory to them and complying with such other reasonable regulations as the Issuer and the Trustee and Registrar may prescribe and paying such expenses as the Issuer and Trustee and Registrar may incur. All Obligations so surrendered to the Registrar shall be canceled by it. If any such Obligation shall have matured, or if such Obligation shall have been called for redemption or a redemption date pertaining thereto shall have passed, instead of issuing a new Obligation the Issuer may cause the same to be paid without surrender thereof upon indemnity satisfactory to the Issuer and the Trustee. Any such new Obligations issued pursuant to this Section in substitution for Obligations alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the Issuer, whether or not the Obligations so alleged to be destroyed, stolen or lost be at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits with all other Obligations issued under the Resolution, in any money or securities held by the Issuer or the Fiduciary for the benefit of the Owners of Obligations.

Section A-309. Book-Entry-Only System. The Issuer may employ a book-entry-only system of registration with respect to any Obligations and may utilize the procedures regarding such registration set forth in this Section A-309, as such procedures may be modified or superseded pursuant to the Supplemental Resolution authorizing such Obligations. Any provisions of the Resolution inconsistent with book-entry-only Obligations shall not be applicable to such book-entry-only Obligations.

Any Authorized Officer is hereby authorized to take all actions required for each Series of Obligations to be eligible under the rules and regulations of The Depository Trust Company (“DTC”), 55 Water Street, New York, New York, for investment and trading as uncertificated securities. DTC is hereby appointed as the initial Securities Depository for the Obligations, with Cede & Co., a nominee thereof, being the initial registered owner of the Obligations. In the event that any Securities Depository resigns or is removed, any Authorized Officer may select a substitute Securities Depository. The Issuer and any Fiduciary, and any agent of the Issuer or any Fiduciary, may treat any Securities Depository in whose name any Obligations is registered as the owner of such Obligation for all purposes under the Resolution. For so long as the Securities

Depository is the registered owner of the Obligations, procedures with respect to the transmission of notices and the transfer of ownership of, redemption of and payment of principal or Redemption Price, if any, of and interest on such Obligations so held shall be in accordance with arrangements among the Trustee, the Issuer and the Securities Depository.

So long as the Obligations are registered in the name of the Securities Depository, the Issuer and the Trustee shall have no responsibility or obligation to any Securities Depository participant, indirect participant or beneficial owner of the Obligations. Without limiting the immediately preceding sentence, the Issuer and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of any Securities Depository or any Securities Depository participant or indirect participant with respect to any beneficial ownership interest in the Obligations, (ii) the delivery to any Securities Depository participant, indirect participant, beneficial owner or any other person, other than the Securities Depository, of any notice with respect to the Obligations, including any notice of redemption or tender, or (iii) the payment to any Securities Depository participant, indirect participant, beneficial owner or any other person, other than the Securities Depository, of any amount with respect to the principal of or Redemption Price or interest on the Obligations.

The Issuer, in its sole discretion and without the consent of any other person, may terminate the services of any Securities Depository with respect to any Series of Obligations. Notice of such termination shall be given by the Issuer to the Trustee prior to or simultaneously with such termination. In the event the book-entry only system is discontinued with respect to the Obligations, principal and Redemption Price of and interest on the Obligations shall be paid as provided in the Resolution.

Consistent with DTC book-entry provisions, one or more typewritten certificates shall be prepared for each maturity of the Obligations of a Series and registered in the name of the Securities Depository. There shall be no physical distribution of bond or other certificates to beneficial owners of such Obligations. In the event that the Obligations do not qualify to be held by the Securities Depository or that either the Issuer determines to discontinue the book-entry only system or DTC determines to discontinue providing its service with respect to the Obligations and there is no successor Securities Depository, the bond or other certificates shall be delivered in the form required by the Resolution.

Unless otherwise directed by an Authorized Officer, "CUSIP" identification numbers will be imprinted on the Obligations, but such numbers shall not constitute a part of the contract evidenced by the Obligations and any error or omission with respect thereto shall not constitute cause for refusal of any purchaser to accept delivery of and pay for the Obligations. As a convenience to the Owners of the Obligations, the Issuer and the Trustee may use such CUSIP numbers in any notices to the Owners of the Obligations, including any notices of redemption of the Obligations. Failure on the part of the Issuer or the Trustee to use such CUSIP numbers in any notice to Owners of the Obligations shall not constitute an Event of Default or any similar violation of the Issuer's contract with such Owners. The Issuer will promptly notify the Trustee of any change in the CUSIP numbers.

ARTICLE A-IV

REDEMPTION AND TENDER OF OBLIGATIONS

Section A-401. Privilege of Redemption and Redemption Price. Except as otherwise provided in the Resolution or a Supplemental Resolution, Obligations subject to redemption pursuant to a Supplemental Resolution shall be subject to redemption only in accordance with this Article A-IV.

Obligations subject to redemption prior to maturity pursuant to a Supplemental Resolution shall be redeemable, upon written notice as provided in this Article A-IV, at such times, at such Redemption Prices and upon such terms as may be specified in the Supplemental Resolution authorizing such Obligations.

Section A-402. Redemption at the Election of the Issuer; Tender to Related Entities. In the case of any redemption of Obligations at the election of the Issuer, the Issuer shall give written notice to the Trustee of its election so to redeem, of the redemption date, of the Series, of the principal amounts of the Obligations of each maturity and interest rate of such Series to be redeemed (which Series, maturities, interest rates and principal amounts thereof to be redeemed shall be determined by the Issuer in its sole discretion, subject to any limitations with respect thereto contained in any Supplemental Resolution). Such notice shall be given at least 45 days prior to the redemption date or such shorter period as may be provided in the Supplemental Resolution or as shall be acceptable to the Trustee. In the event notice of redemption shall have been given as in Section A-405 provided but subject to the second paragraph of Section A-405, the Issuer shall on or prior to the redemption date cause to be paid out to the appropriate Paying Agent or Paying Agents out of money available therefor an amount in cash which, in addition to other money, if any, available therefor held by such Paying Agent or Paying Agents, will be sufficient to redeem on the redemption date at the Redemption Price thereof, all of the Obligations to be redeemed.

The Issuer may, in its sole discretion, purchase or grant to any Related Entity the option to purchase, at any time and from time to time, any Obligations which are redeemable at the election of the Issuer at a purchase price equal to the redemption price therefor. To exercise any such option, the Issuer or the Related Entity shall give the Trustee a written request exercising such option within the time periods specified in the related Supplemental Resolution as though such written request were a written request of the related Issuer for redemption, and the Trustee shall thereupon give the Owners of the Obligations to be purchased notice of such purchase in the manner specified in the related Supplemental Resolution as though such purchase were a redemption. On the date fixed for purchase pursuant to any exercise of such an option, the Issuer or the Related Entity shall pay the purchase price of the Obligations then being purchased to the Trustee in immediately available funds, and the Trustee shall pay the same to the sellers of such Obligations against delivery thereof. Following such purchase, the Trustee shall cause such Obligations to be registered in the name of the Issuer or the Related Entity or its nominee and shall deliver them to the Issuer, the Related Entity or its nominee. Except to the extent otherwise directed by an Authorized Officer, no purchase of Obligations pursuant to such an option shall operate to extinguish the indebtedness of the Issuer evidenced thereby. Any such option to purchase by a Related Entity either shall be conditioned on the provision of sufficient money

therefor by the Related Entity or shall be an obligation of the Issuer in the event that the Related Entity does not provide sufficient money therefor.

Section A-403. Redemption Otherwise Than at the Issuer's Election. Whenever by the terms of the Resolution Obligations are required to be redeemed otherwise than at the election of the Issuer, the Trustee shall select the Obligations to be redeemed, give the notice of redemption and pay out of money available therefor the Redemption Price to the appropriate Paying Agents in accordance with the terms of this Article A-IV. The Trustee shall have no liability in making such selection.

Section A-404. Selection of Obligations to Be Redeemed. In the event of redemption of less than all the Outstanding Obligations of like tenor, Series, maturity and interest rate, the Trustee shall select, as directed by the Issuer (as to the timing of such selection, manner of such selection or otherwise) or otherwise in such manner as the Trustee in its discretion shall deem appropriate and fair, the numbers of the Obligations to be redeemed and portions of any thereof to be redeemed in part. Obligations of denominations equal or less than the minimum authorized denomination thereof may be redeemed only as a whole. Obligations of denominations of more than the minimum authorized denomination thereof may be redeemed either as a whole or in part (which, if redeemed in part, must assure that the portion of the Obligation which is not redeemed is an authorized denomination). For the purposes of this Section A-404, Obligations, or portions thereof, which have theretofore been selected for redemption shall not be deemed Outstanding.

Section A-405. Notice of Redemption. When the Trustee shall receive notice from the Issuer of its election to redeem Obligations pursuant to Section A-402, and when redemption of Obligations is required by the Resolution pursuant to Section A-403, the Trustee shall give notice, in the name of the Issuer, of the redemption of such Obligations, which notice shall specify the Series (including CUSIP numbers), maturities and, if any maturity shall include Obligations bearing different interest rates and all Obligations of such maturity are not being redeemed, the interest rate of the Obligations to be redeemed, the redemption date and the place or places where amounts due upon such redemption will be payable and, if less than all of the Obligations of any like tenor, Series, maturity and interest rate are to be redeemed, the letters and numbers or other distinguishing marks of such Obligations so to be redeemed, and, in the case of Obligations to be redeemed in part only, such notice shall also specify the respective portions of the principal amount thereof to be redeemed, and, if applicable, that such notice is conditional and the conditions that must be satisfied. Such notice shall further state that on such date there shall become due and payable upon each Obligation to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Obligations to be redeemed in part only, together with interest accrued to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable. Such notice shall be given not less than 20 days nor more than 45 days, or for such other period as may be specified in a Supplemental Resolution authorizing a particular Series, before the redemption date, to the Owners of any Obligations or portions of Obligations which are to be redeemed. Failure so to give any such notice to any particular Owner shall not affect the validity of the proceedings for the redemption of Obligations not owned by such Owner and failure of any Owner to receive such notice shall not affect the validity of the proposed redemption of Obligations. The Issuer may provide notices of redemption at such additional times as it may determine necessary or appropriate.

Any notice of optional redemption given pursuant to this Section may state that it is conditional upon receipt by the Trustee of money sufficient to pay the Redemption Price of such Obligations or upon the satisfaction of any other condition, or that it may be rescinded upon the occurrence of any other event, and any conditional notice so given may be rescinded at any time before payment of such Redemption Price if any such condition so specified is not satisfied or if any such other event occurs. Notice of such rescission shall be given by the Trustee to affected Owners of Obligations as promptly as practicable upon the failure of such condition or the occurrence of such other event.

Unless otherwise provided by Supplemental Resolution, notices of redemption shall be sent by first class mail, postage prepaid.

Notice of redemption of any Series of Obligations shall also be sent by the Trustee to such additional Persons as may be specified in the Supplemental Resolution authorizing such Series.

Section A-406. Payment of Redeemed Obligations. Notice having been given in the manner provided in Section A-405, the Obligations or portions thereof so called for redemption shall, subject to the second paragraph of Section A-405, become due and payable on the redemption date so designated at the Redemption Price, plus interest accrued and unpaid to the redemption date, and, upon presentation and surrender thereof at the office specified in such notice, such Obligations, or portions thereof, shall be paid at the Redemption Price plus interest accrued and unpaid to the redemption date. If there shall be called for redemption less than all of an Obligation, the Issuer shall execute and cause to be delivered, upon the surrender of such Obligation, without charge to the owner thereof, for the unredeemed balance of the principal amount of the Obligation so surrendered, at the option of the owner thereof, Obligations of like tenor, Series, maturity and interest rate in any of the authorized denominations. If, on the redemption date, money for the redemption of all the Obligations or portions thereof of any like tenor, Series, maturity and interest rate to be redeemed, together with interest to the redemption date, shall be held by the Paying Agents so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the redemption date interest on the Obligations or portions thereof of such Series, maturity and interest rate so called for redemption shall cease to accrue. If said money shall not be so available on the redemption date, such Obligations or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

ARTICLE A-V

INVESTMENT OF FUNDS; SINKING FUND INSTALLMENTS; CANCELLATION AND DISPOSITION OF OBLIGATIONS

Section A-501. Investment of Funds.

1. Subject to the provisions of Section A-1104, amounts in the Funds and Accounts established by Section 502 of the Resolution may be invested only in Authorized Investments and only when and as specifically directed in writing by an Authorized Officer.

2. The Trustee or the Issuer shall sell any Authorized Investments held in any Fund, Account or subaccount to the extent required for payments from such Fund, Account or subaccount. The proceeds of such sales, and of all payments at maturity or upon redemption of such investments, shall be held in the applicable Fund, Account or subaccount to the extent required to meet the requirements of such Fund, Account or subaccount. Except as provided by Supplemental Resolution, in computing the amount of such Funds, Accounts and subaccounts, investments shall be valued at par, or if purchased at other than par, shall be valued at Amortized Value. Accrued interest received upon the sale of any Authorized Investment to the extent such amount exceeds any accrued interest paid on the purchase of such Authorized Investment shall be treated as interest earned on such Authorized Investment for purposes of this Section.

3. Nothing in the Resolution shall prevent any Authorized Investments acquired as investments of or security for any Fund, Account or subaccount held under the Resolution from being held in book-entry form.

4. In making any investment in any Authorized Investments with money in any Fund or Account established under the Resolution, the Trustee or the Issuer may combine such money with money in any other Fund or Account held by it, but solely for purposes of making such investment in such Authorized Investments.

Section A-502. Satisfaction of Sinking Fund Installments.

1. Any amount accumulated in the Debt Service Fund in respect of and up to the unsatisfied balance of each Sinking Fund Installment shall be applied by the Trustee to either (a) or (b) below as directed by the Issuer (together with amounts accumulated in the Debt Service Fund with respect to interest on the Series of Obligations for which such Sinking Fund Installment was established) if so directed by an Authorized Officer prior to the 45th day preceding the due date of such Sinking Fund Installment as follows:

1. to the purchase of Obligations for which such Sinking Fund Installment was established, at prices (including any brokerage and other charges) not exceeding the principal amount of such Obligations plus unpaid interest accrued to the date of purchase, such purchases to be made in such manner as the Issuer shall direct; or

2. to the redemption of Obligations for which such Sinking Fund Installment was established, if then redeemable by their terms at the prices referred to in clause (a) of this subsection 1 of this Section A-502.

All Obligations so purchased or redeemed shall be canceled by the Trustee prior to the 45th day preceding the due date of such Sinking Fund Installment.

2. Upon the purchase or redemption of any Obligation pursuant to subsection 1 of this Section, an amount equal to the principal amount of the Obligations so purchased or redeemed shall be credited toward the next Sinking Fund Installment thereafter to become due with respect to the Obligations of such maturity and the amount of any excess of the amounts so credited over the amount of such Sinking Fund Installment shall be credited by the Trustee against future Sinking Fund Installments for such Series as specified by an Authorized Officer. Prior to the purchase or redemption of such Obligations, the Issuer shall deliver to the Paying Agent and to the Trustee a certificate of an Authorized Officer specifying (i) the principal amount, Series, maturity, interest rate and numbers of the Obligations so to be purchased or redeemed, (ii) the date and Series of the Sinking Fund Installment in satisfaction of which such Obligations are so to be purchased or redeemed, (iii) the aggregate principal amount of the Obligations so to be purchased or redeemed, and (iv) the unsatisfied balance of each such Sinking Fund Installment after giving effect to the delivery of such Obligations.

3. In satisfaction, in whole or in part, of any Sinking Fund Installment, the Issuer may deliver to the Trustee at least 45 days prior to the date of such Sinking Fund Installment, for cancellation, Obligations acquired by purchase or redemption, except Obligations acquired by purchase or redemption pursuant to the provisions of subsection 1 of this Section, of the maturity and interest rate entitled to such Sinking Fund Installment. All Obligations so delivered to the Trustee in satisfaction of a Sinking Fund Installment shall reduce the amount thereof by the amount of the aggregate principal amount of such Obligations. Concurrently with such delivery of such Obligations the Issuer shall deliver to the Paying Agent and to the Trustee a certificate of an Authorized Officer, specifying (i) the principal amount, Series, maturity, interest rate and numbers of the Obligations so delivered, (ii) the date and Series of the Sinking Fund Installment in satisfaction of which such Obligations are so delivered, (iii) the aggregate principal amount of the Obligations so delivered, and (iv) the unsatisfied balance of each such Sinking Fund Installment after giving effect to the delivery of such Obligations.

4. The Trustee shall, upon receipt of the notice and in the manner required by the Resolution, call for redemption, on the date of each Sinking Fund Installment falling due prior to maturity, such principal amount of Obligations of the Series, interest rate and maturity entitled to such Sinking Fund Installment as is required to exhaust the unsatisfied balance of such Sinking Fund Installment.

Section A-503. Cancellation and Disposition of Obligations. All Obligations that have been paid (whether at maturity or by acceleration, call for redemption, purchase by the Issuer and presentation for cancellation, or otherwise) or delivered to the Trustee for cancellation shall be canceled and not reissued, except as otherwise provided in a Supplemental Resolution with respect to Put Obligations. Unless otherwise directed by the Issuer, the Trustee shall treat canceled Obligations in accordance with its document retention policies. Notwithstanding any other

provision of the Resolution, the Issuer may in its sole discretion purchase any obligations of the Issuer or any Related Entity for investment purposes and any such obligations shall remain outstanding unless and until presented for cancellation.

ARTICLE A-VI

PARTICULAR COVENANTS OF THE ISSUER

The Issuer covenants and agrees with the Trustee and the Owners of Obligations as follows:

Section A-601. Payment of Obligations and Parity Debt. The Issuer shall duly and punctually pay or cause to be paid from the Trust Estate as provided in the Resolution the principal or Redemption Price, if any, of every Obligation and the interest thereon and all Parity Debt, at the dates and places, and in the manner provided in the Obligations and Parity Debt, according to the true intent and meaning thereof.

Section A-602. Extension of Payment of Obligations. The Issuer shall not directly or indirectly extend or assent to the extension of the maturity of any of the Obligations or the time of payments of any claims for interest by the purchase or funding of such Obligations or claims for interest or by any other arrangement and in case the maturity of any of the Obligations or the time for payment of such claims for interest shall be extended, such Obligations or claims for interest shall not be entitled, in case of any Event of Default, to the benefit of the Resolution or to any payment out of the Trust Estate, except subject to the prior payment of the principal of all Obligations Outstanding the maturity of which has not been extended and of such portion of the accrued interest on the Obligations as shall not be represented by such extended claims for interest. Nothing herein shall be deemed to limit the right of the Issuer (i) to issue refunding obligations as provided in the Resolution and such issuance shall not be deemed to constitute an extension of maturity of the Obligations, (ii) to issue Put Obligations and neither such issuance nor the operation of the provisions of such Put Obligations shall be deemed to constitute an extension of maturity of the Obligations, (iii) to apply any amount in any Fund held under the Resolution for such purpose to the purchase or redemption of Obligations or (iv) to issue securities having a maturity date, including any extension of maturity contemplated at the time of issuance, of no more than 270 days from the issue date.

Section A-603. Offices for Servicing Obligations. Except as otherwise provided in the Resolution, the Issuer shall at all times maintain one or more offices or agencies in the City and State of New York where Obligations may be presented for payment, registration, transfer or exchange, and where notices, demands and other documents may be served upon the Issuer in respect of the Obligations or of the Resolution. The Issuer may appoint the Trustee or any other Fiduciary as its agent to maintain such office or agency for the payment, redemption, registration, transfer or exchange of Obligations and for the service upon the Issuer of such notices, demands and other documents. The Issuer may also maintain one or more offices or agencies outside of the City or State for the same purposes.

Section A-604. Further Assurance. To the extent permitted by law, the Issuer from time to time shall make, do, execute, adopt, acknowledge and deliver, and take all and every such further acts, deeds, conveyances, assignments, resolutions, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights and interests in the Trust Estate or assigned, or intended so to be, or which the Issuer may become bound to pledge or assign.

Section A-605. Accounts and Reports.

1. The Issuer shall keep proper books of record and account of its operations. Such books of account are to be audited at least annually by independent certified public accountants experienced in governmental accounting selected by the Issuer. A copy of each audit report, annual balance sheet and income and expense statement shall be filed with the Trustee and sent to any Owner filing with the Issuer a written request therefor.

2. The Issuer shall annually, within 6 months after the close of each fiscal year or at such other time required under applicable law or a subsequent contract with all or certain Owners (or, if not available by such date, when and if available), file with the Trustee, and otherwise as provided by law, a copy of an annual report for such year, accompanied by the opinion of the accountants specified in subsection 1 of this Section.

Section A-606. General.

1. The Issuer shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Issuer under the provisions of the Resolution and, to the extent material to the interests of Owners, the Issuer Act.

2. Upon the date of authentication and delivery of any of the Obligations, all conditions, acts and things required by law and the Resolution to exist, to have happened and to have been performed precedent to and in connection with the issuance of such Obligations (and any related Parity Debt then being incurred) shall exist, shall have happened and shall have been performed and the issuance of such Obligations (and any related Parity Debt then being incurred), together with all other indebtedness of the Issuer, shall be within every debt and other limit prescribed by the laws of the State, as applicable.

ARTICLE A-VII

CONCERNING THE TRUSTEE, PAYING AGENTS AND RAT, REGISTRAR

Section A-701. Trustee; Appointment and Acceptance of Duties. On or prior to the delivery of any Obligations, the Issuer shall appoint a Trustee. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by the Resolution by executing and delivering to the Issuer a written acceptance thereof

Section A-702. Duties, Liabilities and Rights of the Trustee.

1. Prior to the occurrence of an Event of Default of which a Responsible Officer of the Trustee has written notice or actual knowledge, and after the curing or waiver of any Event of Default which may have occurred:

(a) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in the Resolution, and no implied covenants or obligations shall be read into the Resolution against the Trustee; and

(b) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of the Resolution; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee is under a duty to examine same to determine whether or not they conform to the requirements of the Resolution.

2. In case an Event of Default of which a Responsible Officer of the Trustee has written notice or actual knowledge has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by the Resolution, and use the same degree of care and skill in their exercise, as a prudent Person would exercise or use in the conduct of such Person's own affairs.

3. No provision of the Resolution shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(a) this subsection (c) shall not be construed to limit the effect of subsection (a) of this Section A-702;

(b) the Trustee is not and shall not be liable for any error of judgment made in good faith by a Responsible Officer of the Trustee, unless it is proven that the Trustee was negligent in ascertaining the pertinent facts;

(c) the Trustee is not and shall not be liable with respect to any action taken or omitted to be taken by it in good faith (i) in accordance with the direction of the Owners of the applicable percentage of Obligations then Outstanding relating to the time,

method and place of conducting any proceeding for any remedy available to the Trustee, or (ii) which it believes to be authorized or within its rights or powers under the Resolution;

(d) no provision of the Resolution shall require the Trustee to expend or risk its own funds or otherwise incur any personal or financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, for which it has not received a satisfactory indemnity;

(e) the Trustee may rely on any document believed by it to be genuine and to have been signed or presented by the proper Person and shall not be bound to make any investigation into the facts or matters stated in any, resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit;

(f) the Trustee shall not be charged with knowledge of an Event of Default unless a Responsible Officer of the Trustee shall have received written notice from an Owner or the Issuer or have actual knowledge; provided that the Trustee shall be deemed to have actual knowledge of any failure to pay principal or Redemption Price of or interest on Obligations when due;

(g) the Trustee shall not be under any obligation to take any action that is discretionary hereunder;

(h) neither the Trustee nor any of its directors, officers, employees or agents shall be personally liable for any action taken, suffered or omitted by the Trustee in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon the Trustee by the Resolution;

(i) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, Custodians, or nominees and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent, attorney, custodians or nominees appointed with due care by it hereunder; and

(j) the Trustee may request that the Issuer deliver a certificate of an Authorized Officer setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant hereto, which certificate may be signed by any Person authorized to sign such a certificate, including any Person specified as so authorized in any such certificate previously delivered and not superseded.

4. Whether or not expressly so provided, every provision of the Resolution relating to the conduct or affecting the liability of or affording protection to the Trustee is subject to the provisions of this Section A-702.

5. In the event that the Trustee is also acting as Paying Agent or Registrar hereunder, the rights and protections afforded to the Trustee pursuant to this Article A-VII shall also be afforded to the Paying Agent and Registrar.

Section A-703. Paying Agents and Registrars; Appointment and Acceptance of Duties.

1. The Trustee is hereby appointed the Registrar and a Paying Agent with respect to the Obligations. The Issuer may at any time or from time to time appoint one or more other Paying Agents and Registrars in the manner and subject to the conditions set forth in Section A-713 for the appointment of a successor Paying Agent or Registrar. The Issuer may be appointed a Paying Agent or Registrar.

2. Each Paying Agent and Registrar other than the Trustee shall signify its acceptance of the duties and obligations imposed upon it by the Resolution by executing and delivering to the Issuer and to the Trustee a written acceptance thereof.

Section A-704. Responsibilities of Fiduciaries. The recitals of fact contained in the Resolution and in the Obligations shall be taken as the statements of the Issuer and no Fiduciary assumes any responsibility for the correctness of the same. No Fiduciary makes any representations as to the validity or sufficiency of the Resolution or of any Obligations issued thereunder or in respect of the security afforded by the Resolution, and no Fiduciary shall incur any liability in respect thereof. No Fiduciary shall be under any responsibility or duty with respect to the issuance of the Obligations for value or the application of the proceeds thereof or the application of any money paid to the Issuer. No Fiduciary shall be under any responsibility or duty with respect to the application of any money paid to any other Fiduciary. No Fiduciary shall be liable in connection with the performance of its duties under the Resolution, or for any losses, fees, taxes or other charges incurred upon the purchase or sale or redemption of any securities purchased for or held in any Fund under the Resolution, including any losses incurred by reason of having to sell securities prior to their maturity date, except in each case for its own willful misconduct, negligent action or negligent failure to act.

Section A-705. Evidence on Which Fiduciaries May Act.

1. Each Fiduciary shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document believed by it to be genuine, and to have been signed or presented by the proper party or parties. Each Fiduciary may consult with counsel of its selection, who may or may not be counsel to the Issuer, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, omitted to be taken or suffered by it under the Resolution in good faith and in accordance therewith.

2. Whenever any Fiduciary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under the Resolution, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of the

Resolution; but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may seem reasonable.

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

Section A-706. Compensation. The Issuer shall pay to each Fiduciary from time to time such compensation as shall be agreed to in writing between the Fiduciary and the Issuer for all services rendered under the Resolution (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust), and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under the Resolution. To the extent permitted by law, the Issuer further agrees to indemnify and save each Fiduciary and its officers, directors, agents, and employees harmless against any and all liabilities, losses, damages, claims or expenses which it may incur in the acceptance, exercise and performance of its powers and duties hereunder and which are not due to its willful misconduct, negligence or bad faith. The obligations of this Section A-706 shall survive the discharge of the Resolution. No obligation of the Issuer to make any payment to any Fiduciary shall have the benefit of any lien on or pledge or assignment of the Trust Estate.

A Fiduciary shall notify the Issuer promptly of any claim for which it may seek indemnity. The Issuer shall defend the claim and the Trustee shall cooperate in the defense. The Fiduciary may have separate counsel and the Issuer shall pay the reasonable fees and expenses of such counsel.

Section A-707. Certain Permitted Acts. Any Fiduciary may become the owner of any Obligations or any other obligations of the Issuer, with the same rights it would have if it were not a Fiduciary. To the extent permitted by law and pursuant to the Resolution, any Fiduciary may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners of Obligations or the holders of any other obligations of the Issuer or to effect or aid in any reorganization growing out of the enforcement of the Obligations or any other obligations of the Issuer or the Resolution, whether or not any such committee shall represent the Owners of a majority in principal amount of the Obligations then Outstanding.

Section A-708. Resignation of Trustee. The Trustee may at any time resign and be discharged of the duties and obligations created by the Resolution by giving not less than 60 days' written notice to the Issuer and mailing notice thereof to the Owners of the Obligations, specifying the date when such resignation shall take effect, at least 45 days prior to the effective date, provided that such resignation shall take effect upon the later of (i) the day specified in such notice and (ii) the day a successor shall have been appointed by the Issuer or the Owners of Obligations as provided in Section A-710 and shall have qualified therefor.

Section A-709. Removal of Trustee. The Trustee may be removed at any time by an instrument or concurrent instruments in writing, filed with the Trustee, and signed by the Owners

of a majority in principal amount of the Obligations then Outstanding or their attorneys-in-fact duly authorized, excluding any Obligations held by or for the account of the Issuer or any Related Entity. In addition, so long as no Event of Default shall have occurred and be continuing hereunder and the Trustee is not pursuing any right or remedy available to it pursuant to the Resolution, the Trustee may be removed by the Issuer at any time for failure to provide reasonably acceptable services, failure to charge reasonably acceptable fees or any other reasonable -cause, all as determined by a certificate of an Authorized Officer filed with the Trustee. Any such removal shall not be effective until a successor shall have been appointed by the Issuer or the Owners of Obligations as provided in Section A-710 and shall have qualified therefor.

Section A-710. Appointment of Successor Trustee.

1. In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee, or of its property or affairs, a successor may be appointed by the Owners of a majority in principal amount of the Obligations then Outstanding, excluding any Obligations held by or for the account of the Issuer, by an instrument or concurrent instruments in writing signed and acknowledged by such Owners of Obligations or by their attorneys-in-fact duly authorized and delivered to such successor Trustee, notification thereof being given to the Issuer and the predecessor Trustee; *provided, nevertheless, that* unless a successor Trustee shall have been appointed by the Owners of Obligations as aforesaid, the Issuer by a duly executed written instrument signed by an Authorized Officer of the Issuer shall forthwith appoint a Trustee to fill such vacancy until a successor Trustee shall be appointed by the Owners of Obligations as authorized in this Section A-710. The Issuer shall mail notice of any such appointment made by it to all Owners within 20 days after such appointment. Any successor Trustee appointed by the Issuer shall, immediately and without further act, be superseded by a Trustee appointed by the Owners of Obligations.

2. If in a proper case no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section within 45 days after the Trustee shall have given to the Issuer written notice as provided in Section A-708 or after a vacancy in the office of the Trustee shall have occurred by reason of its inability to act, the Trustee or the Owner of any Obligation may, at the expense of the Issuer, apply to any court of competent jurisdiction to appoint a successor Trustee. Said court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

3. Any Trustee appointed under the provisions of this Section A-710 in succession to the Trustee shall be a Bank that is organized under the laws of the State or, if organized under the laws of another state, authorized to do business in the State of New York, or is a national banking association organized under the laws of the United States of America, doing business and having a corporate trust office in The City of New York, and which at the time of selection meets all thresholds for being well capitalized or adequately capitalized under the prompt corrective action framework applicable to insured depository institutions under Section 38 of the Federal Deposit Insurance Act as in effect from time to time or all thresholds for substantially equivalent categories in any successor legislation if there be such a Bank willing and able to accept

the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Resolution.

Section A-711. Transfer of Rights and Property to Successor Trustee. Any successor Trustee appointed under the resolution shall execute, acknowledge and deliver to its predecessor Trustee, and also to the Issuer, an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all money, estates, properties, rights, powers, duties and obligations of such predecessor Trustee, with like effect as if originally named as Trustee; but the Trustee ceasing to act shall nevertheless, on the written request of the Issuer, or of the successor Trustee, and, upon the payment of all of its charges hereunder, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all the right, title and interest of the predecessor Trustee in and to any property held by it under the Resolution, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the Issuer be required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the Issuer. Any successor Trustee shall promptly notify the Registrar and the Paying Agents of its appointment as Trustee.

Section A-712. Merger or Consolidation. Any Person into which any Fiduciary may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which any Fiduciary may sell or transfer all or substantially all of its municipal corporate trust business, provided such Person shall be a Bank that is organized under the laws of the State, or, if organized under the laws of another state, authorized to do business in the State of New York, or is a national banking association organized under the laws of the United States of America, doing business and having a corporate trust office in The City of New York, and which at the time of selection meets all thresholds for being well capitalized or adequately capitalized under the prompt corrective action framework applicable to insured depository institutions under Section 38 of the Federal Deposit Insurance Act as in effect from time to time or all thresholds for substantially equivalent categories in any successor legislation, if there be such a Bank willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Resolution, shall be the successor to such Fiduciary without the execution or filing of any paper or the performance of any further act.

Section A-713. Resignation or Removal of Paying Agent or Registrar and Appointment of Successor. 1. Any Paying Agent or Registrar may at any time resign and be discharged of the duties and obligations created by the Resolution by giving at least 60 days' written notice to the Issuer, the Trustee, and the other Paying Agents or Registrar, as the case may be. Any Paying Agent or Registrar may be removed at any time by an instrument filed with such Paying Agent or Registrar and the Trustee and signed by the Issuer. Any successor Paying Agent or Registrar shall be appointed by the Issuer, with the approval of the Trustee, and (subject to the requirements of Section A-603) shall be a Bank that is organized under the laws of the State, or, if organized under the laws of another state, authorized to do business in the State of New York, or

is a national banking association organized under the laws of the United States of America doing business and having a corporate trust office in The City of New York and which at the time of selection meets all thresholds for being well capitalized or adequately capitalized under the prompt corrective action framework applicable to insured depository institutions under Section 38 of the Federal Deposit Insurance Act as in effect from time to time or all thresholds for substantially equivalent categories in any successor legislation, if there be such a Bank willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Resolution.

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

3. In the event of the resignation or removal of any Registrar, such Registrar shall transfer and deliver all records, certificates and documents held by it as Registrar to its successor, or if there be no successor, to the Trustee. In the event that for any reason there shall be a vacancy in the office of any Registrar, the Trustee shall act as such Registrar.

Section A-714. Adoption of Authentication. In case any of the Obligations contemplated to be issued under the Resolution shall have been authenticated but not delivered, any successor Trustee may adopt the certificate of authentication of any predecessor Trustee so authenticating such Obligations and deliver the Obligations so authenticated; and in case any of such Obligations shall not have been authenticated, any successor Trustee may authenticate such Obligations in the name of the predecessor Trustee, or in the name of the successor Trustee, and in all such cases such certificate shall have the full force which it is anywhere in said Obligations or in the Resolution provided that the certificate of the Trustee shall have.

Section A-715. Continuing Disclosure Agreements. The Trustee shall be entitled to the same rights and the same degree of indemnification in its execution and performance of each continuing disclosure agreement entered into pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 as amended, as it is under the Resolution.

ARTICLE A-VIII

SUPPLEMENTAL RESOLUTIONS

Section A-801. Supplemental Resolutions Effective Upon Filing With the Trustee.

For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution may be adopted, without the consent of or notice to any Owner, which, upon the filing with the Trustee of a copy thereof certified by an Authorized Officer, or, if adopted prior to the appointment of a Trustee pursuant to Section A-701, upon its adoption, shall be fully effective in accordance with its terms:

(1) To close the Resolution against, or provide limitations and restrictions in addition to the limitations and restrictions contained in the Resolution on, the issuance and delivery of the Obligations, or the issuance or entering into of other evidences of indebtedness;

(2) To add to the covenants and agreements of the Issuer in the Resolution, other covenants and agreements to be observed by the Issuer which are not contrary to or inconsistent with the Resolution as theretofore in effect;

(3) To add to the limitations, and restrictions in, the Resolution, other limitations and restrictions to be observed by the Issuer which are not contrary to or inconsistent with the Resolution as theretofore in effect;

(4) To surrender any right, power or privilege reserved to or conferred upon the Issuer by the Resolution;

(5) To authorize Obligations of a Series and, in connection therewith, (a) specify and determine the matters and things referred to in the provisions of the Resolution authorizing issuance of Obligations, and also any other matters and things relative to such Obligations which are not, contrary to or inconsistent with the Resolution as theretofore in effect, (b) in the case of Variable Interest Rate Obligations or Put Obligations, as applicable, set forth provisions specifying the manner in which interest on Variable Interest Rate Obligations or Put Obligations, as applicable, is to be calculated for the purposes of various definitions and provisions of the Resolution, provisions providing for changes in interest rates, interest rate periods or interest payment dates for any Variable Interest Rate Obligation of a Series or Put Obligations, as applicable, provisions regarding an Owner's right or obligation to tender Put Obligations for redemption or purchase in lieu of redemption, and provisions governing the manner in which Variable Interest Rate Obligations or Put Obligations, as applicable, which the Owner thereof has the right to, or has exercised a right to, tender for redemption or purchase in lieu of redemption shall be treated for purposes of various definitions and provisions of the Resolution, (c) set forth provisions governing the administration of any Qualified Swap or Credit Facility, and provisions providing for the issuance of Reimbursement Obligations of the conversion of other Obligations to Reimbursement Obligations (and in connection with such conversion to change the interest rates, sinking fund provisions or maturity date on such Obligations) to secure or reimburse the provider of such Credit Facility, (d) in the case of either Taxable

Obligations or Tax-Exempt Obligations, set forth defeasance provisions with respect thereto (including the manner of attaining such defeasance and the effect thereof), and (e) make such additional changes herein, not materially adverse to the rights of the Owners of the Obligations previously issued, as are necessary or appropriate; or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first issuance and delivery of such Obligations;

(6) To authorize Obligation Anticipation Notes in accordance with Section A-203 and, in connection therewith, specify and determine the matters and things referred to in Section A-203, and also any other matters and things relative to such Obligations which are not contrary to or inconsistent with the Resolution as theretofore in effect;

(7) To confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, the Resolution of any additional security other than that granted or pledged under the Resolution;

(8) To (a) establish for any one or more Series of Obligations a separate debt service reserve fund which shall be permitted to be applied solely to the payment of specified Obligations, *provided that* (i) the specified Obligations shall have no claim or lien on nor be payable from any amounts in any other such debt service reserve fund, (ii) the specified Obligations shall be excluded from the calculation of any applicable debt service reserve fund requirement for any other Outstanding Obligations, and (iii) the amount required to be on deposit in such debt service reserve funds shall be specified in the Supplemental Resolutions authorizing the specified Obligations, but in no event shall such amount, after giving effect to any surety bond, insurance policy, letter of credit or similar obligation deposited in any such separate debt service reserve fund pursuant to the Resolution, be in excess of the amount that would otherwise be the debt service reserve fund requirement for such specified. Obligations assuming that such Obligations were the only Obligations Outstanding under the. Resolution; and (b) make such other amendments, changes or modifications to the Resolution as may be deemed necessary or desirable by the Issuer to insure that such debt service reserve funds function in the manner contemplated in this subsection;

(9) To authorize Parity Debt and, in connection therewith, specify and determine (or provide procedures for an Authorized Officer to specify or determine) the matters and things referred to in paragraphs (4) and (6) of Section A-202 of the Resolution, and also any other matters and things relative to such Parity Debt which are not contrary to or inconsistent with the Resolution as then in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first issuance or entering into of such Parity Debt, and at any time to rescind or limit any authorization for any such Parity Debt theretofore authorized but not issued or entered into; in connection with the authorization of Parity Swap Obligations and Parity Reimbursement Obligations, any such Supplemental Resolution may include provisions for the availability, transferability, use or application of the Funds, Accounts and subaccounts established pursuant to Section 502 of the Resolution for the benefit of such Parity Swap Obligations and Parity Reimbursement Obligations; and shall grant to the Owners of such Parity Debt

the same rights granted to Owners of Obligations in Section A-802 and Article A-IX herein;

(10) To authorize Subordinated Indebtedness or Subordinated Contract Obligations and, in connection therewith, specify and determine (or provide procedures for an Authorized Officer to specify or determine) the matters and things required or permitted by Article V of the Resolution in connection therewith, and also any 'other matters and things relative to such Subordinated Indebtedness or Subordinated Contract Obligations which are not contrary to or inconsistent with the Resolution as then in effect, or at any time to amend, rescind or limit any authorization for any such Subordinated Indebtedness or Subordinated Contract Obligations theretofore authorized but not issued or entered into; and in connection with the authorization of Subordinated Indebtedness or Subordinated Contract Obligations, any such Supplemental Resolution may include provisions for the availability, transferability, use or application of amounts available to pay Subordinated Indebtedness or Subordinated Contract Obligations and any other funds, accounts or subaccounts created for the benefit of such Subordinated Indebtedness or Subordinated Contract Obligations;

(11) To modify any of the provisions of the Resolution in any respect whatsoever, *provided that* (i) such modification shall, be, and be expressed to be, effective only after all Obligations affected thereby and Outstanding at the date of the adoption of such Supplemental Resolution shall cease to be Outstanding and (ii) such Supplemental Resolution shall be specifically referred to in the text of all Obligations delivered on original issuance after the date of the adoption of such Supplemental Resolution and of the Obligations issued in exchange therefor or in place thereof;

(12) To add to the Resolution any provisions required by law to preserve the exclusion from gross income for Federal income tax purposes of interest received on Tax-Exempt Obligations then Outstanding or to be issued or the exemption of interest received on any Obligations from State income taxation;

(13) To modify, amend or supplement the Resolution in any manner, not already provided for in or pursuant to the Supplemental Resolution authorizing the related Series of Obligations in order to provide for a Credit Facility, Qualified Swap, or other similar arrangement with respect to any Series of Obligations, under the Resolution, so long as the Issuer determines that such Supplemental Resolution does not materially adversely affect the right, security and interest of the Owners of Outstanding Obligations;

(14) To modify, amend or supplement the Resolution in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar Federal statute hereafter in effect or to permit the qualification of the Obligations for sale under the securities laws of any of the states of the United States of America, and, if the Issuer so determines, to add hereto such other terms, conditions and provisions as may be required by said Trust Indenture Act of 1939 or similar Federal statute;

(15) To amend or modify any Supplemental Resolution authorizing Obligations of a Series to reflect the substitution of a new Credit Facility for the Credit Facility then in effect;

(16) At any time prior to the first authentication and delivery of any Obligations under the Resolution or at any other time when no Obligations are Outstanding under the Resolution, to modify the provisions of the Resolution in such manner as the Issuer deems necessary or appropriate;

(17) To cure any ambiguity, supply any omission, or. cure or correct any defect or inconsistent provision in the Resolution;

(18) To insert such provisions clarifying matters or questions arising under the Resolution as are necessary or desirable and are not contrary to or inconsistent with the Resolution as theretofore in effect, including, in the event the Issuer Act is amended or other legislation is enacted to so provide, the substitution of an alternate or different legal name for the current name of the Issuer or any other Related Entity in the Resolution or the form of Obligations; or

(19) With Rating Confirmation, to make any other modification or amendment of the Resolution which the Issuer shall in its sole discretion determine will not have a material adverse effect on the interests of the Owners of Outstanding Obligations.

In making any determination under paragraph (19) of this Section A-801, the Issuer may conclusively rely upon an Opinion of Counsel or opinions of other experts or professionals.

Section A-802. Supplemental Resolutions Effective With Consent of Owners of Obligations. At any time or from time to time, a Supplemental Resolution may be adopted subject to consent by Owners of Obligations in accordance with and subject to the provisions of Article A-IX hereof, which Supplemental Resolution, upon the filing with the Trustee of a copy thereof certified by an Authorized Officer of the Issuer and upon compliance with the provisions of said Article A-IX, shall become fully effective in accordance with its terms as provided in said Article A-IX.

Section A-803. General Provisions.

1. The Resolution shall not be modified or amended in any respect except as provided in and in accordance with and subject to the provisions of this Article A-VIII and Article A-IX hereof. Nothing contained in this Article A-VIII or in Article A-IX shall affect or limit the right or obligation of the Issuer to execute and deliver to any Fiduciary any instrument which elsewhere in the Resolution it is provided shall be delivered to said Fiduciary.

2. Any Supplemental Resolution referred to and permitted or authorized by Section A-801 may be adopted by the Issuer without the consent of any of the Owners, but shall become effective only on the conditions, to the extent and at the time provided in said Section. The copy of every Supplemental Resolution when filed with the Trustee shall be accompanied by a Counsel's Opinion stating that such Supplemental Resolution has been duly and lawfully adopted

in accordance with the provisions of the Resolution, is authorized or permitted by the Resolution, and is valid and binding upon the Issuer and enforceable in accordance with its terms; *provided, however, that* the concurrent delivery of an Opinion of Bond Counsel required by Section A-201.2(a) shall satisfy this requirement.

3. No Supplemental Resolution shall change or modify any of the rights or obligations of any Fiduciary without its written consent.

ARTICLE A-IX

AMENDMENTS

Section A-901. Mailing. Any provision in this Article for the mailing of a notice or other paper to Owners shall be fully complied with if it is mailed postage prepaid to each Owner of any affected Obligation then Outstanding at such Owner's address, if any, appearing upon the registry books of the Issuer, and (ii) to the Trustee; or, in each case, to such parties by facsimile or other means to the extent permitted by applicable law and arrangements.

Section A-902. Powers of Amendment. Any modification or amendment of the Resolution and of the rights and obligations of the Issuer and of the Owners, in any particular, may be made by a Supplemental Resolution, with the written consent given as provided in Section A-903, (i) of the Owners of a majority in principal amount of the Obligations Outstanding at the time such consent is given, and (ii) in case less than all of the Obligations then Outstanding are affected by the modification or amendment, of the Owners of a majority in principal amount of the Obligations so affected and Outstanding at the time such consent is given; *provided, however, that* if such modification or amendment will, by its terms, not take effect so long as particular Obligations remain Outstanding, the consent of the Owners of such Obligations shall not be required and such Obligations shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Obligations under this Section. No such modification or amendment shall (a) permit a change in the terms of redemption or maturity of the principal of any Outstanding Obligation or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Owner of such Obligation, (b) reduce the percentages or otherwise affect the classes of Obligations the consent of the Owners of which is required to waive an Event of Default or otherwise effect any such modification or amendment, (c) create a preference or priority of any Obligation or Obligations over any other Obligation or Obligations, without the consent of the Owners of all such Obligations, (d) create a lien prior to or on parity with the lien of the Resolution securing Obligations, without the consent of the Owners of all of the Obligations then Outstanding, or (e) change or modify any of the rights or obligations of any Fiduciary without its written assent thereto. For the purposes of this Section, an Obligation shall be deemed to be affected by a modification or amendment of the Resolution if the same materially and adversely affects the rights of the Owner of such Obligation. The Trustee may in its discretion determine whether or not in accordance with the foregoing powers of amendment particular Obligations would be affected by any modification or amendment of the Resolution and any such determination shall be binding and conclusive on the Issuer and all Owners of Obligations. The Trustee may request and receive an opinion of counsel, including a Counsel's Opinion, as conclusive evidence as to whether particular Obligations would be so affected by any such modification or amendment of the Resolution and the Trustee shall have no duty or obligation to take any action hereunder unless and until it has received such opinion. Notwithstanding anything in this Section or the Resolution to the contrary, the consent of Owners of any Series of additional Obligations to be issued hereunder to any modification or amendment of the Resolution, which modification or amendment, as well as such consent, is disclosed in the official statement or other offering document prepared in connection with the primary offering of such Series of additional Obligations shall be deemed given and irrevocable and no other evidence of such consent shall be required.

Section A-903. Consent of Owners of Obligations. The Issuer at any time may adopt a Supplemental Resolution making a modification or amendment permitted by the provisions of Section A-902 to take effect when and as provided in this Section. A copy of such Supplemental Resolution (or brief summary thereof or reference thereto in form approved by the Trustee) together with a request to the Owners for their consent thereto in form satisfactory to the Trustee, shall be mailed by the Issuer to the Owners (but failure to mail such copy and request shall not affect the validity of the Supplemental Resolution when consented to as in this Section provided). Such Supplemental Resolution shall not be effective unless and until (i) there shall have been filed with the Trustee (a) the written consents of Owners of the percentages of Outstanding Obligations specified in Section A-902 and (b) a Counsel's Opinion stating that such Supplemental Resolution has been duly and lawfully adopted and filed by the Issuer in accordance with, the provisions of the Resolution, is authorized or permitted by the Resolution, and is valid and binding upon the Issuer and enforceable in accordance with its terms, and (ii) a notice shall have been mailed to Owners as hereinafter in this Section A-903 provided. Any such consent, including any consent provided pursuant to the last sentence of Section A-902 shall be irrevocable and binding upon the Owner of the Obligations giving such consent and, anything in Section A-1102 to the contrary notwithstanding, upon any subsequent Owner of such Obligations and of any Obligations issued in exchange therefor (whether or not such subsequent Owner thereof has notice thereof). At any time after the Owners of the required percentages of Obligations shall have filed their consents to the Supplemental Resolution, the Trustee shall make and file with the Issuer and the Trustee a written statement that the Owners of such required percentages of Obligations have filed such consents. Such written statement shall be conclusive that such consents have been so filed. At any time thereafter, notice, stating in substance that the Supplemental Resolution (which may be referred to as a Supplemental Resolution adopted by the Issuer on a stated date, a copy of which is on file with the Trustee) has been consented to by the Owners of the required percentages of Obligations and will be effective as provided in this Section A-903, may be given to Owners of Obligations by the Issuer by mailing such notice to Owners of Obligations (but failure to mail such notice shall not prevent such Supplemental Resolution from becoming effective and binding as in this Section A-903 provided). The Issuer shall file with the Trustee proof of the mailing of such notice. A record, consisting of the papers required or permitted by this Section A-903 to be filed with the Trustee, shall be proof of the matters therein stated. Such Supplemental Resolution making such amendment or modification shall be deemed conclusively binding upon the Issuer, the Fiduciaries and the Owners of all Obligations at the expiration of 40 days after the filing with the Trustee of the proof of the mailing of such last-mentioned notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Resolution in a legal action or equitable proceeding for such purpose commenced within such 40-day period; *provided, however, that* any Fiduciary and the Issuer during such 40-day period and any such further period during which any such action or proceeding may be pending shall be entitled in their absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Resolution as they may deem expedient.

Section A-904. Modifications by Unanimous Consent. The terms and provisions of the Resolution and the rights and obligations of the Issuer and of the Owners of Obligations may be modified or amended in any respect upon the adoption and filing by the Issuer of a Supplemental Resolution and the consent of the Owners of all of the Obligations then Outstanding, such consent to be given as provided in Section A-903 except that no notice to Owners of Obligations shall be required; *provided, however, that* no such modification or amendment shall change or modify any

of the rights or obligations of any Fiduciary without the filing with the Trustee of the written consent thereto of such Fiduciary in addition to the consent of the Owners of Obligations.

Section A-905. Notation on Obligations. Obligations issued and delivered after the effective date of any action taken as in Article A-VIII or this Article provided may, and, if the Trustee so determines, shall, bear a notation by endorsement or otherwise in form approved by the Issuer and the Trustee as to such action, and in that case upon demand of the Owner of any Obligation Outstanding at such effective date and presentation of its Obligation for the purpose at the corporate trust office of the Trustee, suitable notation shall be made on such Obligation by the Trustee as to any such action. If the Issuer or the Trustee shall so determine, new Obligations so modified as in the opinion of the Trustee and the Issuer to conform to such action shall be prepared, authenticated and delivered. Upon demand of the Owner of any Obligations then Outstanding and the surrender of such Obligations, there shall be authenticated and exchanged therefor, new Obligations having the same terms, other than the noted modification, as the Obligations surrendered.

ARTICLE A-X

DEFAULT AND REMEDIES

Section A-1001. Abrogation of Right to Appoint Statutory Trustee; Preservation of Statutory Rights and Remedies. Any right of the Owners of Obligations to appoint a trustee under the Issuer Act is hereby abrogated. Subject to the foregoing sentence of this Section A-1001 and the provisions of Section 701 of the Resolution, the Owners of Obligations and the Trustee acting on behalf of the Owners of Obligations shall be entitled to all of the rights and remedies provided or permitted by law.

ARTICLE A-XI

MISCELLANEOUS

Section A-1101. Defeasance. 1. If the Issuer shall pay or cause to be paid to the Owners of all Obligations then Outstanding the principal and interest and Redemption Price, if any, to become due thereon, at the times and in the manner stipulated therein and in the Resolution, then, at the option of the Issuer, expressed in an instrument in writing signed by an Authorized Officer and delivered to the Trustee, the covenants, agreements and other obligations of the Issuer to the Owners of Obligations shall be discharged and satisfied. In such event, the Trustee shall, upon the request of the Issuer, execute and deliver to the Issuer all such instruments as may be desirable to evidence such discharge and satisfaction and the Fiduciaries shall pay over or deliver to the Issuer all money, securities and funds held by them pursuant to the Resolution which are not required for the payment or redemption of Obligations not theretofore surrendered for such payment or redemption.

2. Outstanding Obligations or any portions thereof for the payment or redemption of which money shall have been set aside and shall be held in trust by the Paying Agents shall at the respective maturity or redemption dates thereof be deemed to have been paid within the meaning and with the effect expressed in subsection 1 of this Section A-1101. Outstanding Obligations or any portions thereof shall, prior to the maturity or redemption date thereof, be deemed to have been paid within the meaning and with the effect expressed in subsection 1 of this Section either (A) with respect to the defeasance of Taxable Obligations, Tax-Exempt Obligations or otherwise, as provided in the Supplemental Resolution authorizing their issuance or (B) if (a) in case any of said Obligations are to be redeemed on any date prior to their maturity, the Issuer shall have given to the Trustee in form satisfactory to it irrevocable instructions to mail as provided in Article A-IV notice of redemption on said date of such Obligations, (b) there shall have been irrevocably deposited with the Trustee either money in an amount which shall be sufficient, or Defeasance Securities the principal of and the interest on which when due will provide money which, together with the money, if any, deposited with the Trustee at the same time, shall be sufficient, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon, to pay when due, the principal or Redemption Price, if applicable, and interest due and to become due on such Obligations or such portions thereof on and prior to the redemption date or maturity date thereof, as the case may be, and (c) in the event such Obligations are not by their terms maturing or are not subject to redemption within the next succeeding 60 days, the Issuer shall have given the Trustee in form satisfactory to it irrevocable

instructions to mail, as soon as practicable, a notice to the Owners of such Obligations that the deposit required by (b) above has been made with the Trustee and that said Obligations are deemed to have been paid in accordance with this Section and stating such maturity or redemption date upon which money is to be available for the payment of the principal or Redemption Price, if applicable, on such Obligations. Neither Defeasance Securities nor money deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if applicable, and interest on said Obligations; *provided, however, that* any money on deposit with the Trustee, (i) to the extent such money will not be required at any time for such purpose, shall be paid over to the Issuer as received by the Trustee, free and clear of any trust, lien or pledge securing said Obligations or otherwise existing under the Resolution, and (ii) to the extent such money will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Defeasance Securities maturing at times and in amounts sufficient, together with any money available to the Trustee for such purpose, to pay when due the principal or Redemption Price, if applicable, and interest to become due on said Obligations on and prior to such redemption date or maturity date thereof, as the case may be. Notwithstanding any other provision hereof, the Issuer may at the time of defeasance elect to retain the right to redeem or require the tender of any obligations deemed paid pursuant to this subsection 2 of Section A-1101. The Trustee shall, at the direction of the Issuer, select the Obligations or portions thereof that are deemed to have been paid in advance of the redemption of such Obligations.

3. Anything in the Resolution to the contrary notwithstanding, any money held by a Fiduciary in trust for the payment and discharge of the principal or Redemption Price or interest on any of the Obligations which remains unclaimed for 2 years after the date when such principal, Redemption Price or interest, respectively, has become due and payable, either at stated maturity dates or by call for earlier redemption, if such money was held by the Fiduciary at such date, or for 2 years after the date of deposit of such money if deposited with the Fiduciary after the date when such principal, Redemption Price, or interest, respectively, became due and payable, shall, at the written request of the Issuer, be repaid by the Fiduciary to the Issuer, as its absolute property and free from trust, and the Fiduciary shall thereupon be released and discharged with respect thereto and the Owners of Obligations shall look only to the Issuer for the payment of such principal, Redemption Price, or interest, respectively. Notwithstanding the foregoing or anything in the Resolution to the contrary, any money held by a Fiduciary in trust for the payment and discharge of any Obligations which remains unclaimed after such money was to be applied to the payment of such Obligations in accordance with the Resolution may be applied in accordance with the provisions of the Abandoned Property Law of the State, being Chapter 1 of the Consolidated Laws of the State or any successor provision thereto, and upon such application, the Fiduciary shall thereupon be released and discharged with respect thereto and the Owners of Obligations shall look only to the Issuer or the Comptroller of the State for the payment of such Obligations. Before being required to make any such payment to the Issuer or to apply such money in accordance with the Abandoned Property Law of the State, the Fiduciary shall, at the expense of the Issuer, cause to be mailed to the Owners entitled to receive such money a notice that said money remains unclaimed and that, after a date named in said notice, which date shall be not less than 30 days after the date of the mailing, the balance of such money then unclaimed will be returned to the Issuer or applied in accordance with the Abandoned Property Law of the State, as the case may be.

Section A-1102. Evidence of Signatures of Owners of Obligations and Ownership of Obligations. 1. Any request, consent, revocation of consent or other instrument which the Resolution may require or permit to be signed and executed by the Owners of Obligations may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners of Obligations in Person or by their attorneys-in-fact appointed in writing or by such electronic or other means as may be recognized pursuant to applicable law. Proof of (i) the execution of any such instrument, or of an instrument appointing any such attorney, or (ii) the holding by any Person of the Obligations shall be sufficient for any purpose of the Resolution (except as otherwise therein expressly provided) if made in the following manner, or in any other manner satisfactory to the Trustee, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

1. The fact and date of the execution by any Owner or his attorney-in-fact of such instrument may be proved by the certificate of a signature guarantor, or of any notary public or other officer authorized to take acknowledgments of deeds, that the Person signing such request or other instrument acknowledged to him the execution thereof; or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership such certificate or affidavit shall also constitute sufficient proof of his authority;

2. The ownership of Obligations and the amount, numbers and other identification, and date of holding the same shall be proved by the registry books.

2. Any request or consent by the Owner of any Obligation shall bind all future Owners of such Obligation in respect of anything done or suffered to be done by the Issuer or any Fiduciary in accordance therewith.

Section A-1103. Money Held for Particular Obligations. The amounts held by any Fiduciary for the payment of the interest, principal or Redemption Price due on any date with respect to particular Obligations shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Owners of Obligations entitled thereto.

Section A-1104. General Regulations as to Money and Funds. 1. Each of the Funds and Accounts established by the Resolution shall be a trust fund for the purposes thereof.

2. All amounts of the Issuer held or set aside under the Resolution shall, until paid over to the Fiduciaries or otherwise invested or applied as provided in the Resolution, be deposited by the Issuer in its name, on demand or time deposit, in such Banks as shall be selected by the Issuer. Any amounts held by any Fiduciary under the Resolution shall be deposited in such Banks as the Issuer may select. Any such deposit may be made in the commercial banking department of any Fiduciary which may honor checks on such deposit with the same force and effect as if it were not such Fiduciary, and without any duty to inquire into whether any withdrawals of such funds are in accordance with or might violate any of the provisions of the Resolution. Such deposits shall be continuously secured by the obligations of the United States of America or of the State, which obligations shall have a market value (exclusive of accrued interest) at all times at least equal to the amount of such deposits, which obligations shall be segregated in

trust for the account of the Issuer, or shall be otherwise held as the Issuer and the depository may agree. Securities deposited with the Federal Reserve Bank to secure all trust accounts of a depository shall be deemed to comply with the foregoing requirement.

3. Unless otherwise specified in a Supplemental Resolution authorizing the issuance of Obligations, all money held by any Fiduciary, as such, may be deposited by such Fiduciary in its banking department on demand or, if and to the extent directed by the Issuer and acceptable to such Fiduciary, on time deposit, and all such deposits shall be continuously secured by the obligations of the United States of America or of the State which obligations shall have a market value (exclusive of accrued interest) at all times at least equal to the amount of such deposits. Securities deposited with the Federal Reserve Bank to secure all trust accounts of the Fiduciary shall be deemed to comply with the foregoing requirement. Such Fiduciary shall allow and credit on such money such interest, if any, as it customarily allows upon similar funds of similar size and under similar conditions or as required by law.

Section A-1105. Preservation and Inspection of Documents. All documents received by a Fiduciary under the provisions of the Resolution shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Issuer, any other Fiduciary, and any Owners of at least 5% aggregate principal amount of Obligations and their agents and their representatives, any of whom may make copies thereof.

Section A-1106. Parties Interest Herein. Nothing in the Resolution expressed or implied is intended or shall be construed to confer upon, or to give to any Person, other than the Issuer, the Fiduciaries, the Owners of Obligations and the holders of Parity Debt, any right, remedy or claim under or by reason of the Resolution or any covenant, condition or stipulation thereof, and all the covenants, stipulations, promises and agreements in the Resolution contained by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Fiduciaries, the Owners of Obligations and the holders of Parity Debt.

Section A-1107. No Recourse on the Obligations. No recourse shall be had for the payment of the principal or Redemption Price of or interest on the Obligations or Parity Debt or for any claim based thereon or on the Resolution against any member, officer, or employee of the Issuer or any Person executing the Obligations.

Section A-1108. Successors and Assigns. Whenever in the Resolution the Issuer is named or referred to, it shall be deemed to include its successors and assigns and all the covenants and agreements in the Resolution contained by or on behalf of the Issuer shall bind and ensure to the benefit of its successors and assigns whether so expressed or not.

Section A-1109. Business Days. Except as otherwise provided pursuant to a Supplemental Resolution, if the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in the Resolution, is not 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 made or done on the nominal date provided in the Resolution and no interest shall accrue during the intervening period with respect to any payment so deferred.

Section A-1110. Severability of Invalid Provisions. If any term or provision of this Annex A or the Resolution shall be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever, and such term and provision shall be valid and enforced to the fullest extent permitted by law.

The invalidity of any one or more phrases, sentences, clauses or Sections of the Resolution shall not affect the remaining portions of the Resolution, or any part hereof, including any part of this Annex A.

Section A-1111. Exclusion of Obligations. Obligations owned or held by or for the account of the Issuer or any Related Entity shall not be deemed Outstanding for the purpose of any consent to be given or other action to be taken by or upon the direction of Owners of a specified portion of Obligations Outstanding, and the Issuer or any Related Entity shall not be entitled with respect to such Obligations to give any such consent or to take, or direct the taking of, any such action. At the time of any such consent or action, the Issuer shall furnish to the Trustee a certificate of an Authorized Officer, upon which the Trustee may conclusively rely, describing all Obligations so to be excluded.

Section A-1112. Governing Law. The Resolution, including this Annex A, shall be governed by and interpreted in accordance with internal laws of the State, without regard to conflict of law principles thereof.

