

RESOLUTION NO. 14-53

RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST DELEGATING TO THE EXECUTIVE DIRECTOR THE AUTHORITY TO TAKE CERTAIN ACTIONS ON BEHALF OF THE TRUST

WHEREAS, pursuant to Section 5(m) and Section 9(a) of the New Jersey Environmental Infrastructure Trust Act, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State of New Jersey (the "State"), as the same have been, and in the future may from time to time be, amended and supplemented (N.J.S.A. 58:11B-1 *et seq.*) (the "Act"), the New Jersey Environmental Infrastructure Trust, a public body corporate and politic under the laws of the State, created pursuant to the Act (the "Trust"), is authorized to make and contract to make loans (each, a "Trust Loan") to project sponsors (each, a "Borrower") to finance a portion of the costs of the respective environmental infrastructure system projects thereof (each, a "Project"), which Borrowers may lawfully undertake or acquire and for which they are authorized by law to borrow funds, subject to such terms and conditions as the Trust shall determine to be consistent with the purposes thereof; and

WHEREAS, each Trust Loan is made by the Trust pursuant to a Loan Agreement, by and between the Trust and the applicable Borrower (each, a "Trust Loan Agreement"); and

WHEREAS, the repayment obligations of a Borrower to the Trust pursuant to its Trust Loan Agreement are evidenced and secured by a bond or other obligation issued by such Borrower to the Trust (each, a "Borrower Bond"), which Borrower Bond is issued pursuant to a resolution, trust indenture or other authorizing document of the applicable Borrower (each, a "Borrower Bond Resolution"); and

WHEREAS, the majority of the Trust Loans are made by the Trust from the proceeds of bonds issued by the Trust pursuant to Section 5(i) and Section 6 of the Act (collectively, the "Trust Bonds"), each series of which is issued by the Trust pursuant to a resolution of the Trust (each, a "Trust Bond Resolution") that (i) authorizes the issuance of such Trust Bonds, (ii) sets forth the terms of such Trust Bonds, and (iii) establishes the security for such Trust Bonds; and

WHEREAS, in addition to other sources of security for each series of Trust Bonds as set forth in each applicable Trust Bond Resolution, the payment of the principal of and interest on certain series of the Trust Bonds, as specified in the applicable Trust Bond Resolution, also is secured pursuant to the terms and provisions of that certain Master Program Trust Agreement, dated as of November 1, 1995, by and among the Trust, the State, U.S. Bank Trust National Association (as successor to United States Trust Company of New York), the Master Program Trustee thereunder (the "Master Program Trustee"), The Bank of New York Mellon (as successor to The Bank of New York (NJ)), in several capacities thereunder, and U.S. Bank National Association (as successor to First Fidelity Bank, N.A.), in several capacities thereunder, as amended and supplemented (the "Master Program Trust Agreement"); and

WHEREAS, the Trust Loan Agreements, the Trust Bond Resolutions, the Borrower Bond Resolutions, the Master Program Trust Agreement, and certain other documents executed by the Trust in connection with the making of Trust Loans and the issuance of Trust Bonds (collectively, the

“Financing Documents”), set forth certain actions to be taken by the Trust from time to time, subsequent to the execution and delivery thereof; and

WHEREAS, the Board of Directors of the Trust (the “Board”) desires, in order to improve the efficiency and responsiveness of the Trust, to delegate to the Executive Director of the Trust (the “Executive Director”), acting on behalf of the Trust, the authority to take certain actions on behalf of the Trust pursuant to and in satisfaction of the Financing Documents, provided that such actions do not have a material adverse effect on the Trust or the security for any applicable Trust Loan or applicable Trust Bonds, all as further set forth in this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the New Jersey Environmental Infrastructure Trust, as follows:

Section 1. In order to improve the efficiency and responsiveness of the Trust, the Board hereby delegates to the Executive Director, acting on behalf of the Trust, the authority to (i) consent to any prepayment of a Trust Loan, in whole or in part, by the applicable Borrower, provided that (a) all conditions precedent to such prepayment (other than the consent of the Trust), as set forth in the applicable Trust Loan Agreement, have been satisfied in full, including, without limitation, (1) the Borrower shall not, at the time of such prepayment, be in arrears on its loan from the State, acting by and through the New Jersey Department of Environmental Protection, with respect to such Project (each, a “Fund Loan”), (2) the Borrower shall contemporaneously make a full or partial prepayment of its Fund Loan such that, after the prepayment of the Trust Loan and the Fund Loan, the interests of the owners of the related Trust Bonds shall not be adversely affected by such prepayments, and (3) the Borrower shall include in its prepayment an amount, as determined by the Trust, equal to such premium, if any, allocable to the Trust Bonds, if any, to be redeemed as a result of the prepayment; (b) such prepayment shall not have a material adverse effect on the Trust or the security for any Trust Loan or any Trust Bonds; (c) the Trust shall receive an opinion of Bond Counsel to the Trust to the effect that such prepayment will not adversely affect the exclusion of interest on the related Trust Bonds, if any, under Section 103 of the Internal Revenue Code of 1986, as amended; and (d) there is no requirement that the Trust pay any portion of the cost of such prepayment from its own funds; and (ii) direct and implement the defeasance and/or redemption, as appropriate, pursuant to a Trust Bond Resolution, of an appropriate principal amount of Trust Bonds, the proceeds of which were used to make a Trust Loan that is being prepaid in whole or in part, provided that such direction and implementation may be exercised by the Executive Director only (a) upon satisfaction of the conditions precedent thereto as set forth in the applicable Trust Bond Resolution, including, without limitation, receipt of a defeasance opinion of Bond Counsel to the Trust, and (b) if there is no requirement that the Trust pay any portion of the cost of such redemption or defeasance from its own funds.

Section 2. In order to improve the efficiency and responsiveness of the Trust, the Board hereby delegates to the Executive Director, acting on behalf of the Trust, the authority to consent, on behalf of the Trust in its capacity as the holder of a Borrower Bond, to the amendment of a Borrower Bond Resolution or such other action pursuant to a Borrower Bond Resolution requiring the consent of holders of bonds issued thereunder, provided that (i) such amendment or other action satisfies all conditions precedent thereto (other than the consent of the Trust) as set forth in the applicable Borrower Bond Resolution, (ii) such amendment or other action shall not have a

material adverse effect on (a) the Trust, (b) the payment of the principal of or interest on, or any other payment due with respect to, any Trust Loan or any Trust Bonds, (c) the security for any Trust Loan or any Trust Bonds, or (d) the ability of the Borrower to comply in full with its obligations pursuant to the terms and provisions of the applicable Trust Loan Agreement, and (iii) there is no requirement that the Trust pay any portion of the cost of taking such action from its own funds.

Section 3 In order to determine whether an action set forth in Sections 1 and 2 of this Resolution shall have a material adverse effect on the Trust, the security for a series of Trust Bonds or the security for a Trust Loan, the Executive Director shall request and rely upon the opinion of Bond Counsel to the Trust.

Section 4. If any action set forth in Sections 1 and 2 of this Resolution is to be undertaken by the Executive Director at the request of a Borrower, the Executive Director shall not exercise such delegation unless such request shall have been made by the Borrower in writing and the Borrower shall agree to pay all costs and expenses of the Trust in connection with such action, including, without limitation, the fees of counsel to the Trust and any other professional advisors to the Trust.

Section 5. The Executive Director is hereby authorized to take such other actions that the Executive Director, in his sole discretion after consultation with counsel to the Trust, deems necessary, convenient or desirable to effect the provisions of this Resolution, including, without limitation, the execution and delivery of any document necessary or appropriate in order to complete any action taken by the Executive Director pursuant to the delegation set forth in Sections 1 and 2 of this Resolution.

Section 6. At the meeting of the Board immediately following the taking of any action authorized to be taken by the Executive Director pursuant to this Resolution, the Executive Director shall provide a report to the Board concerning the details of such action.

Adopted Date: September 11, 2014

Motion Made By: Robert Briant, Jr.

Motion Seconded By: Roger Ellis

Ayes: 6

Nays: 0

Abstentions: 0