

RESOLUTION NO. 22 - 59

RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE BANK AUTHORIZING DIRECT LOANS TO CERTAIN BORROWERS PARTICIPATING IN THE STATE FISCAL YEAR 2023 NEW JERSEY TRANSPORTATION BANK PROGRAM

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

WHEREAS, on May 12, 2022, the Board of Directors of the I-Bank (the “Board”) adopted Resolution 22- 31 entitled “Resolution of the New Jersey Infrastructure Bank Relating to the Transportation Bank Direct Loan Program” (the “Transportation Bank Direct Loan Policy Resolution”), to provide an alternative to the funding of a Project with proceeds of the I-Bank’s Transportation Infrastructure Bonds, which Transportation Bank Direct Loan Policy Resolution provides that the Board may, by official action thereof, determine that it is in the financial and administrative interests of the I-Bank that a Project be financed as a so-called direct loan (each, a “Transportation Bank Direct Loan”) as part of the direct loan initiative of the I-Bank (the “Transportation Bank Direct Loan Program”); and

WHEREAS, the Transportation Bank Direct Loan Policy Resolution sets forth the Transportation Bank Direct Loan Program Criteria (as such term is defined in the Transportation Bank Direct Loan Policy Resolution) for use by the I-Bank for the purpose of identifying a Project that shall be appropriate for funding through the Transportation Bank Direct Loan Program; and

WHEREAS, the Transportation Bank Direct Loan Program Criteria include the following: (i) the loan by the I-Bank to the Project Sponsor pursuant to the Transportation Bank Direct Loan Program shall not exceed \$2,000,000; and (ii) the outstanding aggregate principal amount of all Transportation Bank Direct Loans made by the I-Bank at any time to any one Project Sponsor shall not exceed \$5,000,000; and

WHEREAS, the Transportation Bank Direct Loan Policy Resolution establishes the rate of interest to be paid by the Project Sponsor to the I-Bank with respect to the repayment of the Transportation Bank Direct Loan; and

WHEREAS, the Transportation Bank Direct Loan Policy Resolution requires the granting of any Transportation Bank Direct Loan by the I-Bank pursuant to the Transportation Bank Direct Loan Program and the Transportation Bank Direct Loan Program Policy to be subject to separate official action of the Board and provides that the Board, by the terms of such official action, may elect to deviate from the Transportation Bank Direct Loan Program Policy to the extent expressly identified and authorized in such official action of the Board; and

WHEREAS, once the Board, by official action thereof, has determined that a Project qualifies for funding through the Transportation Bank Direct Loan Program, such Project is financed with the proceeds of a Transportation Bank Direct Loan from the I-Bank; and

WHEREAS, the Project Sponsors set forth in Schedule I attached hereto (each, a “Transportation Bank Direct Loan Borrower” and, collectively, the “Transportation Bank Direct Loan Borrowers”) have sought financial assistance from the I-Bank in connection with the respective Projects thereof that bear the corresponding numeric designations set forth in Schedule I attached hereto (each, a “Transportation Bank Direct Loan Project” and, collectively, the “Transportation Bank Direct Loan Projects”); and

WHEREAS, it is in the administrative interest of the I-Bank to provide to each of the Project Sponsors identified on Schedule I a Transportation Bank Direct Loan; and

WHEREAS, each Transportation Bank Direct Loan shall be extended by the I-Bank to each Transportation Bank Direct Loan Borrower, and each Transportation Bank Direct Loan Borrower shall repay its Transportation Bank Direct Loan to the I-Bank, pursuant to the terms and provisions of a loan agreement (each, a “Transportation Bank Direct Loan Agreement” and, collectively, the “Transportation Bank Direct Loan Agreements”), by and between the I-Bank and such Transportation Bank Direct Loan Borrower; and

WHEREAS, the Transportation Bank Direct Loans to City of Orange Township for Project No. TB0717-001 with Direct Loan Maximum authorized amount of \$9,910,000 (the “Orange Township Project”) and the Township of Raritan for Project No. TB1021-001 for \$2,822,950 (the “Raritan Project”) as shown on Schedule I exceed the maximum principal amount of \$2,000,000 as established by the Transportation Bank Direct Loan Program and, specifically, the Transportation Bank Direct Loan Program Criteria and, therefore, the Orange Township Project and the Raritan Project Transportation Bank Direct Loans authorized hereby shall deviate from such Transportation Bank Direct Loan Program and, specifically, the Transportation Bank Direct Loan Program Criteria (the “Principal Deviation”); and

WHEREAS, it is the desire of the I-Bank, subject to the terms and provisions of the Act, the Transportation Bank Direct Loan Policy Resolution, and this Resolution to authorize (i) each Transportation Bank Direct Loan to the respective Transportation Bank Direct Loan Borrowers in an amount not to exceed the respective State Fiscal Year (“SFY”) 2023 Direct Loan Maximum Amount (all as identified in Schedule I attached hereto and made a part hereof) for the purpose of financing a portion of the cost of the respective Transportation Bank Direct Loan Project thereof (as identified in Schedule I attached hereto and made a part hereof), pursuant to the respective terms and provisions of the respective Transportation Bank Direct Loan Agreement, and (ii) in connection with each such Transportation Bank Direct Loan, the Principal Deviation.

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

Section 1. The recitals of this Resolution are incorporated herein by reference as if set forth at length herein.

Section 2. The Board hereby approves the making of each Transportation Bank Direct Loan to the respective Transportation Bank Direct Loan Borrower (as identified in Schedule I attached hereto and made a part hereof), as part of the Transportation Bank Direct Loan Program of the I-Bank, for the purpose of financing all or a portion of the cost of the respective Transportation Bank Direct Loan Project thereof (as identified in Schedule I attached hereto and made a part hereof), provided that (i) the principal amount of each Transportation Bank Direct Loan shall not exceed the applicable SFY2023 Direct Loan Maximum Amount with respect to each such Transportation Bank Direct Loan Project (as identified in Schedule I attached hereto and made a part hereof), (ii) each Transportation Bank Direct Loan shall be funded solely from the Available Funds, (iii) each Transportation Bank Direct Loan shall comply fully with the provisions of the Act, the Transportation Bank Direct Loan Policy Resolution (except as otherwise provided herein) and this Resolution, (iv) each Transportation Bank Direct Loan shall be made by the I-Bank to the respective Transportation Bank Direct Loan Borrower, and the repayment thereof shall be made by such Transportation Bank Direct Loan Borrower to the I-Bank, pursuant to the terms and provisions of a Transportation Bank Direct Loan Agreement, in substantially the form attached hereto as Exhibit A, and made a part hereof, with such revisions and modifications thereto as shall be approved by the Chairperson, the Vice Chairperson or the Executive Director of the I-Bank (each, an “Authorized Officer”) after consultation with Bond Counsel to the I-Bank and the Office of the Attorney General of the State, such approval to be evidenced by the execution thereof by such Authorized Officer, and (v) the payment of interest on the Transportation Bank Direct Loans shall be calculated pursuant to the Interest Rate Calculation as defined in the Transportation Bank Direct Loan Policy Resolution. In connection with the provisions of the preceding clause (i) and clause (v) of this Section 2, the Board hereby approves the Principal Deviation as a deviation from the terms and provisions of the Transportation Bank Direct Loan Policy Resolution.

Section 3. Each Authorized Officer is hereby severally authorized and directed to execute (i) each Transportation Bank Direct Loan Agreement and (ii) any certificates, instruments or documents contemplated therein or otherwise related to the making of the Transportation Bank Direct Loans by the I-Bank to each respective Transportation Bank Direct Loan Borrower.

Section 4. Upon execution of each Transportation Bank Direct Loan Agreement by an Authorized Officer, the Secretary and the Assistant Secretary of the I-Bank are each hereby severally authorized and directed, where required, to affix the corporate seal of the I-Bank, and to attest to the signature of such Authorized Officer, thereon and on any certificates, instruments or documents contemplated therein or related thereto and to the making of the Transportation Bank Direct Loan by the I-Bank to such Transportation Bank Direct Loan Borrower.

Section 5. Any Authorized Officer is hereby authorized and directed to take such other actions that such Authorized Officer, in his or her respective sole discretion after consultation with Bond Counsel to the I- Bank, and the Office of the Attorney General of the State, as appropriate, deems necessary, convenient or desirable to effect the transactions contemplated hereby.

Section 6. This Resolution shall take effect immediately, subject to the provisions of the Act.

Adopted Date: October 13, 2022

Motion Made By: Mr. Jack Kocsis

Motion Seconded By: Mr. James McManus

Ayes: 7

Nays: 0

Abstentions: 0

SCHEDULE I

TRANSPORTATION BANK DIRECT LOAN BORROWERS

Transportation Bank Direct Loan Borrower	Project Number	SFY2023 Direct Loan Maximum Amount *
City of Orange Township	TB0717-001	\$9,910,000
Township of Raritan	TB1021-001	\$2,822,950
Township of Raritan	TB1021-004	\$377,550
Borough of Somerdale	TB0431-001	\$1,000,000
Borough of Somerdale	TB0431-002	\$1,053,550

*Excluding issuance charges and fees

EXHIBIT A

Transportation Bank Direct Loan Agreement

LOAN AGREEMENT

BY AND BETWEEN

NEW JERSEY INFRASTRUCTURE BANK

AND

[BORROWER NAME]

DATED AS OF DECEMBER 6, 2022

TABLE OF CONTENTS

ARTICLE I	DEFINITIONS.....	2
SECTION 1.01	Definitions.....	2
ARTICLE II	REPRESENTATIONS AND COVENANTS OF BORROWER.....	7
SECTION 2.01	Representations of Borrower.	7
SECTION 2.02	Particular Covenants of Borrower.	10
ARTICLE III	LOAN TO BORROWER; AMOUNTS PAYABLE; GENERAL AGREEMENTS	18
SECTION 3.01	Loan; Loan Term.	18
SECTION 3.02	Disbursement of Loan Proceeds.	18
SECTION 3.03	Amounts Payable.	19
SECTION 3.04	Unconditional Obligations.	20
SECTION 3.05	Loan Agreement to Survive Loan.	20
SECTION 3.06	Disclaimer of Warranties and Indemnification.	21
SECTION 3.07	Option to Prepay Loan Repayments.	22
SECTION 3.08	Reserved.....	22
SECTION 3.09	Approval of the New Jersey State Treasurer.	22
ARTICLE IV	ASSIGNMENT OF LOAN AGREEMENT AND BORROWER BOND	23
SECTION 4.01	Assignment and Transfer by I-Bank.	23
SECTION 4.02	Assignment by Borrower.	23
ARTICLE V	EVENTS OF DEFAULT AND REMEDIES	24
SECTION 5.01	Events of Default.	24
SECTION 5.02	Notice of Default.....	24
SECTION 5.03	Remedies on Default.....	25
SECTION 5.04	Attorneys' Fees and Other Expenses.	25
SECTION 5.05	Application of Moneys.	25
SECTION 5.06	No Remedy Exclusive; Waiver; Notice.....	25
SECTION 5.07	Retention of I-Bank's Rights.	25
ARTICLE VI	MISCELLANEOUS	26
SECTION 6.01	Notices.	26
SECTION 6.02	Binding Effect.....	26
SECTION 6.03	Severability.	26
SECTION 6.04	Amendments, Supplements and Modifications.	26
SECTION 6.05	Execution in Counterparts.....	27
SECTION 6.06	Applicable Law and Regulations.	27
SECTION 6.07	Consents and Approvals.	27
SECTION 6.08	Captions.	27

SECTION 6.09	Benefit of Loan Agreement; Compliance with Bond	
Indenture.	27	
SECTION 6.10	Further Assurances.....	27
SECTION 6.11	No Personal Liability.....	28
SCHEDULE A	Certain Additional Loan Agreement Provisions	
EXHIBIT A-1	(1) Description of Project	
EXHIBIT A-2	(2) Description of Loan	
EXHIBIT B	Basis for Determination of Allowable Project Costs	
EXHIBIT C	Disbursement Schedule (Debt Service Schedule)	
EXHIBIT D	Copy of Borrower Bond	
EXHIBIT E	Opinions of Borrower’s Bond Counsel and General Counsel	
EXHIBIT F	Additional Covenants and Requirements; Sources and Uses of Funds	
EXHIBIT G	Form of Continuing Disclosure Agreement	

NEW JERSEY INFRASTRUCTURE BANK LOAN AGREEMENT

THIS LOAN AGREEMENT, made and entered into as of the Dated Date (as defined in Schedule A hereto), by and between the NEW JERSEY INFRASTRUCTURE BANK, a public body corporate and politic with corporate succession, and the Borrower (capitalized terms used in this Loan Agreement shall have, unless the context otherwise requires, the meanings ascribed thereto in Section 1.01 hereof);

WITNESSETH THAT:

WHEREAS, the Borrower has, in accordance with the Act and the Regulations, made timely application to the I-Bank for a Loan to finance all or a portion of the Costs of the Project;

WHEREAS, the State Legislature, in accordance with Section 20.2 of the Act, has in the form of an appropriations act approved a project eligibility list that includes the Project and that authorizes an expenditure of funds of the I-Bank to finance all or a portion of the Costs of the Project;

WHEREAS, the I-Bank has approved the Borrower's application for the Loan to finance all or a portion of the Costs of the Project

WHEREAS, the Loan to the Borrower may be funded from one or more sources of funds, including, but not limited to (i) available proceeds of the I-Bank Bonds, and/or (ii) available funds in the Transportation Fund;

WHEREAS, as one of the preconditions to the making of the Loan to the Borrower, the I-Bank may require that the Borrower execute, attest and deliver in escrow certain documents, including this Loan Agreement, and produce a validly executed and attested Borrower Bond evidencing said Loan;

WHEREAS, the Borrower, in accordance with the Act, the Regulations, and the Borrower Enabling Act, will issue a Borrower Bond to the I-Bank evidencing the Loan at the Loan Closing.

NOW, THEREFORE, for and in consideration of the award of the Loan by the I-Bank, the Borrower agrees to complete the Project and to perform under this Loan Agreement in accordance with the conditions, covenants and procedures set forth herein and attached hereto as part hereof, as follows:

ARTICLE I DEFINITIONS

SECTION 1.01 Definitions.

The following terms as used in this Loan Agreement shall, unless the context clearly requires otherwise, have the following meanings:

“**Act**” means the “New Jersey Infrastructure Trust Act”, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State (codified at N.J.S.A. 58:11B-1 et seq.), as the same may from time to time be amended and supplemented.

“**Administrative Fee**” means the annual fee owed by the Borrower to the I-Bank established by, and pursuant to the terms of, the Financial Plan that is in effect at the time of the closing of the Borrower’s Loan, as a percentage of the initial principal amount of the Loan, payable to the I-Bank by the Borrower in accordance with the terms of this Loan Agreement, for services rendered by or on behalf of the I-Bank including loan servicing.

“**Authorized Officer**” (i) in the case of the I-Bank, the Chairperson, Vice-Chairperson, Secretary or Executive Director of the I-Bank, or any other person or persons designated by the Board by resolution to act on behalf of the I-Bank pursuant to the Indenture; the designation of such person or persons shall be evidenced by a written Certificate containing the specimen signature of such person or persons and signed on behalf of the I-Bank by its Chairperson, Vice-Chairperson, Secretary or Executive Director and delivered to the Trustee; and (ii) in the case of a Borrower, any person or persons authorized pursuant to a resolution or ordinance of the governing body of the Borrower to perform any act or execute any document relating to the Loan, the Borrower Bond or this Loan Agreement; the designation of such person or persons shall be evidenced by a certified copy of such resolution or ordinance delivered to the I-Bank and the Trustee.

“**Bond Counsel**” means a law firm appointed or approved by the I-Bank, as the case may be, having a reputation in the field of municipal law whose opinions are generally acceptable by purchasers of municipal bonds.

“**Bond Indenture**” means the [Amended and Restated] Master Indenture of Trust, dated as of [June 1][November] 1, 2022 entered into by and between the I-Bank and the Trustee as amended and supplemented from time to time by one or more Supplemental Indentures.

“**Bond Resolution**” means the “Resolution of the New Jersey Infrastructure Bank (i) Authorizing the Execution and Delivery of an Amended and Restated Master Indenture of Trust with Respect to the Transportation Infrastructure Financing Program; and (ii) Directing any Authorized Officer of the New Jersey Infrastructure Bank to Take Certain Actions in Accordance Therewith” adopted by the Board of Directors of the I-Bank on [May 12] [November 10], 2022, authorizing the execution and delivery of an Amended and Restated Master Indenture of Trust which provides for the issuance of the I-Bank Bonds, and any resolutions adopted authorizing Supplemental Indentures as defined in and pursuant to the provisions thereof.

“**Borrower**” means the Local Government Unit that is a party to this Loan Agreement, and its successors and assigns, as further described in Schedule A attached hereto.

“**Borrower Bond**” means the Borrower Bond issued pursuant to the Borrower Enabling Act, authorized, executed, attested and delivered by the Borrower to the I-Bank to evidence and secure the Borrower’s obligations

to pay the Loan Repayments and all other amounts due and owing by the Borrower under this Loan Agreement, a copy of which is attached hereto as Exhibit D and made a part hereof, pursuant to which the power and obligation of the Borrower to make such payments shall be unlimited and for the payment of which the Borrower shall, if necessary, levy or cause to be levied ad valorem taxes upon all the taxable property within the jurisdiction of the Borrower without limitation as to rate or amount.

“**Code**” means the Internal Revenue Code of 1986, as the same from time to time be amended and supplemented, including any regulations promulgated thereunder, any successor code thereto and any administrative or judicial interpretations thereof.

“**Costs**” means those costs of the Project that are eligible, reasonable, necessary, allocable to the Project and permitted by generally accepted accounting principles, as shall be determined on a project-specific basis and in accordance with the Act, all as set forth in Exhibit B attached hereto, as the same may be supplemented or amended by subsequent changes to eligible costs as evidenced by a certificate of an Authorized Officer of the I-Bank.

“**DLGS**” means the Division of Local Government Services in the New Jersey Department of Community Affairs.

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

“**Event of Default**” means any occurrence or event specified in Section 5.01 hereof.

“**Financial Plan**” means the applicable financial plan approved by the State Legislature in accordance with Section 22.3 of the Act.

“**I-Bank**” means the New Jersey Infrastructure Bank, a public body corporate and politic with corporate succession duly created and validly existing under and by virtue of the Act.

“**I-Bank Bonds**” means bonds authorized pursuant to the Bond Indenture and issued by the I-Bank in order to finance or refinance, among other things, all or a portion of Loans to the Borrower or Other Borrowers.

“**Interest on the Loan**” or “Interest on the Borrower Bond” means the sum of (i) the Interest Portion, (ii) the Administrative Fee, (iii) the Loan Origination Fee and (iv) any Late Fees incurred hereunder.

“**Interest Portion**” means that portion of Interest on the Loan or Interest on the Borrower Bond payable hereunder that has been established at Loan Closing (i) as set forth in Exhibit A-2 hereof under the column heading entitled “Interest”, or (ii) with respect to any prepayment of Loan Repayments, interest accrued on any principal amount of any such Loan Repayments to the date of any such Loan Repayments at the rate of interest established at Loan Closing.

“**Late Fee**” means a late fee or late fees owed by a Borrower to the I-Bank with respect to any Loan Repayment that is received by the Trustee later than its due date.

“**Loan**” means the loan made by the I-Bank to the Borrower to finance or refinance a portion of the Costs of the Project pursuant to this Loan Agreement, as further described in Schedule A attached hereto. For all purposes of this Loan Agreement, the amount of the Loan at any time shall be the initial aggregate principal amount of the Borrower Bond, less any amount of such principal amount that has been repaid by the Borrower

under this Loan Agreement and less any adjustment made in connection with the expenditure of I-Bank Bond proceeds to finance or refinance all or a portion of the Costs of the Project.

“Loan Agreement” means this Loan Agreement, including Schedule A and the Exhibits attached hereto, as it may be supplemented, modified or amended from time to time in accordance with the terms hereof.

“Loan Closing” means the date upon which the I-Bank shall fund the Loan and the Borrower shall deliver its fully authorized, executed and attested Borrower Bond, to the I-Bank.

“Loan Repayments” means the sum of (i) the Interest Portion, (ii) the Principal Portion, (iii) the Administrative Fee, (iv) the Loan Origination Fee and (iv) any Late Fees incurred hereunder.

“Loan Term” means the term of this Loan Agreement provided in Sections 3.01 and 3.03 hereof and in Exhibit A-2 attached hereto and made a part hereof.

“Local Government Unit” means a county, municipality, municipal, county or regional transportation authority, or any other political subdivision of the State authorized to construct, operate, or maintain public highways or transportation projects as set forth in the Act.

“Official Statement” means the Official Statement, offering memorandum or other disclosure document relating to the issuance of the I-Bank Bonds.

“Other Borrowers” means any one or more other Local Government Units authorized to own, construct, operate and maintain Transportation Projects that have entered into Other Loan Agreements with the I-Bank pursuant to which the I-Bank will make Other Loans to such recipients from moneys on deposit in the Project Fund, excluding the Project Loan Account, and/or from available funds in the Transportation Fund.

“Other Loan Agreements” means any other loan agreements entered into by and between the I-Bank and one or more of the Other Borrowers pursuant to which the I-Bank will make Other Loans to such Other Borrowers from moneys on deposit in the Project Fund, excluding the Project Loan Account, financed with the proceeds of the I-Bank Bonds, and/or from available funds in the Transportation Fund.

“Other Loans” means the loans made by the I-Bank to the Other Borrowers pursuant to the Other Loan Agreements from moneys on deposit in the Project Fund, excluding the Project Loan Account, and/or from available funds in the Transportation Fund.

“Other Project Loan Accounts” means, collectively, the project loan accounts established in the Project Fund on behalf of Other Borrowers.

“Preliminary Official Statement” means the Preliminary Official Statement, preliminary offering memorandum or other preliminary disclosure document relating to the issuance of the I-Bank Bonds.

“Prime Rate” means the prevailing commercial interest rate announced by the Trustee from time to time in the State as its prime lending rate.

“Principal Portion” means (i) the principal amount of the Loan payable at the times and in the amounts set forth on Exhibit A-2 hereto under the column heading entitled “Principal”, or (ii) with respect to any prepayment of Loan Repayments, any principal amount of any such Loan Repayments to the date of any such Loan Repayments at the rate of interest established at Loan Closing.

“Project” means the Transportation Project of the Borrower described in Exhibit A-1 attached hereto and made a part hereof, which constitutes a project for which the I-Bank is permitted to make a loan to the Borrower

pursuant to the Act, the Regulations, and the Bond Indenture, all or a portion of the Costs of which is being financed or refinanced by the I-Bank through the making of the Loan pursuant to the terms and provisions of this Loan Agreement, and which may be identified with the Project Number specified in Exhibit A-1.

“Project Completion Date” shall have the meaning ascribed thereto in Schedule A.

“Project Fund” means the Project Fund as defined in and established pursuant to the Bond Indenture.

“Project Loan Account” means the Subaccount for the benefit of the Borrower within the applicable Series Account, if any, relating to and established on behalf of the Borrower within the Project Fund in accordance with the Bond Indenture to finance or refinance all or a portion of the Costs of the Project.

“Regulations” means (i) the rules and policies of the I-Bank applicable to Transportation Project Loans, including the then-current rules and policies of the I-Bank, including but not limited to the Financial Plan and any proposed regulations, all as may from time to time be amended and supplemented, except as the same may be superseded by regulations promulgated in the New Jersey Administrative Code that conflict with any such rules and policies, and (ii) the rules and regulations of the I-Bank applicable to Transportation Project Loans as now or hereafter promulgated in the New Jersey Administrative Code, as the same may from time to time be amended and supplemented.

“Reserved Rights” means the rights of the I-Bank under this Loan Agreement to enforce the remedies herein and to enjoy the benefits of the Borrower’s covenants hereunder, including but not limited to the I-Bank’s right, title and interest in and to the Administrative Fees, the Loan Origination Fee and Late Fees with respect to the Loan. The Reserved Rights may be exercised and enforced by the I-Bank whether or not the Trustee shall have exercised or shall have purported to exercise the rights and remedies provided for in the Bond Indenture, without limiting the obligation of the Trustee to do so.

“Rule 10b-5” means 17 CFR 240.10b-5, promulgated by the SEC under the Securities Exchange Act of 1934, as amended or supplemented, including any successor regulation or statute thereto.

“Rule 15c2-12” means of 17 CFR 240.15c2-12, promulgated by the SEC under the Securities Exchange Act of 1934, as amended or supplemented, including any successor regulation or statute thereto.

“SEC” means the Securities and Exchange Commission.

“Short-Term Construction Financing Program Loan” or **“Short-Term Loan”** means any loan made on or prior to the date of the Loan Closing by the I-Bank to the Borrower pursuant to the short-term Transportation Infrastructure Financing Program of the I-Bank for the purpose of financing all or a portion of the Costs of the Project, and that is outstanding on the date of the Loan Closing; such loan(s), if any, shall be identified and described in Exhibit F attached hereto.

“State” means the State of New Jersey.

“Tax-Exempt Debt Obligations” means debt obligations the interest on which is excluded from gross income for purposes of federal income taxation under Section 103(a) of the Code.

“Transportation Fund” means the State Transportation Infrastructure Bank Fund established pursuant to Section 10.4 of the Act (N.J.S.A. 58:11B-10.4).

“Transportation Project” means a “transportation project”, as such term is defined in the Act.

“Transportation Project Loans” means loans made by the I-Bank to finance or refinance Transportation Projects.

“Trustee” means, initially, Zions Bancorporation, National Association d/b/a Zions Bank, the Trustee appointed by the I-Bank, and its successors or replacements as Trustee under the Bond Indenture.

(a) In addition to the capitalized terms defined in subsection (a) of this Section 1.01, certain additional capitalized terms used in this Loan Agreement shall, unless the context clearly requires otherwise, have the meanings ascribed to such additional capitalized terms in Schedule A attached hereto and made a part hereof.

(b) Except as otherwise defined herein or 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, corporations, agencies and districts. Words importing one gender shall include all genders.

ARTICLE II
REPRESENTATIONS AND COVENANTS OF BORROWER

SECTION 2.01 Representations of Borrower. The Borrower represents for the benefit of the I-Bank as follows:

(a) Organization and Authority.

(i) The Borrower is a Local Government Unit duly created and validly existing under and pursuant to the Constitution and statutes of the State.

(ii) The officers or officials of the Borrower who are contemporaneously herewith performing or have previously performed any action contemplated in this Loan Agreement either are or, at the time any such action was performed, were the duly appointed or elected officers or officials of such Borrower empowered by applicable State law and, if applicable, authorized by ordinance or resolution of the Borrower to perform such actions. To the extent any such action was performed by an officer or official no longer the duly acting officer or official of such Borrower, all such actions previously taken by such officer or official remain in full force and effect.

(iii) The Borrower has full legal right and authority and all necessary licenses and permits required as of the date hereof to own, operate and maintain the Project, to carry on its activities relating thereto, to execute, attest and deliver this Loan Agreement and the Borrower Bond, to sell the Borrower Bond to the I-Bank, to undertake and complete the Project and to carry out and consummate all transactions contemplated by this Loan Agreement.

(iv) The proceedings of the Borrower's governing body approving this Loan Agreement and the Borrower Bond, authorizing the execution, attestation and delivery of this Loan Agreement and the Borrower Bond, authorizing the sale of the Borrower Bond to the I-Bank and authorizing the Borrower to undertake and complete the Project (collectively, the "Proceedings") were duly published in accordance with all applicable State law, and have been duly and lawfully adopted in accordance with the Borrower Enabling Act and other applicable State law at a meeting or meetings that were duly called pursuant to required public notice and held in accordance with applicable State law and at which quorums were present and acting throughout.

(v) By official action of the Borrower taken prior to or concurrent with the execution and delivery hereof, including, without limitation, the Proceedings, the Borrower has duly authorized, approved and consented to all necessary action to be taken by the Borrower for: (A) the execution, attestation, delivery and performance of this Loan Agreement and the transactions contemplated hereby; (B) the issuance of the Borrower Bond and the sale thereof to the I-Bank upon the terms set forth herein; (C) if applicable, the approval of the inclusion, if such inclusion is deemed necessary in the sole discretion of the I-Bank, in the Preliminary Official Statement and the Official Statement of all statements and information relating to the Borrower set forth in the applicable Appendix or Appendices thereto (the "Borrower Appendices") and any amendment thereof or supplement thereto; and (D) the execution, delivery and due performance of any and all other certificates, agreements and instruments that may be required to be executed, delivered and performed by the Borrower in order to carry out, give effect to and consummate the transactions contemplated by this Loan Agreement, including, without limitation and if applicable, the designation of the Borrower Appendices portion of the Preliminary Official Statement, if any, as "deemed final" for the purposes and within the meaning of Rule 15c2-12.

(vi) This Loan Agreement and the Borrower Bond have each been duly authorized by the Borrower and duly executed, attested and delivered by Authorized Officers of the Borrower, and the Borrower Bond has been duly sold by the Borrower to the I-Bank and duly issued by the Borrower; and assuming that the I-Bank has all the requisite power and authority to authorize, execute, attest and deliver, and has duly authorized, executed, attested and delivered, this Loan Agreement, and assuming further that this Loan Agreement is the legal, valid and binding obligation of the I-Bank, enforceable against the I-Bank in accordance with its terms, each of this Loan Agreement and the Borrower Bond constitutes a legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its respective terms, except as the enforcement thereof may be affected by bankruptcy, insolvency or other laws or the application by a court of legal or equitable principles affecting creditors' rights; and

(vii) and the information contained under "Description of Loan" in Exhibit A-2 attached hereto and made a part hereof is true and accurate in all respects.

(b) Full Disclosure. There is no fact that the Borrower has not disclosed to the I- Bank in writing on the Borrower's application for the Loan or otherwise that materially adversely affects or (so far as the Borrower can now foresee) that will materially adversely affect the properties, activities, prospects or condition (financial or otherwise) of the Borrower or the Project, or the ability of the Borrower to make all Loan Repayments and any other payments required under this Loan Agreement or otherwise to observe and perform its duties, covenants, obligations and agreements under this Loan Agreement and the Borrower Bond.

(c) Pending Litigation. There are no proceedings pending or, to the knowledge of the Borrower, threatened against or affecting the Borrower in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would materially adversely affect (i) the undertaking or completion of the Project, (ii) the properties, activities, prospects or condition (financial or otherwise) of the Borrower or the Project, (iii) the ability of the Borrower to make all Loan Repayments or any other payments required under this Loan Agreement, (iv) the authorization, execution, attestation or delivery of this Loan Agreement or the Borrower Bond, (v) the issuance of the Borrower Bond and the sale thereof to the I-Bank, or (vi) the Borrower's ability otherwise to observe and perform its duties, covenants, obligations and agreements under this Loan Agreement and the Borrower Bond, which proceedings have not been previously disclosed in writing to the I-Bank either in the Borrower's application for the Loan or otherwise.

(d) Compliance with Existing Laws and Agreements. (i) The authorization, execution, attestation and delivery of this Loan Agreement and the Borrower Bond by the Borrower and the sale of the Borrower Bond to the I-Bank, (ii) the observation and performance by the Borrower of its duties, covenants, obligations and agreements hereunder and under the Borrower Bond, (iii) the consummation of the transactions provided for in this Loan Agreement and the Borrower Bond, and (iv) the undertaking and completion of the Project will not (A) other than the lien, charge or encumbrance created hereby, by the Borrower Bond and by any other outstanding debt obligations of the Borrower that are at parity with the Borrower Bond as to lien on, and source and security for payment thereon from, the general tax revenues of the Borrower, result in the creation or imposition of any lien, charge or encumbrance upon any properties or assets of the Borrower pursuant to, (B) result in any breach of any of the terms, conditions or provisions of, or (C) constitute a default under, any existing ordinance or resolution, outstanding debt or lease obligation, trust agreement, indenture, mortgage, deed of trust, loan agreement or other instrument to which the Borrower is a party or by which the Borrower, the Project or any of its properties or assets may be bound, nor will such action result in any violation of the provisions of the charter or other document pursuant to which the Borrower was established or any laws, ordinances, injunctions, judgments, decrees, rules, regulations or existing orders of any court or governmental or administrative agency, authority or person to which the Borrower, the Project or its properties or operations is subject.

(e) No Defaults. No event has occurred and no condition exists that, upon the authorization, execution, attestation and delivery of this Loan Agreement and the Borrower Bond, the sale of the Borrower Bond to the I-Bank or the receipt of the amount of the Loan, would constitute an Event of Default hereunder. The Borrower is not in violation of, and has not received notice of any claimed violation of, any term of any agreement or other instrument to which it is a party or by which it, the Project or its properties may be bound, which violation would materially adversely affect the properties, activities, prospects or condition (financial or otherwise) of the Borrower or the Project or the ability of the Borrower to make all Loan Repayments, to pay all other amounts due hereunder or otherwise to observe and perform its duties, covenants, obligations and agreements under this Loan Agreement and the Borrower Bond.

(f) Governmental Consent. The Borrower has obtained all permits and approvals required to date by any governmental body or officer for the authorization, execution, attestation and delivery of this Loan Agreement and the Borrower Bond; (i) for the sale of the Borrower Bond to the I-Bank; (ii) for the making, observance and performance by the Borrower of its duties, covenants, obligations and agreements under this Loan Agreement and the Borrower Bond; and (iii) for the undertaking or completion of the Project and the financing or refinancing thereof, including, but not limited to, the approval by DLGS with respect to the issuance by the Borrower of the Borrower Bond to the I-Bank, as required by Section 9a of the Act, and any other approvals required therefor by DLGS. The Borrower has complied with all applicable provisions of law requiring any notification, declaration, filing or registration with any governmental body or officer in connection with the making, observance and performance by the Borrower of its duties, covenants, obligations and agreements under this Loan Agreement and the Borrower Bond or with the undertaking or completion of the Project and the financing or refinancing thereof. No consent, approval or authorization of, or filing, registration or qualification with, any governmental body or officer that has not been obtained is required on the part of the Borrower as a condition to the authorization, execution, attestation and delivery of this Loan Agreement and the Borrower Bond, the sale of the Borrower Bond to the I-Bank, the undertaking or completion of the Project or the consummation of any transaction herein contemplated.

(g) Compliance with Law. The Borrower:

(i) is in compliance with all laws, ordinances, governmental rules and regulations to which it is subject, the failure to comply with which would materially adversely affect (A) the ability of the Borrower to conduct its activities or to undertake or complete the Project, (B) the ability of the Borrower to make the Loan Repayments and to pay all other amounts due hereunder, or (C) the condition (financial or otherwise) of the Borrower or the Project; and

(ii) has obtained all licenses, permits, franchises or other governmental authorizations presently necessary for the ownership of its properties or for the conduct of its activities that, if not obtained, would materially adversely affect (A) the ability of the Borrower to conduct its activities or to undertake or complete the Project, (B) the ability of the Borrower to make the Loan Repayments and to pay all other amounts due hereunder, or (C) the condition (financial or otherwise) of the Borrower or the Project.

(h) Use of Proceeds. The Borrower will apply the proceeds of the Loan from the I-Bank as described in Exhibit B attached hereto and made a part hereof (i) to finance or refinance all or a portion of the Costs of the Borrower's Project; and (ii) where applicable, to reimburse the Borrower for a portion of the Costs of the Borrower's Project, which portion was paid or incurred in anticipation of reimbursement by the I-Bank from proceeds of the Loan and is eligible for such reimbursement under and pursuant to the Regulations, the Code and any other applicable law. All of such costs constitute Costs for which the I-Bank is authorized to make Loans to the Borrower pursuant to the Act and the Regulations.

(i) Preliminary Official Statement. As of the date of the Preliminary Official Statement, if any, the descriptions and information set forth in the Borrower Appendices, if any, to be contained in the Preliminary

Official Statement provided by and relating to the Borrower, its operations and the transactions contemplated hereby (1) will be “deemed final” by the Borrower for the purposes and within the meaning of Rule 15c2-12 and (2) will be true and correct in all material respects, and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

(j) Official Statement. The descriptions and information set forth in the Borrower Appendices, if any, to be contained in the Official Statement, if any, provided by and relating to the Borrower, its operations and the transactions contemplated hereby, as of the date of the Official Statement, will be and, as of the date of delivery hereof, will be true and correct in all material respects, and will not contain any untrue statement of a material fact or omit to state a material fact that is necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

SECTION 2.02 Particular Covenants of Borrower.

(a) Full Faith and Credit Pledge. The Borrower unconditionally and irrevocably pledges its full faith and credit and covenants to exercise its unlimited taxing powers for the punctual payment of the principal and redemption premium, if any, of the Borrower Bond, the Interest on the Borrower Bond and all other amounts due under the Borrower Bond, which Borrower Bond shall secure the Loan Repayments and all other amounts due under this Loan Agreement according to its terms. The Borrower acknowledges that to assure the continued operation and solvency of the I-Bank, the I-Bank may, pursuant to and in accordance with Section 12a of the Act, require that if the Borrower fails or is unable to pay promptly to the I-Bank in full any Loan Repayments, an amount sufficient to satisfy such deficiency shall be paid by the New Jersey State Treasurer to the I-Bank from State-aid otherwise payable to the Borrower.

(b) Performance Under Loan Agreement; Credit Rating; The Borrower covenants and agrees (i) to comply with all applicable State and federal laws, rules and regulations in the performance of this Loan Agreement; (ii) to maintain the Project in good repair and condition; and (iii) to cooperate with the I-Bank in the observance and performance of the respective duties, covenants, obligations and agreements of the Borrower and the I-Bank under this Loan Agreement; and (iv) to maintain a Credit Rating from a NRRRA, which Credit Rating may be a non-public, indicative Credit Rating, (all pursuant to, and as such terms are defined in, the “Credit Policy” of the I-Bank as in effect from time to time) for as long as the remaining aggregate outstanding principal amount of the Borrower Bond and all other bonds issued by the Borrower to the I-Bank is greater than \$2,000,000.

(c) Completion of Project and Provision of Moneys Therefor. The Borrower covenants and agrees (i) to exercise its best efforts in accordance with prudent practice to complete the Project and to accomplish such completion on or before the estimated Project Completion Date set forth in Schedule A hereto and made a part hereof; (ii) to comply with the terms and provisions contained in Exhibit G hereto; and (iii) to provide from its own fiscal resources all moneys, in excess of the total amount of loan proceeds it receives under the Loan required to complete the Project.

(d) Disposition of Project. The Borrower shall not sell, lease, abandon or otherwise dispose of all or substantially all of the Project except on ninety (90) days prior written notice to the I-Bank, and, in any event, shall not so sell, lease, abandon or otherwise dispose of the same unless the following conditions are met: (i) the Borrower shall, in accordance with Section 4.02 hereof, assign this Loan Agreement and the Borrower Bond and its rights and interests hereunder and thereunder to the purchaser or lessee of the Project, and such purchaser or lessee shall assume all duties, covenants, obligations and agreements of the Borrower under this Loan Agreement and the Borrower Bond; and (ii) the I-Bank shall by appropriate action determine, in its sole discretion, that such sale, lease, abandonment or other disposition will not materially adversely affect (A) the I-Bank’s ability to meet its duties, covenants, obligations and agreements under the Bond Indenture, (B) the value of this Loan Agreement or the Borrower Bond as security for the payment of I-Bank Bonds and the interest thereon, or (C) the

excludability from gross income for federal income tax purposes of the interest on I-Bank Bonds then outstanding or that could be issued in the future. Otherwise, the Borrower shall prepay the Borrower Bond in its entirety prior to any such sale, lease, abandonment, or other disposition of all or substantially all of the Project.

(e) Exclusion of Interest from Federal Gross Income and Compliance with Code.

For purposes of this subsection, quoted terms shall have the meanings given thereto by Section 148 of the Code, Treasury Regulations §§1.148-1 through 1.148-11, inclusive, and Treasury Regulations §1.150-1, all as may be supplemented or amended, to the extent applicable to the I-Bank Bonds, and any successor Treasury Regulations applicable to the I-Bank Bonds.

(i) The Borrower covenants and agrees that it shall not take any action or omit to take any action that would result in the loss of the exclusion of the interest on any I-Bank Bonds now or hereafter issued from gross income for purposes of federal income taxation as that status is governed by Section 103(a) of the Code.

(ii) The Borrower shall not take any action or omit to take any action that would cause its Borrower Bond or the I-Bank Bonds (assuming solely for this purpose that the proceeds of the I-Bank Bonds loaned to the Borrower represent all of the proceeds of the I-Bank Bonds) to be “private activity bonds” within the meaning of Section 141(a) of the Code. Accordingly, unless the Borrower receives the prior written approval of the I-Bank, the Borrower shall not (A) permit any of the proceeds of the I-Bank Bonds loaned to the Borrower or the Project financed or refinanced with the proceeds of the I-Bank Bonds loaned to the Borrower to be used (directly or indirectly) in any manner that would constitute “private business use” within the meaning of Section 141(b)(6) of the Code, (B) use (directly or indirectly) any of the proceeds of the I-Bank Bonds loaned to the Borrower to make or finance loans to persons other than “governmental units” (as such term is used in Section 141(c) of the Code), or (C) use (directly or indirectly) any of the proceeds of the I-Bank Bonds loaned to the Borrower to acquire any “nongovernmental output property” within the meaning of Section 141(d)(2) of the Code.

(iii) The Borrower shall not take any action or omit to take any action, and shall not directly or indirectly use or permit the use of any proceeds of the I-Bank Bonds (or amounts replaced with such proceeds) or any other funds, if such action, omission, or use would cause the I-Bank Bonds (assuming solely for this purpose that the proceeds of the I-Bank Bonds loaned to the Borrower represent all of the proceeds of the I-Bank Bonds) to be “arbitrage bonds” within the meaning of Section 148(a) of the Code.

(iv) The Borrower shall not directly or indirectly use or permit the use of any proceeds of the I-Bank Bonds to pay the principal of or the interest or redemption premium on or any other amount in connection with the retirement or redemption of any issue of state or local governmental obligations (“refinancing of indebtedness”), unless the Borrower shall (A) establish to the satisfaction of the I-Bank, prior to the issuance of the I-Bank Bonds, that such refinancing of indebtedness will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the I-Bank Bonds, and (B) provide to the I-Bank, at the Borrower’s sole cost and expense, an opinion of Bond Counsel to that effect in form and substance satisfactory to the I-Bank, upon which the I-Bank may rely.

(v) The Borrower shall not directly or indirectly use or permit the use of any proceeds of the I-Bank Bonds to reimburse the Borrower for an expenditure with respect to Costs of the Project paid by the Borrower prior to the issuance of the I-Bank Bonds, unless (A) the allocation by the Borrower of the proceeds of the I-Bank Bonds to reimburse such expenditure complies with the requirements of Treasury Regulations §1.150-2 that are necessary in order to enable the reimbursement allocation to be treated as an expenditure of the proceeds of the I-Bank Bonds for purposes of applying Sections 103 and 141-150, inclusive, of the Code, or (B) such proceeds of the I-Bank Bonds will be used for refinancing of indebtedness that was used to pay Costs of the Project or to reimburse the Borrower for expenditures with respect to Costs of the Project paid by the Borrower

prior to the issuance of such indebtedness in accordance with a reimbursement allocation for such expenditures that complies with the requirements of Treasury Regulations §1.150-2.

(vi) The Borrower shall not directly or indirectly use or permit the use of any proceeds of the I-Bank Bonds to pay any costs, or refinance any costs, which are not Costs of the Project that constitute (A) a “capital expenditure,” within the meaning of Treasury Regulations §1.150-1, or (B) interest on the I-Bank Bonds accruing during a period commencing on the date of issuance of the I-Bank Bonds and ending on the date that is the later of (I) three years from the date of issuance of the I-Bank Bonds or (II) one year after the completion date with respect to the Project.

(vii) The Borrower shall not use the proceeds of the I-Bank Bonds (assuming solely for this purpose that the proceeds of the I-Bank Bonds loaned to the Borrower represent all of the proceeds of the I-Bank Bonds) in any manner that would cause the I-Bank Bonds to be considered “federally guaranteed” within the meaning of Section 149(b) of the Code or “hedge bonds” within the meaning of Section 149(g) of the Code.

(viii) The Borrower shall not issue any Tax-Exempt Debt Obligations that (A) are sold at substantially the same time as the I-Bank Bonds and finance or refinance the Loan made to the Borrower, (B) are sold pursuant to the same plan of financing as the I-Bank Bonds and finance or refinance the Loan made to the Borrower, and (C) are reasonably expected to be paid out of substantially the same source of funds as the I-Bank Bonds and finance or refinance the Loan made to the Borrower.

(ix) Neither the Borrower nor any “related party” (within the meaning of Treasury Regulations §1.150-1) shall purchase I-Bank Bonds in an amount related to the Principal Amount of the Loan.

(x) The Borrower shall not issue or permit to be issued obligations that will constitute an “advance refunding” of the Borrower Bond within the meaning of Section 149(d)(5) of the Code without the express written consent of the I-Bank, which consent (i) may only be delivered by the I-Bank if the I-Bank has received notice from the Borrower of such contemplated action no later than ninety (90) days prior to any such contemplated action, and (ii) is in the sole discretion of the I-Bank.

(xi) The Borrower will not invest amounts held in any reserve or replacement fund of the Borrower (within the meaning of Section 148(d)(1) of the Code) that are allocable to the Borrower Bond evidencing the Loan at a yield in excess of the yield on the I-Bank Bonds, all in accordance with the instructions of the I-Bank, except for any period such amounts constitute proceeds of indebtedness of the Borrower the interest on which is excluded from gross income for purposes of federal income taxation and such amounts have not been reallocated to the I-Bank Bonds as “gross proceeds” of the I-Bank Bonds (in accordance with Treasury Regulations §1.148-6(b) or successor Treasury Regulations applicable to the I-Bank Bonds).

(xii) To the extent proceeds of the I-Bank Bonds are to be used to finance, rather than refinance, Costs of the Project, the Borrower covenants that the Borrower will satisfy the requirements of Treasury Regulations §1.148-2(e)(2) for a three (3) year temporary period with respect to such portion of the Loan. Accordingly, the Borrower represents that, based upon all of the objective facts and circumstances in existence on the date of issuance of the I-Bank Bonds, with respect to such portion of the Loan, if any, that is to be used to finance Costs of the Project, (A) within six months of the date of issuance of the I-Bank Bonds used to finance the Project, the Borrower will incur, or will have incurred, a substantial binding obligation to a third party to expend on the Project at least five percent (5%) of such “net sale proceeds” (within the meaning of Treasury Regulations §1.148-1) of the Loan used to finance the Project (treating an obligation as not being binding if it is subject to contingencies within the control of the Borrower, the I-Bank or a “related party” (within the meaning of Treasury Regulations §1.150-1)), (B) completion of such portion of the Project and the allocation to expenditures of the “net sale proceeds” of the Loan used to finance the Project will proceed with due diligence, and (C) all of the proceeds of the Loan used to finance Costs of the Project and investment earnings thereon will

be spent prior to the period ending three (3) years subsequent to the date of issuance of the I-Bank Bonds used to finance the Project. Accordingly, any proceeds of the Loan deposited in the Project Loan Account used to finance the Project will be eligible for the 3-year arbitrage temporary period since the expenditure test, time test and due diligence test, as set forth in Treasury Regulations §1.148-2(e)(2), will be satisfied.

(xiii) Computed as of the issue date of the I-Bank Bonds that are issued to finance or refinance Costs of the Project, the weighted average maturity of the Loan does not exceed 120% of the average reasonably expected economic life of the Project, determined in the same manner as under Section 147(b) of the Code. Accordingly, the term of the Loan will not be longer than is reasonably necessary for the governmental purposes of the Loan within the meaning of Treasury Regulations §1.148-1(c)(4).

(xiv) The Borrower shall not enter into any service contracts (including management contracts) with respect to any portion of the Project financed by the I-Bank Bonds unless (A) the Borrower delivers an opinion of Bond Counsel, in form and substance satisfactory to the I-Bank, to the effect that the entering into of such contract or contracts by the Borrower will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the I-Bank Bonds, and (B) such contract is with a “governmental unit” (within the meaning of Section 141 of the Code) or, if such contract is not with a “governmental unit”, such contract either (i) meets a safe harbor as set forth in Rev. Proc. 2017-13, (ii) was entered into before August 18, 2017 and is not materially amended or modified after that date, and meets a safe harbor set forth in Rev. Proc. 97-13, 1997-1 C.B. 632, as modified by Rev. Proc. 2001-39; 2001-2 C.B. 38, and amplified by Notice 2014-67, or (iii) meets a safe harbor contained in any successor guidance from the Internal Revenue Service.

(xv) The Borrower shall, within thirty (30) days of date the Borrower concludes that no additional proceeds of the Loan will be required to pay Costs of the Project, provide to the I-Bank a certificate of the Borrower evidencing such conclusion.

(f) Maintenance of Project. The Borrower covenants and agrees that it shall (i) at all times maintain the Project in good repair and working order, and (ii) from time to time make all necessary and proper repairs, renewals, replacements, additions, betterments and improvements with respect to the Project, all in accordance with prudent practices for the Project.

(g) Records and Accounts.

For purposes of this subsection, quoted terms shall have the meanings given thereto by Section 148 of the Code, Treasury Regulations §§1.148-1 through 1.148-11, inclusive, and Treasury Regulations §1.150-1, all as may be supplemented or amended, to the extent applicable to the I-Bank Bonds, and any successor Treasury Regulations applicable to the I-Bank Bonds.

(i) Borrower shall keep accurate records and accounts for the Project (the “Project Records”) separate and distinct from its other records and accounts (the “General Records”). Such Project Records shall be audited annually by an independent registered municipal accountant or certified public accountant, which may be part of the annual audit of the General Records of the Borrower. Such Project Records and General Records shall be made available for inspection by the I-Bank at any reasonable time upon prior written notice, and a copy of such annual audit(s) therefor, including all written comments and recommendations of such accountant, shall be furnished to the I-Bank within 150 days of the close of the Borrower’s fiscal year being so audited, or such additional period of time as shall be consented to by an Authorized Officer of the I-Bank in the sole and absolute discretion thereof, subject to the application of applicable law relating to such additional period of time for the Borrower to complete its audit.

(ii) Within thirty (30) days following receipt of any Loan proceeds, including without limitation the “Allowance for Administrative Costs” or the “Allowance for Planning and Design” if set forth in

Exhibit B hereto, the Borrower shall allocate any such proceeds to expenditures in a manner that satisfies the requirements of Treasury Regulation §1.148 6(d) and transmit a copy of each such allocation to the I-Bank. No portion of the Allowance for Administrative Costs shall be allocated to a cost other than a cost described in the Regulations and no portion of the Allowance for Administrative Costs shall be paid on a date later than the 180th day after the Loan Closing. No portion of the Allowance for Planning and Design shall be allocated to a cost other than a cost described in the Regulations, or other costs of the Project which are “capital expenditures,” within the meaning of Treasury Regulations §1.150-1. The Borrower shall retain records of such allocations at least until the date that is three years after the scheduled maturity date of the I-Bank Bonds. The Borrower shall make such records available to the I-Bank within fifteen (15) days of any request by the I-Bank. Notwithstanding any other provision contained in this Loan Agreement to the contrary, any requisition of Loan proceeds from the Allowance for Administrative Costs must be submitted within ninety (90) days of the Loan Closing.

(iii) Unless otherwise advised in writing by the I-Bank, in furtherance of the covenant of the Borrower contained in subsection (e)(iii) of this Section 2.02 not to cause the I-Bank Bonds to be arbitrage bonds, the Borrower shall keep, or cause to be kept, accurate records of each investment it makes in any “nonpurpose investment” acquired with, or otherwise allocated to, “gross proceeds” of the I-Bank Bonds not held by the Trustee and each “expenditure” it makes allocated to “gross proceeds” of the I-Bank Bonds. For each such “nonpurpose investment”, such records shall include the purchase price, including any constructive “payments” (or in the case of a “payment” constituting a deemed acquisition of a “nonpurpose investment” (e.g., a “nonpurpose investment” first allocated to “gross proceeds” of the I-Bank Bonds after it is actually acquired because it is deposited in a sinking fund for the I-Bank Bonds)), the “fair market value” of the “nonpurpose investment” on the date first allocated to the “gross proceeds” of the I-Bank Bonds, nominal interest rate, dated date, maturity date, type of property, frequency of periodic payments, period of compounding, yield to maturity, the amount actually or constructively received on disposition (or in the case of a “receipt” constituting a deemed disposition of a “nonpurpose investment” (e.g., a “nonpurpose investment” that ceases to be allocated to the “gross proceeds” of the I-Bank Bonds because it is removed from a sinking fund for the I-Bank Bonds)), the “fair market value” of the “nonpurpose investment” on the date it ceases to be allocated to the “gross proceeds” of the I-Bank Bonds, the purchase date and disposition date of the “nonpurpose investment”, and evidence of the “fair market value” of such property on the purchase date and disposition date (or deemed purchase or disposition date). The purchase date, disposition date and the date of determination of “fair market value” shall be the date on which a contract to purchase or sell the “nonpurpose investment” becomes binding, i.e., the trade date rather than the settlement date. For the purposes of calculating purchase price and calculating amounts received or constructively received on disposition, brokerage commissions, selling commissions, administrative expenses and similar expenses shall not increase the purchase price of an item and shall not reduce the amount actually or constructively received upon disposition of an item, except to the extent such costs constitute “qualified administrative costs”.

(iv) Within thirty (30) days of the last day of the fifth and each succeeding fifth “bond year” (which, unless otherwise advised by the I-Bank, shall be the five-year period ending on the date five years subsequent to the date immediately preceding the date of issuance of the I-Bank Bonds and each succeeding fifth “bond year”) and within thirty (30) days of the date the last bond that is part of the I-Bank Bonds is discharged (or on any other periodic basis requested in writing by the I-Bank), the Borrower shall (A) calculate, or cause to be calculated, the “rebate amount” as of the “computation date” or “final computation date” attributable to any “nonpurpose investment” made by the Borrower and (B) remit the following to the I-Bank: (1) an amount of money that when added to the “future value” as of the “computation date” of any previous payments made to the I-Bank on account of rebate equals the “rebate amount”, (2) the calculations supporting the “rebate amount” attributable to any “nonpurpose investment” made by the Borrower allocated to “gross proceeds” of the I-Bank Bonds, and (3) any other information requested by the I-Bank relating to compliance with Section 148 of the Code (e.g., information related to any “nonpurpose investment” of the Borrower for purposes of application of the “universal cap”)

(v) The Borrower covenants and agrees that it will account for “gross proceeds” of the I-Bank Bonds, investments allocable to the I-Bank Bonds and expenditures of “gross proceeds” of the I-Bank Bonds in accordance with Treasury Regulations §1.148-6. All allocations of “gross proceeds” of the I-Bank Bonds to expenditures will be recorded on the books of the Borrower kept in connection with the I-Bank Bonds no later than 18 months after the later of the date the particular Costs of the Project are paid or the date the portion of the Project financed by the I-Bank Bonds (i.e., the portion of the Project financed with proceeds of I-Bank Bonds) is placed in service. All allocations of proceeds of the I-Bank Bonds to expenditures will be made no later than the date that is 60 days after the fifth anniversary of the date the I-Bank Bonds are issued or the date 60 days after the retirement of the I-Bank Bonds, if earlier. Such records and accounts will include the particular Costs paid, the date of the payment and the party to whom the payment was made.

(vi) From time to time as directed by the I-Bank, the Borrower shall provide to the I-Bank a written report demonstrating compliance by the Borrower with the provisions of Section 2.02(e) of this Loan Agreement, each such written report to be submitted by the Borrower to the I-Bank in the form of a full and complete written response to a questionnaire provided by the I-Bank to the Borrower, such written report to be submitted to the I-Bank within thirty (30) days of the I-Bank’s request for same. Each such questionnaire shall be provided by the I-Bank to the Borrower not less than fourteen (14) days prior to the date established by the I-Bank for receipt from the Borrower of the full and complete written response to the questionnaire.

(h) Inspections; Information. The Borrower shall permit the I-Bank and the Trustee (and any party designated by either of such parties to act on its behalf or to assist it, including, without limitation, their respective professional advisors), at any and all reasonable times during construction of the Project and, thereafter, upon prior written notice, (i) to visit, inspect and examine the property constituting the Project and the site on which the Project is located, and (ii) to inspect (and make and retain copies of) any Borrower accounts, books, records, correspondence and files, including, without limitation, Borrower records regarding contracts, receipts, disbursements, investments and the overall financial standing of the Borrower, and any other matters related to the Borrower, the Project and the foregoing list of deliverables. In furtherance of the intent of this subsection, the Borrower shall promptly prepare and provide such written reports and informational summaries as the I-Bank or the Trustee may reasonably require, such written reports and informational summaries to be provided by the Borrower within thirty (30) days of the date of the request for same.

(i) Insurance. The Borrower shall maintain or cause to be maintained, in force, insurance policies with responsible insurers or self-insurance programs providing against risk of direct physical loss, damage or destruction of, or to, the Project, at least to the extent that similar insurance is typically carried, and considered commercially reasonable, in connection with constructing and maintaining projects of the nature of the Project, including liability coverage, all to the extent available at reasonable cost, but in no case less than will satisfy all regulatory requirements applicable to the Borrower and the Project.

(j) Costs of Project. The Borrower certifies that the construction cost of the Project, as listed in Exhibit B hereto and made a part hereof, is a reasonable and accurate estimation thereof, and it will supply to the I-Bank a certificate from a licensed professional engineer authorized to practice in the State stating that such construction cost is a reasonable and accurate estimation and that the useful life of the Project exceeds the maturity date of the Borrower Bond.

(k) Delivery of Documents. Concurrently with the delivery of this Loan Agreement (as previously authorized, executed and attested) at the Loan Closing, the Borrower will cause to be delivered to the I-Bank each of the following items:

(i) an opinion of the Borrower’s Bond Counsel substantially in the form of Exhibit E hereto; provided, however, that an Authorized Officer of the I-Bank may permit portions of such opinion to be rendered

by general counsel to the Borrower and may permit variances in such opinion from the form set forth in Exhibit E if, in the sole discretion of an Authorized Officer of the I-Bank (following consultation with the I-Bank's Bond Counsel);

(ii) counterparts of this Loan Agreement as previously executed and attested by the parties hereto;

(iii) copies of (A) those ordinances and/or resolutions finally adopted by the governing body of the Borrower and requested by the I-Bank, including, without limitation, (i) the resolution of the Borrower authorizing the execution, attestation and delivery of this Loan Agreement, (ii) the ordinances and resolutions of the Borrower authorizing the execution, attestation, sale and delivery of the Borrower Bond to the I-Bank, (iii) the resolution of the Borrower, if any, confirming the details of the sale of the Borrower Bond to the I-Bank, (iv) the resolution of the Borrower, if any, declaring its official intent to reimburse expenditures for the Costs of the Project from the proceeds of the I-Bank Bonds, and (v) any other Proceedings, all of the foregoing being certified by an Authorized Officer of the Borrower as of the date of the Loan Closing, and (B) the approval by DLGS with respect to the issuance by the Borrower of the Borrower Bond to the I-Bank and setting forth any other approvals required therefor by DLGS;

(iv) if any portion of the Loan is being made to reimburse the Borrower for all or a portion of the Costs of the Project or to refinance indebtedness or reimburse the Borrower for the repayment of indebtedness previously incurred by the Borrower to finance all or a portion of the Costs of the Project, an opinion of Borrower's Bond Counsel, in form and substance satisfactory to the I-Bank, upon which the I-Bank may rely, to the effect that such reimbursement or refinancing will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the I-Bank Bonds; and

(v) the certificates of insurance coverage as required pursuant to the terms of Section 3.06(d) hereof and such other certificates, documents, opinions and information as the I-Bank may require, if any.

(l) Execution and Delivery of Borrower Bond. Concurrently with the delivery of this Loan Agreement at the Loan Closing, the Borrower shall also deliver to the I-Bank the Borrower Bond, as previously executed and attested, and, if applicable, the I-Bank shall certify, in writing, the portion of the net proceeds of the I-Bank Bonds that shall be deposited in the Project Loan Account simultaneously with the delivery of the Borrower Bond. If there are no I-Bank Bonds issued in connection with the Loan, the proceeds of the Borrower Bond shall be applied as set forth on Exhibit F hereto.

(m) Notice of Material Adverse Change. The Borrower shall promptly notify the I-Bank of any material adverse change in the properties, activities, prospects or condition (financial or otherwise) of the Borrower or the Project, or in the ability of the Borrower to make all Loan Repayments and otherwise to observe and perform its duties, covenants, obligations and agreements under this Loan Agreement and the Borrower Bond.

(n) Continuing Representations. The representations of the Borrower contained herein shall be true at the time of the execution of this Loan Agreement and at all times during the term of this Loan Agreement.

(o) Additional Covenants and Requirements.

(i) If necessary in connection with the I-Bank's issuance of the I-Bank Bonds or the making of the Loan, additional covenants and requirements, if any, have been included in Exhibit F hereto and made a part hereof. Such covenants and requirements may relate to, but need not be limited to, the issuance of additional debt of the Borrower, the use by or on behalf of the Borrower of certain proceeds of the I-Bank Bonds as such use relates to the exclusion from gross income for federal income tax purposes of the interest on any I-Bank Bonds, Rule 15c2-12, Rule 10b-5, and any other applicable federal, state or self-regulatory organization securities

laws, regulations and rules, and matters in connection with the appointment of the Trustee under the Bond Indenture and any successors thereto. The Borrower hereby agrees to observe and comply with each such additional covenant and requirement, if any, included in Exhibit F hereto as if the same were set forth herein in its entirety.

(ii) Additional defined terms, covenants, representations and requirements have been included in Schedule A attached hereto, each of which are incorporated in this Loan Agreement by reference thereto as if set forth in full herein and the Borrower hereby agrees to observe and comply with each such additional term, covenant, representation and requirement included in Schedule A as if the same were set forth herein in its entirety.

(p) Continuing Disclosure Covenant. To the extent that the I-Bank, in its sole discretion, determines, at any time prior to the termination of the Loan Term, that the Borrower is a material “obligated person”, as the term “obligated person” is defined in Rule 15c2-12, with materiality being determined by the I-Bank pursuant to criteria established, from time to time, by the I-Bank in its sole discretion, the Borrower hereby covenants that it will authorize and provide to the I-Bank, for inclusion in any Preliminary Official Statement or Official Statement of the I-Bank, all statements and information relating to the Borrower and deemed material by the I-Bank for the purpose of satisfying Rule 15c2-12 as well as Rule 10b-5, including certificates and written representations of the Borrower evidencing its compliance with Rule 15c2-12 and Rule 10b-5; and the Borrower hereby further covenants that the Borrower shall execute and deliver the Continuing Disclosure Agreement, substantially in the form attached hereto as Exhibit G, with such revisions thereto prior to execution and delivery thereof as the I-Bank shall determine to be necessary, desirable or convenient, in its sole discretion, for the purpose of satisfying Rule 15c2-12 and the purposes and intent thereof, as Rule 15c2-12, its purposes and intent may hereafter be interpreted from time to time by the SEC or any court of competent jurisdiction; and pursuant to the terms and provisions of the Continuing Disclosure Agreement, the Borrower shall thereafter provide on-going disclosure with respect to all statements and information relating to the Borrower in satisfaction of the requirements set forth in Rule 15c2-12 and Rule 10b-5, including, without limitation, the provision of certificates and written representations of the Borrower evidencing its compliance with Rule 15c2-12 and Rule 10b-5.

(q) Except as otherwise expressly provided in this Loan Agreement to the contrary, the Borrower shall promptly comply with all reasonable requests of the I-Bank for information or reports regarding the Borrower, the Borrower’s accounts, books, records, or financial standing, or any other matter relating to the Borrower or the Project and shall provide the requested information or reports to the I-Bank within thirty (30) days of the date of the request.

ARTICLE III
LOAN TO BORROWER; AMOUNTS PAYABLE; GENERAL AGREEMENTS

SECTION 3.01 Loan; Loan Term.

(a) The I-Bank hereby agrees to (i) make the Loan, as described in Exhibit A-2 attached hereto and made a part hereof, to the Borrower, and (ii) to disburse the proceeds of the Loan to the Borrower in accordance with Section 3.02, Exhibit C and Exhibit F hereof. The I-Bank hereby acknowledges receipt of the Borrower Bond, a copy of which is attached as Exhibit D hereto. The Borrower hereby agrees to borrow and accept the Loan from the I-Bank upon the terms set forth in Exhibit A-2 attached hereto and made a part hereof. The Borrower agrees that the amount recorded by the I-Bank for the purpose of the Loan at Loan Closing shall constitute the initial principal amount of the Loan (as the same may be adjusted downward in accordance with the definition thereof), and neither the I-Bank nor the Trustee shall have any obligation thereafter to loan any additional amounts to the Borrower with respect to the Loan.

(b) Notwithstanding the provisions of subsection (a) of this Section 3.01 to the contrary, the I-Bank shall be under no obligation (i) to make the Loan to the Borrower if (1) at the Loan Closing, the Borrower does not deliver to the I-Bank the Borrower Bond and such other documents as are required pursuant to Section 2.02(k) hereof, or (2) an Event of Default has occurred and is continuing pursuant to this Loan Agreement, or (ii) to disburse the proceeds of the Loan to the Borrower in accordance with Section 3.02, Exhibit C and Exhibit F hereof, unless each of the conditions precedent to such disbursement, as set forth in Section 3.02 hereof, have been satisfied in full. The I-Bank intends to disburse the proceeds of the Loan to or on behalf of the Borrower in the amount and for the purposes set forth in Exhibit F hereof.

(c) The Borrower shall use the proceeds of the Loan strictly in compliance with the provisions of Section 2.01(h) hereof.

(d) The payment obligations created under this Loan Agreement are secured by the Borrower Bond. The obligations to pay the principal of the Borrower Bond, Interest on the Borrower Bond and other amounts due under the Borrower Bond are each direct, general, irrevocable and unconditional obligations of the Borrower payable from any source legally available to the Borrower, including, without limitation, the general tax revenues of the Borrower, and the Borrower shall, if necessary, levy or cause to be levied ad valorem taxes upon all the taxable property within the Borrower for the payment of such obligations, without limitation as to rate or amount.

SECTION 3.02 Disbursement of Loan Proceeds.

(a) The proceeds of the Loan shall be used to refinance the Borrower's Short-Term Loan as described in Exhibit F hereof.

(b) Neither the Trustee, if applicable, nor the I-Bank shall be required to disburse any Loan proceeds to or on behalf of the Borrower pursuant to this Loan Agreement, unless:

(i) such Loan proceeds shall be available for disbursement to, or for the account of, the Borrower, as determined by the I-Bank in its sole and absolute discretion;

(ii) reserved;

(iii) reserved; and

(iv) no Event of Default nor any event that, with the passage of time or service of notice or both, would constitute an Event of Default shall have occurred and be continuing hereunder.

(c) In connection with the disbursement of Loan proceeds to, or for the account of, the Borrower, the Borrower shall comply with each of its covenant obligations pursuant to this Loan Agreement relating to such disbursement of Loan proceeds, as well as the use of such Loan proceeds by the Borrower, including without limitation, the provisions of Section 2.02(g)(ii) hereof.

SECTION 3.03 Amounts Payable.

(a) The Borrower shall repay the Loan in installments payable to the I-Bank as follows:

(i) the principal of the Loan shall be repaid semiannually on the Principal Payment Dates, in accordance with the schedule set forth in Exhibit A-2 attached hereto and made a part hereof;

(ii) the Interest Portion described in clause (i) of the definition thereof shall be paid semiannually on the Interest Payment Dates, in accordance with the schedule set forth in Exhibit A-2 attached hereto and made a part hereof; and

(iii) the Interest Portion described in clause (ii) of the definition thereof shall be paid upon the date of any optional redemption, prepayment or acceleration, as applicable.

The obligations of the Borrower under the Borrower Bond shall be deemed to be amounts payable under this Section 3.03. Each Loan Repayment, whether satisfied through a direct payment by the Borrower to the Trustee or (with respect to the Interest Portion) through the use of I-Bank Bond proceeds and income thereon on deposit in the Interest Account (as defined in the Bond Indenture) to pay interest on the I-Bank Bonds, shall be deemed to be a credit against the corresponding obligation of the Borrower under this Section 3.03 and shall fulfill the Borrower's obligation to pay such amount hereunder and under the Borrower Bond.

Each payment made to the I-Bank pursuant to this Section 3.03 shall be applied first, to the payment of the Loan Origination Fee, second, to the payment of the Administrative Fee, third, to the Interest Portion then due and payable, fourth, to the principal of the Loan then due and payable, and finally to the payment of any Late Fees hereunder.

(b) The Interest on the Loan described in clause (iv) of the definition thereof shall (i) consist of a Late Fee for any Principal Portion and/or Interest Portion of any Loan Repayment that is received by the I-Bank or the Trustee on any date subsequent to its due date and (ii) shall be payable concurrently with the payment of such Loan Repayment in an amount calculated as follows: Such Late Fee shall be equal to the greater of twelve percent (12%) per annum or the Prime Rate plus one-half of one percent (0.50%) per annum with respect to the remaining outstanding principal amount of the Loan, from the applicable due date with respect to such Loan Repayment to the date it is actually paid; provided, however, that the rate of Interest on the Loan, including, without limitation, any Late Fee incurred hereunder and calculated pursuant to the terms hereof, shall not exceed the maximum interest rate permitted by law. Notwithstanding anything contained herein to the contrary, an Authorized Officer of the I-Bank may, in the sole discretion of such Authorized Officer, either (i) delay in charging such Late Fee for a period of up to 24 hours after the due date of such Loan Repayment or (ii) waive such late fee if such Loan Repayment is paid in full within 24 hours after the due date thereof.

(c) Reserved.

(d) In accordance with the provisions of the Bond Indenture, the Borrower shall receive, as a credit against its Loan Repayments, the amounts, if any, set forth in the certificate of the I-Bank filed with the Trustee pursuant to Section 5.04(b) of the Bond Indenture.

(e) The Interest on the Loan described in clause (ii) of the definition thereof shall be paid by the Borrower in the amount of one-half of the Administrative Fee, if any, to the I-Bank semiannually on each [April] [May] 1 and [October] [November] 1, commencing [April] [May] 1, 2023.

(f) The Interest on the Loan described in clause (iii) of the definition thereof constituting the Loan Origination Fee shall be paid by the Borrower at the time and in the amount set forth on set forth in Schedule A attached hereto and made a part hereof.

(g) In the event that the Borrower fails or is unable to pay promptly to the I-Bank in full any Loan Repayment or any other payment required under this Loan Agreement when due, the Borrower hereby acknowledges that the I-Bank may exercise its right under and in accordance with Section 12a of the Act to satisfy such deficiency from State-aid payable to the Borrower. The amount of State-aid so paid to the I-Bank shall be deemed to be a credit against the obligations of the Borrower under this Section 3.03, and any such payment made to the I-Bank shall fulfill the Borrower's obligation to pay such amount under this Loan Agreement and the Borrower Bond. Each such payment of State-aid so made to the I-Bank shall be applied first to the Interest Portion then due and payable, second, to the extent available, to the principal of the Loan then due and payable, third, to the extent available, to the Administrative Fee, fourth, to the extent available, to the payment of any Late Fee incurred hereunder, and finally, to the extent available, to any other payment required under this Loan Agreement.

(h) Each payment made by the Borrower pursuant to, and in satisfaction of, the requirements of this Section 3.03 shall be made by the Borrower to the Trustee via an electronic transfer of immediately available funds; provided, however, that upon thirty (30) days prior written notice to the Borrower, an Authorized Officer of the I-Bank may, in the sole discretion of such Authorized Officer, prescribe an alternative method by which payments pursuant to, and in satisfaction of, this Section 3.03 shall be made by the Borrower to the Trustee. Such method as prescribed by an Authorized Officer of the I-Bank may include, without limitation, the automatic debit by the I-Bank or the Trustee of the respective amounts of such payments, as required by this Section 3.03, from an account that shall be identified by the Borrower in writing and recorded on file with the I-Bank and the Trustee.

SECTION 3.04 Unconditional Obligations. The direct, general obligation of the Borrower to make the Loan Repayments and all other payments required hereunder and the obligation to perform and observe the other duties, covenants, obligations and agreements on its part contained herein shall be absolute and unconditional, and shall not be abated, rebated, set-off, reduced, abrogated, terminated, waived, diminished, postponed or otherwise modified in any manner or to any extent whatsoever while any Loan Repayments remain unpaid, for any reason, regardless of any contingency, act of God, event or cause whatsoever, including (without limitation) any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, the taking by eminent domain or destruction of or damage to the Project, commercial frustration of the purpose, any change in the laws of the United States of America or of the State or any political subdivision of either or in the rules or regulations of any governmental authority, any failure of the I-Bank to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the Project, this Loan Agreement, or any rights of set-off, recoupment, abatement or counterclaim that the Borrower might otherwise have against the I-Bank or any other party or parties; provided, however, that payments hereunder shall not constitute a waiver of any such rights. The Borrower acknowledges that (i) payment of any I-Bank Bonds by the I-Bank does not constitute payment of the amounts due under this Loan Agreement and the Borrower Bond and (ii) payment of the I-Bank Bonds from moneys that were originally received by the Trustee pursuant to Section 5.04(a) of the Bond Indenture from repayments by the Other Borrowers of loans made to the Other Borrowers to finance or refinance a portion of the Costs of the projects of the Other Borrowers, does not constitute payment of the amounts due under this Loan Agreement and the Borrower Bond.

SECTION 3.05 Loan Agreement to Survive Loan. The Borrower acknowledges that its duties, covenants, obligations and agreements hereunder shall survive the discharge of the Bond Indenture applicable to the I-Bank

Bonds and shall survive the payment of the principal and redemption premium, if any, of and the interest on the I-Bank Bonds until the Borrower can take no action or fail to take any action that could adversely affect the exclusion from gross income of the interest on the I-Bank Bonds for purposes of federal income taxation, at which time such duties, covenants, obligations and agreements hereunder shall, except for those set forth in Sections 3.06(a) and (b) hereof, terminate. For the avoidance of doubt, the Borrower acknowledges that its duties, covenants, obligations and agreements set forth in Sections 3.06(a) and 3.06(b) hereof shall survive the payment in full of the Loan.

SECTION 3.06 Disclaimer of Warranties and Indemnification.

The Borrower acknowledges and agrees that (i) the I-Bank makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for any use of the Project or the Project or any portions thereof or any other warranty or representation with respect thereto; (ii) in no event shall the I-Bank, the Trustee or their respective agents be liable or responsible for any incidental, indirect, special or consequential damages in connection with or arising out of this Loan Agreement or the Project or the existence, furnishing, functioning or use of the Project or any item or products or services provided for in this Loan Agreement; and (iii) during the term of this Loan Agreement and to the fullest extent permitted by law, the Borrower shall indemnify and hold the I-Bank, the Trustee and their respective agents harmless against, and the Borrower shall pay any and all, liability, loss, cost, damage, claim, judgment or expense of any and all kinds or nature and however arising and imposed by law, which the I-Bank and/or the Trustee may sustain, be subject to or be caused to incur by reason of any claim, suit or action based upon personal injury, death or damage to property, whether real, personal or mixed, or upon or arising out of contracts entered into by the Borrower, the Borrower's ownership of the Project, or the acquisition, construction or installation of the Project.

(a) It is mutually agreed by the Borrower and the I-Bank that the I-Bank and the Trustee and their officers, agents, servants and employees shall not be liable for, and they shall be indemnified, and held harmless by the Borrower in any event from, any action performed under this Loan Agreement and any claim or suit of whatsoever nature, except in the event of loss or damage resulting from their own negligence, gross negligence or willful misconduct.

(b) The Borrower and the I-Bank agree that all claims shall be subject to, and governed by, the provisions of the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq. (except for N.J.S.A. 59:13-9 thereof), even though such statute, by its express terms, would not apply to claims arising under contract with the I-Bank but for this provision.

(c) In connection with its obligation to provide the insurance required under Section 2.02(i) hereof: (i) the Borrower shall include, or cause to be included, the I-Bank and its directors, employees and officers as additional "named insureds" on (A) any certificate of liability insurance procured by the Borrower (or other similar document evidencing the liability insurance coverage procured by the Borrower) and (B) any certificate of liability insurance procured by any contractor or subcontractor for the Project, and from the later of the date of the Loan Closing or the date of the initiation of construction of the Project until the date the Borrower receives the written certificate of Project completion from the I-Bank, the Borrower shall maintain said liability insurance covering the I-Bank and said directors, employees and officers in good standing; and (ii) the Borrower shall include the I-Bank as an additional "named insured" on any certificate of insurance providing against risk of direct physical loss, damage or destruction of the Project, and during the Loan Term the Borrower shall maintain said insurance covering the I-Bank in good standing.

The Borrower shall provide the I-Bank with a copy of each of any such original, supplemental, amendatory or reissued certificates of insurance (or other similar documents evidencing the insurance coverage) required pursuant to this Section 3.06(d).

SECTION 3.07 Option to Prepay Loan Repayments. The Borrower may prepay the principal Loan Repayments, in whole or in part, upon prior written notice to the I-Bank not less than ninety (90) days from the date of prepayment, and upon payment by the Borrower to the I-Bank of amounts that, together with investment earnings thereon, will be sufficient to pay the principal amount of the Loan Repayments to be prepaid plus the Interest Portion described in clause (ii) of the definition thereof on any such date; provided, however, that any such full or partial prepayment may only be made (i) upon the prior written approval of the I-Bank, such approval to take into consideration, among other things, any restrictions upon the I-Bank's ability to prepay I-Bank Bonds, and (ii) provided that the Borrower shall agree to pay all costs and expenses of the I-Bank in connection with such prepayment, including, without limitation, the fees of Bond Counsel to the I-Bank and any other professional advisors to the I-Bank. In addition, if at the time of such prepayment the I-Bank Bonds may not be redeemed or may only be redeemed at the option of the I-Bank upon payment of a premium, the Borrower shall add to its prepayment of I-Bank Bond Loan Repayments an amount, as determined by the I-Bank, either (i) sufficient to defease the I-Bank Bonds to be defeased as a result of the Borrower's prepayment or (ii) equal to such premium allocable to the I-Bank Bonds to be redeemed as a result of the Borrower's prepayment. Prepayments shall be applied first to the Interest Portion that accrues on the portion of the Loan to be prepaid until such prepayment date as described in clause (ii) of the definition thereof and then to principal payments (including premium, if any) on the Loan in inverse order of their maturity, in either case, as directed in writing by an Authorized Officer of the I-Bank.

SECTION 3.08 Reserved.

SECTION 3.09 Approval of the New Jersey State Treasurer. The Borrower and the I-Bank hereby acknowledge that, prior to or simultaneously with the Loan Closing, the New Jersey State Treasurer, in satisfaction of the requirements of Section 9a of the Act, issued the "Certificate of the New Jersey State Treasurer Regarding the Approval of the I-Bank Loan and the Fund Loan" (the "Treasurer's Certificate"). Pursuant to the terms of the Treasurer's Certificate, the New Jersey State Treasurer approved the Loan and the terms and conditions thereof as established by the provisions of this Loan Agreement.

ARTICLE IV
ASSIGNMENT OF LOAN AGREEMENT AND BORROWER BOND

SECTION 4.01 Assignment and Transfer by I-Bank.

(a) The Borrower hereby expressly acknowledges that, other than the provisions of Section 2.02(c) hereof, the I-Bank's right, title and interest in, to and under this Loan Agreement and the Borrower Bond have been assigned to the Trustee as security for I-Bank Bonds issued or to be issued pursuant to and as provided in the Bond Indenture, and that if any Event of Default shall occur, the Trustee, pursuant to the Bond Indenture, shall be entitled to act hereunder in the place and stead of the I-Bank (subject to the provisions of this Section 4.01(a), below, and Section 5.07 hereof). The Borrower hereby acknowledges the requirements of the Bond Indenture applicable to the I-Bank Bonds and consents to such assignment and appointment. This Loan Agreement and the Borrower Bond, including, without limitation, the right to receive payments required to be made by the Borrower hereunder and to compel or otherwise enforce observance and performance by the Borrower of its other duties, covenants, obligations and agreements hereunder, may be further transferred, assigned and reassigned in whole or in part to one or more assignees or subassignees by the Trustee at any time subsequent to their execution without the necessity of obtaining the consent of, but after giving prior written notice to, the Borrower.

The I-Bank shall retain the right to compel or otherwise enforce observance and performance by the Borrower of its duties, covenants, obligations and agreements under Section 2.02(c) hereof (provided, however, that in no event shall the I-Bank have the right to accelerate the Borrower Bond in connection with the enforcement of Section 2.02(c) hereof) and as otherwise provided by the terms and provisions of Section 5.07 hereof.

(b) The Borrower hereby approves and consents to any assignment or transfer of this Loan Agreement and the Borrower Bond that the I-Bank deems to be necessary in connection with any refunding of I-Bank Bonds or the issuance of additional bonds under the Bond Indenture or otherwise.

SECTION 4.02 Assignment by Borrower. Neither this Loan Agreement nor the Borrower Bond may be assigned by the Borrower for any reason, unless the following conditions shall be satisfied: (i) the I-Bank and the Trustee shall have approved said assignment in writing; (ii) the assignee shall have expressly assumed in writing the full and faithful observance and performance of the Borrower's duties, covenants, obligations and agreements under this Loan Agreement and, to the extent permitted under applicable law, the Borrower Bond; (iii) immediately after such assignment, the assignee shall not be in default in the observance or performance of any duties, covenants, obligations or agreements of the Borrower under this Loan Agreement or the Borrower Bond; and (iv) the I-Bank shall have received an opinion of Bond Counsel to the effect that such assignment will not adversely affect the security of the holders of the I-Bank Bonds or the exclusion of the interest on the I-Bank Bonds from gross income for purposes of federal income taxation under Section 103(a) of the Code.

ARTICLE V
EVENTS OF DEFAULT AND REMEDIES

SECTION 5.01 Events of Default. If any of the following events occur, it is hereby defined as and declared to be and to constitute an “Event of Default”:

(a) failure by the Borrower to pay, or cause to be paid, any Loan Repayment required to be paid hereunder when due, on time and in full;

(b) failure by the Borrower to pay, or cause to be paid, the Administrative Fee or any Late Fee incurred hereunder or any portion thereof when due or to observe and perform any duty, covenant, obligation or agreement on its part to be observed or performed under this Loan Agreement, other than as referred to in subsections (a) and (f) of this Section 5.01 or other than the obligations of the Borrower contained in Section 2.02(c)(ii) hereof and in Exhibit F hereto, which failure shall continue for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the Borrower by the I-Bank, unless the I-Bank shall agree in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in such notice is correctable but cannot be corrected within the applicable period, the I-Bank may not unreasonably withhold its consent to an extension of such time up to 120 days from the delivery of the written notice referred to above if corrective action is instituted by the Borrower within the applicable period and diligently pursued until the Event of Default is corrected;

(c) any representation made by or on behalf of the Borrower contained in this Loan Agreement, or in any instrument furnished in compliance with or with reference to this Loan Agreement or the Loan, is false or misleading in any material respect;

(d) a petition is filed by or against the Borrower under any federal or state bankruptcy or insolvency law or other similar law in effect on the date of this Loan Agreement or thereafter enacted, and/or any proceeding with respect to such petition and/or pursuant to any such law shall occur or be pending (including, without limitation, the operation and administration of the Borrower pursuant to any plan of reorganization approved and implemented under any such law), unless in the case of any such petition filed against the Borrower or any such proceeding such petition and such proceeding shall be dismissed within thirty (30) days after such filing and such dismissal shall be final and not subject to appeal or the further jurisdiction of any court; or the Borrower shall become insolvent or bankrupt or shall make an assignment for the benefit of its creditors; or a custodian (including, without limitation, a receiver, liquidator or trustee, but not including a takeover by DLGS) of the Borrower or any of its property shall be appointed by court order or take possession of the Borrower or its property or assets if such order remains in effect or such possession continues for more than thirty (30) days;

(e) the Borrower shall generally fail to pay its debts as such debts become due;

(f) failure of the Borrower to observe or perform such additional duties, covenants, obligations, agreements or conditions as are required by the I-Bank and specified in Exhibit F attached hereto and made a part hereof; and

(g) occurrence of an “Event of Default” pursuant to, and as defined in, any Short-Term Loan that may be outstanding.

SECTION 5.02 Notice of Default. The Borrower shall give the I-Bank prompt telephonic notice, confirmed immediately thereafter with a written notice, of the occurrence of any Event of Default referred to in Section

5.01(d) or (e) hereof and of the occurrence of any other event or condition that constitutes an Event of Default at such time as any senior administrative or financial officer of the Borrower becomes aware of the existence thereof.

SECTION 5.03 Remedies on Default. Whenever an Event of Default referred to in Section 5.01 hereof shall have occurred and be continuing, the Borrower acknowledges the rights of the I-Bank to take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due hereunder or to enforce the observance and performance of any duty, covenant, obligation or agreement of the Borrower hereunder.

In addition, if an Event of Default referred to in Section 5.01(a) hereof shall have occurred and be continuing, the I-Bank shall, to the extent allowed by applicable law, have the right to declare all Loan Repayments and all other amounts due hereunder (including, without limitation, payments under the Borrower Bond) to be immediately due and payable, and upon notice to the Borrower the same shall become due and payable without further notice or demand.

SECTION 5.04 Attorneys' Fees and Other Expenses. The Borrower shall on demand pay to the I-Bank the reasonable fees and expenses of attorneys and other reasonable expenses (including, without limitation, the reasonably allocated costs of in-house counsel and legal staff) incurred by either of them in the collection of Loan Repayments or any other sum due hereunder or in the enforcement of the observation or performance of any other duties, covenants, obligations or agreements of the Borrower upon an Event of Default.

SECTION 5.05 Application of Moneys. Any moneys collected by the I-Bank pursuant to Section 5.03 hereof shall be applied (a) first to pay any attorneys' fees or other fees and expenses owed by the Borrower pursuant to Section 5.04 hereof, (b) second, to the extent available, to pay the Loan Origination Fee, (c) third, to the extent available, to pay the Administrative Fee, (d) fourth, to the extent available, to pay to the Interest Portion then due and payable, (e) fifth, to the extent available, to pay the principal of the Loan, and (f) finally, to the extent available, to the payment of any Late Fees and any other amounts payable hereunder as such amounts become due and payable.

SECTION 5.06 No Remedy Exclusive; Waiver; Notice. No remedy herein conferred upon or reserved to the I-Bank or the Trustee is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right, remedy or power accruing upon any Event of Default shall impair any such right, remedy or power or shall be construed to be a waiver thereof, but any such right, remedy or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the I-Bank to exercise any remedy reserved to it in this Article V, it shall not be necessary to give any notice other than such notice as may be required in this Article V.

SECTION 5.07 Retention of I-Bank's Rights. Notwithstanding any assignment or transfer of this Loan Agreement pursuant to the provisions hereof or of the Bond Indenture, or anything else to the contrary contained herein, the I-Bank shall have the right upon the occurrence of an Event of Default to take any action, including (without limitation) bringing an action against the Borrower at law or in equity, as the I-Bank may, in its discretion, deem necessary to enforce the obligations of the Borrower to the I-Bank pursuant to Section 5.03 hereof.

**ARTICLE VI
MISCELLANEOUS**

SECTION 6.01 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed by registered or certified mail, postage prepaid or, unless otherwise specified herein to the contrary, provided by Electronic Means, (i) to the Borrower at the address specified in Exhibit A-1 attached hereto and made a part hereof and (ii) to the I-Bank and the Trustee at the following respective addresses:

To the I-Bank:

New Jersey Infrastructure Bank 3131 Princeton Pike
Building 4, Suite 216 Lawrenceville, New Jersey 08648
Attention: Executive Director
executivedirector@njib.gov

To the Trustee:

Zions Bancorporation, National Association d/b/a Zions Bank
401 Liberty Avenue, Suite 1729
Pittsburgh, Pennsylvania 15222
Attention: Corporate Trust Department

Any of the foregoing parties may designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent by notice in writing given to the others.

SECTION 6.02 Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding upon the I-Bank and the Borrower and their respective successors and assigns.

SECTION 6.03 Severability. In the event any provision of this Loan Agreement shall be held illegal, invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate, render unenforceable or otherwise affect any other provision hereof.

SECTION 6.04 Amendments, Supplements and Modifications. Except as otherwise provided in this Section 6.04, this Loan Agreement may not be amended, supplemented or modified without the prior written agreement of the I-Bank and the Borrower and without the satisfaction of all conditions set forth in Section 4.03 or 4.04 of the Bond Indenture. Notwithstanding the conditions set forth in Section 4.03 or 4.04 of the Bond Indenture, (i) Section 2.02(p) hereof may be amended, supplemented or modified upon the written agreement of the I-Bank and the Borrower and without the consent of the Trustee or any holders of the I-Bank Bonds, and (ii) the form of Continuing Disclosure Agreement set forth in Exhibit G hereto may be amended, supplemented or modified prior to the execution and delivery thereof as the I-Bank, in its sole discretion, shall determine to be necessary, desirable or convenient for the purpose of satisfying Rule 15c2-12 and the purpose and intent thereof as Rule 15c2-12, its purpose and intent may hereafter be interpreted from time to time by the SEC or any court of competent jurisdiction, and such amendment, supplement or modification shall not require the consent of the Borrower, the Trustee or any holders of the I-Bank Bonds. If no I-Bank Bonds are Outstanding under the Bond Indenture, this

Loan Agreement may be amended, supplemented or modified with the prior written agreement of the I-Bank and the Borrower and without the satisfaction of any conditions set forth in the Bond Indenture.

SECTION 6.05 Execution in Counterparts. This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 6.06 Applicable Law and Regulations. This Loan Agreement shall be governed by and construed in accordance with the laws of the State, including the Act and the Regulations, which Regulations are, by this reference thereto, incorporated herein as part of this Loan Agreement.

SECTION 6.07 Consents and Approvals. Whenever the written consent or approval of the I-Bank or an Authorized Officer of the I-Bank, as the case may be, shall be required pursuant to the provisions of this Loan Agreement, such consent or approval may only be given by the I-Bank or an Authorized Officer of the I-Bank, as the case may be, (i) unless otherwise provided by law or by the rules, regulations or resolutions of the I-Bank, or (ii) unless expressly delegated to the Trustee, and (iii) except as otherwise provided in Section 6.09 hereof. Further, whenever the written consent or approval of the I-Bank or an Authorized Officer of the I-Bank, as the case may be, shall be required pursuant to the provisions of this Loan Agreement, such approval or consent of the I-Bank pursuant to the provisions hereof may be either granted or withheld by the I-Bank in its sole and absolute discretion.

SECTION 6.08 Captions. The captions or headings in this Loan Agreement are for convenience only and shall not in any way define, limit or describe the scope or intent of any provisions or sections of this Loan Agreement.

SECTION 6.09 Benefit of Loan Agreement; Compliance with Bond Indenture. This Loan Agreement is executed, among other reasons, to induce the purchase of the I-Bank Bonds. Accordingly, all duties, covenants, obligations and agreements of the Borrower herein contained are hereby declared to be for the benefit of, and are enforceable by, the I-Bank, the holders of the I-Bank Bonds and the Trustee. The Borrower covenants and agrees to observe and comply with, and to enable the I-Bank to observe and comply with, all applicable duties, covenants, obligations and agreements contained in the Bond Indenture.

SECTION 6.10 Further Assurances. The Borrower shall, at the request of the I- Bank, authorize, execute, attest, acknowledge and deliver such further resolutions, conveyances, transfers, assurances, financing statements and other instruments as may be necessary or desirable for better assuring, conveying, granting, assigning and confirming the rights, security interests and agreements granted or intended to be granted by this Loan Agreement and the Borrower Bond.

SECTION 6.11 No Personal Liability. The Borrower hereby acknowledges and agrees that, pursuant to and consistent with the provisions of Section 13 of the Act (N.J.S.A. 58:11B-13), neither the directors of the I-Bank nor any officers of the I-Bank taking any action with respect to the issuance of the I-Bank Bonds or the making of the Loan pursuant to this Loan Agreement shall be liable personally with respect to the I-Bank Bonds or the Loan or any matters or transactions related thereto.

IN WITNESS WHEREOF, the I-Bank and the Borrower have caused this Loan Agreement to be executed, sealed and delivered as of the date first above written.

NEW JERSEY INFRASTRUCTURE BANK

[SEAL]

By: _____ Robert A.
Briant, Jr. Chairperson

ATTEST:

David E. Zimmer
Assistant Secretary

[BORROWER]

By: _____
Name:
Title:

ATTEST:

Name:
Title:

[signature page]

SCHEDULE A

EXHIBIT A-1

Description of Project

EXHIBIT A-2

Description of Loan (Debt Service Schedule)

See Exhibit to Copy of Borrower Bond (Exhibit D hereto)

EXHIBIT B

Basis for Determination of Allowable Project Costs

EXHIBIT C

Disbursement Schedule

EXHIBIT D

Copy of Borrower Bond

EXHIBIT E

Opinions of Borrower's Bond Counsel and General Counsel

EXHIBIT F

Exhibit F

EXHIBIT G

Form of Continuing Disclosure Agreement

SCHEDULE A

Certain Additional Loan Agreement Provisions

In addition to the terms defined in subsection (a) of Section 1.01 of this Loan Agreement, certain additional capitalized terms used in this Loan Agreement shall, unless the context clearly requires otherwise, have the meanings ascribed to such additional capitalized terms in this Schedule A.

Additional Definitions:

“Borrower” means the _____, a _____ duly created and validly existing pursuant to the laws of the State of New Jersey, including, without limitation, the Borrower Enabling Act, and any successors and assigns thereto.

“Borrower Enabling Act” means the “Local Bond Law”, constituting Chapter 169 of the Pamphlet Laws of 1960 of the State (codified at N.J.S.A. 40A:2-1 et seq.), as the same may from time to time be amended and supplemented, and the “Local Budget Law”, P.L. 1960, c. 169, as amended (N.J.S.A. 40A:4-1 et seq.).

“Dated Date” means December 6, 2022.

“Interest Payment Dates” mean May 1 and November 1 of each year, commencing on May 1, 2023.

“Loan Origination Fee” means that portion of the Loan Origination Fee charged to the Borrower in connection with obtaining a long-term loan. The amount of the Loan Origination Fee shall be \$ _____ and shall be payable on [April][May] 1, 2023.

“Principal Payment Dates” mean [April][May] 1 and [October][November] 1 of each year, commencing on [April][May][October][November] 1, 2023.

“Proceedings” means bond ordinance of the Borrower finally adopted on _____, 20__ and entitled “_____” and a resolution of the Borrower adopted [pursuant to the provisions of N.J.S.A. 40A:2-27(a)(2), 40A:2-26(f) and 58:11B-9(a)] on _____, 2022 entitled “_____”.

“Project Completion Date” means _____, 202__

EXHIBIT E

**Transportation Bank Direct Loan Program
Form of Borrower Legal Opinion**

[LETTERHEAD OF COUNSEL TO BORROWER]

December 6, 2022

New Jersey Infrastructure Bank
(f/k/a New Jersey Environmental Infrastructure Trust)
3131 Princeton Pike
Building 4 – Suite 216
Lawrenceville, New Jersey 08648

Re: Transportation Bank Direct Loan Program of the New Jersey Infrastructure Bank
[Name of Borrower; Project No.]

Ladies and Gentlemen:

We have acted as counsel to the [Name of Borrower], a [municipal corporation] [political subdivision] of the State of New Jersey (the “Borrower”), which has entered into a Loan Agreement (as hereinafter defined) with the New Jersey Infrastructure Bank (the “I-Bank”), and have acted as such in connection with the authorization, execution, attestation and delivery by the Borrower of its Loan Agreement and Borrower Bond (as hereinafter defined). All capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Loan Agreement.

In so acting, we have examined the Constitution and laws of the State of New Jersey, including, without limitation, [the “Local Bond Law”, P.L. 1960, c. 169, as amended (N.J.S.A. 40A:2-1 et seq.),] [the “Municipal Qualified Bond Act”, P.L. 1976, c. 38, as amended (N.J.S.A. 40A:3-1 et seq.)], and the various ordinances and resolutions of the Borrower identified herein. We also have examined originals, or copies certified or otherwise identified to our satisfaction, of the following:

(a) the [Amended and Restated] Master Indenture of Trust dated as of [June][November] 1, 2022 by and between the I-Bank and Zions Bancorporation, National Association d/b/a Zions Bank, as Trustee;

(b) the Loan Agreement dated as of December 6, 2022 (the “Loan Agreement”) by and between the I-Bank and the Borrower;

(c) the proceedings of the governing body of the Borrower relating to the approval of the Loan Agreement and the execution, attestation and delivery thereof on behalf of the Borrower and the authorization of the undertaking and completion of the Project;

(d) the Borrower Bond dated December 6, 2022 (the “Borrower Bond”) issued by the Borrower to the I-Bank to evidence the Loan; and

(e) the proceedings (together with the proceedings referred to in clause (c) above and Section 5 below, the “Proceedings”) of the governing body of the Borrower, including, without limitation, bond ordinance of the Borrower finally adopted on _____, 202_ and entitled “[Title of Bond Ordinance]”, and a resolution of the Borrower adopted pursuant to the provisions of N.J.S.A. 40A:2- 27(a)(2), N.J.S.A. 40A:2-26 and 58:11B-9(a) on _____, 2022 entitled “[Title of Resolution]” (collectively, the “Borrower Bond

EXHIBIT E

Proceedings”), all relating to the authorization of the Borrower Bond and the sale, execution, attestation and delivery thereof to the I-Bank (the Loan Agreement and the Borrower Bond are referred to herein collectively as the “Loan Documents”).

We have also examined and relied upon originals, or copies certified or otherwise authenticated to our satisfaction, of such other records, documents, certificates and other instruments, and have made such investigation of law as in our judgment we have deemed necessary or appropriate, to enable us to render the opinions expressed below.

We are of the opinion that:

1. The Borrower is a [municipal corporation] [political subdivision] duly created and validly existing under and pursuant to the Constitution and statutes of the State of New Jersey, with the legal right to undertake the Project.

2. The Borrower has full legal right and authority to execute, attest and deliver the Loan Documents, to sell the Borrower Bond to the I-Bank, to observe and perform its duties, covenants, obligations and agreements under the Loan Documents and to undertake and complete the Project.

3. The acting officials of the Borrower who are contemporaneously herewith performing or have previously performed any action contemplated in the Loan Agreement are, and at the time any such action was performed were, the duly appointed or elected officials of the Borrower empowered by applicable New Jersey law and authorized by ordinance or resolution of the Borrower to perform such actions.

4. The Borrower has unconditionally and irrevocably pledged its full faith and credit and covenanted to exercise its unlimited taxing powers for the punctual payment of the principal and redemption premium, if any, of the Borrower Bond, Interest on the Borrower Bond and all other amounts due under the Borrower Bond, which Borrower Bond secures the Loan Repayments and all other amounts due under the Loan Documents according to their respective terms.

5. The proceedings of the Borrower's governing body (i) approving the Loan Documents, (ii) authorizing their execution, attestation and delivery on behalf of the Borrower, (iii) authorizing its sale by the Borrower to the I-Bank, (iv) authorizing the Borrower to consummate the transactions contemplated by the Loan Documents, (v) authorizing the Borrower to undertake and complete the Project, and (vi) authorizing the execution and delivery of all other certificates, agreements, documents and instruments in connection with the execution, attestation and delivery of the Loan Documents, have each been duly and lawfully adopted and authorized in accordance with applicable law and applicable ordinances or resolutions of the Borrower, including, without limitation and where applicable, the Local Bond Law, the Borrower Bond Proceedings and the other Proceedings, which Proceedings constitute all of the actions necessary to be taken by the Borrower to authorize its actions contemplated by clauses (i) through (vi) above and which Proceedings were duly approved and published, where necessary, in accordance with applicable New Jersey law at a meeting or meetings duly called pursuant to necessary public notice and held in accordance with applicable New Jersey law and at which quorums were present and acting throughout.

6. The Loan Documents have been duly authorized, executed, attested and delivered by the Authorized Officers of the Borrower and the Borrower Bond has been duly sold by the Borrower to the I-Bank; and assuming in the case of the Loan Agreement that the I-Bank has the requisite power and authority to authorize, execute, attest and deliver, and has duly authorized, executed, attested and delivered, the Loan Agreement, the Loan Documents constitute the legal, valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with their respective terms, subject, however, to the effect of, and to restrictions and

EXHIBIT E

limitations imposed by or resulting from, bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally. No opinion is rendered as to the availability of any particular remedy.

7. The authorization, execution, attestation and delivery of the Loan Documents by the Borrower and the sale of the Borrower Bond to the I-Bank, the observation and performance by the Borrower of its duties, covenants, obligations and agreements thereunder, the consummation of the transactions contemplated therein, and the undertaking and completion of the Project do not and will not (i) result in any breach of any of the terms, conditions or provisions of, or (ii) constitute a default under, any existing ordinance or resolution, outstanding debt or lease obligation, trust agreement, indenture, mortgage, deed of trust, loan agreement or other instrument to which the Borrower is a party or by which the Borrower, its Project or any of its properties or assets may be bound, nor will such action result in any violation of the provisions of the charter or other document pursuant to which the Borrower was established or any laws, ordinances, injunctions, judgments, decrees, rules, regulations or existing orders of any court or governmental or administrative agency, authority or person to which the Borrower, its Project or its properties or operations is subject.

8. All approvals, consents or authorizations of, or registrations of or filings with, any governmental or public agency, authority or person required to date on the part of the Borrower in connection with the authorization, execution, attestation, delivery and performance of the Loan Documents, the sale of the Borrower Bond and the undertaking and completion of the Project have been obtained or made.

9. The Borrower has no bonds, notes or other debt obligations outstanding that are superior or senior to the Borrower Bond as to lien on, and source and security for payment thereof from, the general tax revenues of the Borrower.

10. To the best of our knowledge, upon due inquiry, (i) all representations made by the Borrower as set forth in the Loan Documents are true, accurate and complete, and (ii) all expectations contained therein are reasonable, and we know of no reason why the Borrower would be unable to comply on a continuing basis with the covenants set forth in the Loan Documents.

11. There is no litigation or other proceeding pending or, to our knowledge, after due inquiry, threatened in any court or other tribunal of competent jurisdiction (either state or federal) (i) questioning the creation, organization or existence of the Borrower, (ii) questioning the validity, legality or enforceability of the Loan or the Loan Documents, (iii) questioning the undertaking or completion of the Project, (iv) otherwise challenging the Borrower's ability to consummate the transactions contemplated by the Loan or the Loan Documents, or (v) that, if adversely decided, would have a materially adverse impact on the financial condition of the Borrower.

12. Assuming that (i) the Borrower complies on a continuing basis with the covenants contained in subsections (e) and (g) of Section 2.02 of the Loan Agreement, (ii) I-Bank Bonds are issued subsequent to the date hereof for the purpose of refinancing the Loan, (iii) the proceeds of such I-Bank Bonds applied to refinance the Loan represent all of the proceeds of such issue of I-Bank Bonds, (iv) on the date of issuance of such I-Bank Bonds, interest on such I-Bank Bonds is otherwise excluded from gross income of the holders thereof for federal income tax purposes under the Internal Revenue Code of 1986, as amended, as in effect on such date of issuance, and (v) between the date hereof and such date of issuance of such I-Bank Bonds, there has been no change in the Internal Revenue Code of 1986, as amended, or related rulings or regulations, that would impact the opinion given in this paragraph, the application of the proceeds of such I-Bank Bonds to refinance the Loan will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on such issue of I-Bank Bonds and no portion of such I-Bank Bonds will be used in a private use, within the meaning of Section 141 of the Code.

EXHIBIT E

We hereby authorize Chiesa Shahinian & Giantomasi PC, acting as bond counsel to the I-Bank, and the Attorney General of the State of New Jersey, acting as general counsel to the I-Bank, to rely on this opinion as if we had addressed this opinion to them in addition to you.

EXHIBIT F

Additional Covenants and Requirements

[A portion of the proceeds][The proceeds] of the long-term Loan in the amount of \$_____ will be used to pay [a portion of] the outstanding principal amount of [a][two] short-term loan[s] made by the I-Bank to the Borrower on _____, 20__ (the "Short-Term Loan[s]"). Proceeds of the Short-Term Loan[s] were used to finance costs of Project No. TB____ - ____, including Project requisitions in the amount of \$_____ and the financed portion of the Loan Origination Fee in the amount of \$ _____] [and Project No. TB____ - ____, including Project requisitions in the amount of \$ _____ and the financed portion of the Loan Origination Fee in the amount of \$ _____].

Proceeds of the Loan, together with other available funds of the Borrower, if any, will be applied as follows:

SOURCES:

I-Bank Direct Loan Proceeds

Other Available Funds of the Borrower

TOTAL SOURCES:

USES OF I-BANK DIRECT LOAN PROCEEDS:

Principal of Short-Term Loan

Project Requisitions

Loan Origination Fee

Accrued Interest on Short-Term Loan

Costs of Issuance

USES OF OTHER AVAILABLE FUNDS OF THE BORROWER:

Prepaid Principal of Short-Term Loan

Prepaid Project Requisitions

Prepaid Loan Origination Fee

Prepaid Accrued Interest on Short-Term Loan

Prepaid Upfront Loan Origination Fee

Prepaid Costs of Issuance

TOTAL USES:

EXHIBIT G

CONTINUING DISCLOSURE AGREEMENT

BY AND AMONG

[NAME OF BORROWER]

AND

[NAME OF TRUSTEE], as Trustee

AND

NEW JERSEY INFRASTRUCTURE BANK

Dated as of [DATE]

EXHIBIT G
CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT (this “Agreement”), made and entered into as of [DATE], by and among [NAME OF BORROWER] (the “Borrower”), a [municipal corporation] [political subdivision] duly created and validly existing under the laws of the State of New Jersey (the “State”), [NAME OF TRUSTEE] (the “Trustee”), a [national] [state] banking association duly organized and validly existing under the laws of the [United States of America] [State], and NEW JERSEY INFRASTRUCTURE BANK (the “I-Bank”), a public body corporate and politic with corporate succession duly created and validly existing under the laws of the State.

WITNESSETH:

WHEREAS, the I-Bank, duly created and validly existing under and by virtue of the “New Jersey Infrastructure Trust Act”, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State (codified at N.J.S.A. 58:11B-1 *et seq.*), as the same may from time to time be amended and supplemented (the “Act”), in accordance with and pursuant to (i) the Act, (ii) the Amended and Restated Master Indenture of Trust dated as of [November] 1, 2022 by and between the I-Bank and the Trustee, as supplemented by the Supplemental Indenture dated as of _____, 202_, by and between the I-Bank and the Trustee (as supplemented, the “Bond Indenture”) with respect to the I-Bank’s “Transportation Infrastructure Bonds, Series _____”, and (iii) a financial plan approved by the State Legislature in accordance with Section 23 of the Act, will issue its “Transportation Infrastructure Bonds, Series _____” (together with certain additional series of bonds to be issued by the I-Bank for future programs in which the Borrower participates (as set forth in Schedule A to be attached hereto by the Trustee (or any other fiduciary acting in such capacity) in the year of such issuance), the “Bonds”) for the purpose of, *inter alia*, making a loan to the Borrower from the proceeds of the Bonds to finance a portion of the cost of transportation infrastructure project (the “Loan”), pursuant to the terms and provisions of that certain Loan Agreement by and between the I-Bank and the Borrower dated as of December 6, 2022 (the “Loan Agreement”) (all capitalized terms used in this Agreement but not defined herein shall, unless the context otherwise requires, have the meanings ascribed to such terms in the Loan Agreement);

WHEREAS, the Borrower has, in accordance with the Act and the Regulations, made timely application to the I-Bank for the Loan to finance all or a portion of the Cost of the Project;

WHEREAS, the State Legislature has, in accordance with Section 20.2 of the Act and in the form of an appropriations act, approved a project priority list that includes the Project and that authorizes an expenditure of proceeds of the Bonds to finance all or a portion of the Cost of the Project;

WHEREAS, the I-Bank has approved the Borrower’s application for the Loan from available proceeds of the Bonds to finance all or a portion of the Cost of the Project;

WHEREAS, the Borrower, in accordance with, as applicable, the Act, the Regulations, the “Local Bond Law”, constituting Chapter 169 of the Pamphlet Laws of 1960 of the State (codified at N.J.S.A. 40A:2-1 *et seq.*), as the same may from time to time be amended and supplemented, and the “Local Budget Law”, constituting Chapter 169 of the Pamphlet Laws of 1960 of the State (codified at N.J.S.A. 40A:4-1 *et seq.*), as the same may from time to time be amended and supplemented, will issue a borrower bond to the I-Bank evidencing the Loan (together with certain additional series of bonds to be issued by the Borrower for future programs in which the Borrower participates (as set forth in Schedule B to be attached hereto by the Trustee (or any other fiduciary acting in such capacity) in the year of such issuance), the “Borrower Bond”) on the date of issuance of the Bonds;

EXHIBIT G

WHEREAS, the Trustee has duly accepted, as Trustee for the Holders from time to time of the Bonds, the trusts imposed upon it by the Bond Indenture in connection with the issuance of the Bonds;

WHEREAS, the Securities and Exchange Commission (the “SEC”), pursuant to the Securities Exchange Act of 1934, as amended and supplemented (codified as of the date hereof at 15 U.S.C. 77 *et seq.*) (the “Securities Exchange Act”), has adopted amendments effective July 3, 1995 to its Rule 15c2-12 (codified at 17 C.F.R. §240.15c2-12), as the same may be further amended, supplemented and officially interpreted from time to time or any successor provision thereto (“Rule 15c2-12”), generally prohibiting a broker, dealer or municipal securities dealer from purchasing or selling municipal securities, such as the Bonds, unless such broker, dealer or municipal securities dealer has reasonably determined that an issuer of municipal securities or an obligated person has undertaken in a written agreement or contract for the benefit of holders of such securities to provide certain annual financial information and operating data and notices of the occurrence of certain material events to various information repositories;

WHEREAS, the I-Bank has determined, in its sole discretion, pursuant to criteria set forth in the Bond Indenture, the Notice of Sale dated [DATE] (the “Notice of Sale”), the Preliminary Official Statement dated [DATE] (the “Preliminary Official Statement”) and the Final Official Statement dated [DATE] (the “Final Official Statement”), that the Borrower is a material “obligated person” with respect to the Bonds within the meaning and for the purposes of Rule 15c2-12 and, in order to enable a “participating underwriter” (as such term is defined in Rule 15c2-12) to purchase the Bonds, is therefore required to cause the delivery of the information described in this Agreement to the municipal securities marketplace for the period of time specified in this Agreement;

WHEREAS, on [DATE], the I-Bank accepted the bid of [NAME OF PURCHASER], on behalf of itself and each of the original underwriters for the Bonds (each a “Participating Underwriter”), for the purchase of the Bonds;

WHEREAS, the execution and delivery of this Agreement have been duly authorized by the Borrower, the Trustee and the I-Bank, respectively, and all conditions, acts and things necessary and required to exist, to have happened or to have been performed precedent to and in the execution and delivery of this Agreement do exist, have happened and have been performed in regular form, time and manner; and

WHEREAS, the Borrower, the Trustee and the I-Bank are entering into this Agreement for the benefit of the Holders of the Bonds.

NOW, THEREFORE, for and in consideration of the premises and of the mutual representations, covenants and agreements herein set forth, the Borrower, the Trustee and the I-Bank, each binding itself, its successors and its assigns, do mutually promise, covenant and agree as follows:

ARTICLE 1

DEFINITIONS

Section 1.1. Terms Defined in Recitals. All of the terms defined in the preambles hereof shall have the respective meanings set forth therein for all purposes of this Agreement.

Section 1.2. Additional Definitions. The following additional terms shall have the meanings specified below:

“Annual Report” means Financial Statements and Operating Data provided at least annually with respect to the Borrower.

“Bond Disclosure Event” means any event described in Section 2.6(a) of this Agreement.

“Bond Disclosure Event Notice” means the notice to each National Repository or to the MSRB and the State Depository, if any, as provided in Section 2.6(b) of this Agreement.

“Bondholder” or “Holder” or any similar term, when used with reference to the Bonds, means any person who shall be the registered owner of any outstanding Bonds, including holders of beneficial interests in the Bonds.

“Borrower Bond Disclosure Event” means any event described in Section 2.1(c) of this Agreement.

“Borrower Bond Disclosure Event Notice” means the notice to the I-Bank as provided in Section 2.4(c) of this Agreement.

“Dissemination Agent” means an entity acting in its capacity as Dissemination Agent under this Agreement or any successor Dissemination Agent designated in writing by the Borrower that has filed a written acceptance of such designation.

“EMMA” means Electronic Municipal Market Access facility for municipal securities disclosure of the MSRB.

“Financial Statements” means the audited financial statements of the Borrower for each Fiscal Year, including, without limitation, balance sheets, statements of changes in fund balances and statements of current funds, revenues, expenditures and other charges or statements that convey similar information.

“Fiscal Year” means the fiscal year of the Borrower as determined by the Borrower from time to time pursuant to State law. As of the date of this Agreement, the Fiscal Year of the Borrower begins on [MONTH] of each calendar year and closes on the following [MONTH].

“GAAP” means generally accepted accounting principles as in effect from time to time in the United States of America, consistently applied, as modified by governmental accounting standards and mandated State statutory principles applicable to the Borrower as may be in effect from time to time.

“GAAS” means generally accepted auditing standards as in effect from time to time in the United States of America, consistently applied, as modified by governmental auditing standards and mandated State statutory principles applicable to the Borrower as may be in effect from time to time.

EXHIBIT G

“MSRB” means the Municipal Securities Rulemaking Board. The address of the MSRB as of the date of this Agreement is 1150 18th Street NW, Suite 400, Washington, DC 20036.

“National Repository” means a “nationally recognized municipal securities information repository” within the meaning of Rule 15c2-12. As of the date of this Agreement, the National Repository designated by the SEC in accordance with Rule 15c2-12 is EMMA.

“OCBOA” means any other comprehensive basis of accounting as in effect from time to time in the State, consistently applied. This basis of accounting is designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds and is a comprehensive basis of accounting other than generally accepted accounting principles.

“Operating Data” means certain financial and statistical information of the Borrower, which for purposes of this Agreement shall include the financial and statistical information under the headings [TITLES] in Appendix B of the Final Official Statement, a copy of which Appendix B is attached hereto as **Exhibit A**.

“Repository” means each National Repository and each State Depository, if any.

“State Depository” means any public or private repository or entity designated by the State as a state information depository for purposes of Rule 15c2-12. [As of the date of this Agreement, there is no State Depository.]

Section 1.3. Interpretation. Words of masculine gender include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular include the plural and vice versa, and words importing persons include corporations, associations, partnerships (including limited partnerships), trusts, firms and other legal entities, including public bodies, as well as natural persons. Articles and Sections referred to by number mean the corresponding Articles and Sections of this Agreement. The terms “hereby”, “hereof”, “hereto”, “herein”, “hereunder” and any similar terms as used in this Agreement refer to this Agreement as a whole unless otherwise expressly stated. The headings of this Agreement are for convenience only and shall not define or limit the provisions hereof.

EXHIBIT G
ARTICLE 2

CONTINUING DISCLOSURE COVENANTS AND REPRESENTATIONS

Section 2.1. Continuing Disclosure Covenants of Borrower. The Borrower agrees that it will provide or, if the Borrower has appointed or engaged a Dissemination Agent, shall cause the Dissemination Agent to provide:

(a) Not later than two hundred twenty-five (225) days after the end of each Fiscal Year, commencing with the first Fiscal Year of the Borrower ending after January 1, [YEAR] (which is currently scheduled to end on [DATE]), an Annual Report to each Repository and to the I-Bank; *provided*, that the Financial Statements of the Borrower may be submitted separately from the balance of the Annual Report and later than the date required herein for the filing of the Annual Report if the Financial Statements of the Borrower are not available by that date, but only if the unaudited financial statements of the Borrower are included in the Annual Report.

(b) Not later than fifteen (15) days prior to the date of each Fiscal Year specified in Section 2.1(a) hereof, a copy of the Annual Report, complete to the extent required in Section 2.1(a) hereof, to the Trustee and the Dissemination Agent (if the Borrower has appointed or engaged a Dissemination Agent).

(c) In a timely manner, not in excess of ten business days after the occurrence of the applicable event, to the I-Bank, notice of any of the following events with respect to the Borrower Bond (each a “Borrower Bond Disclosure Event”):

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Borrower Bond, or other material events affecting the tax status of the Borrower Bond;
- (vii) Modifications to the rights of the holder of the Borrower Bond, if material;
- (viii) Borrower Bond calls (other than regularly scheduled mandatory sinking fund redemptions for which notice of redemption has been given to the holder of the Borrower Bond as required pursuant to the provisions of the Borrower Bond Resolution), if material, and tender offers;
- (ix) Defeasances;

EXHIBIT G

- (x) Release, substitution or sale of property securing repayment of the Borrower Bond, if material;
- (xi) Rating changes;
- (xiii) Bankruptcy, insolvency, receivership or similar event of the Borrower;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the Borrower or the sale of all or substantially all of the assets of the Borrower, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) Appointment of a successor to the Borrower's Trustee, appointment of an additional Borrower's Trustee, or the change of name of the Borrower's Trustee, if material;
- (xv) Incurrence of a Financial Obligation (as defined below) of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Person, any of which affect securityholders, if material; and
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties.

With respect to events (xv) and (xvi), "Financial Obligation" means (A) debt obligation; (B) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (C) guarantee of (A) or (B), but shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

Section 2.2. Continuing Disclosure Representations of Borrower. The Borrower represents and warrants that:

(a) Financial Statements shall be prepared according to GAAP or OCBOA, as the case may be.

(b) Financial Statements shall be audited by an independent certified public accountant or a registered municipal accountant or such other accountant as shall be permitted or required under State law in accordance with GAAS or any other audit requirements prescribed by the Division of Local Government Services in the Department of Community Affairs of the State, as the case may be.

Section 2.3. Form of Annual Report. (a) The Annual Report may be submitted by the Borrower, or on behalf thereof, as a single document or as separate documents comprising a package.

(b) Any or all of the items that must be included in the Annual Report may be incorporated by reference from other documents, including official statements delivered in connection with other financings issued on behalf of the Borrower or related public entities thereof, that have been submitted to each of the Repositories or filed with the SEC. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Borrower shall clearly identify each such other document so incorporated by reference.

EXHIBIT G

(c) The Annual Report for any Fiscal Year containing any modified operating data or financial information (as contemplated by Sections 4.9 and 4.10 hereof) for such Fiscal Year shall explain, in narrative form, the reasons for such modification and the effect of such modification on the Annual Report being provided for such Fiscal Year.

Section 2.4. Responsibilities and Duties of Borrower, Dissemination Agent and Trustee. (a) If fifteen (15) days prior to the date specified in Section 2.1(a) hereof the Trustee has not received a copy of the Annual Report, complete to the extent required in Section 2.1(a) hereof, the Trustee shall contact the Borrower to provide notice of the Borrower's obligations pursuant to Sections 2.1(a), 2.1(b) and 2.4(d)(ii) hereof.

(b) If the Trustee, by the date specified in Section 2.1(a) hereof, has not received a written report from the Borrower, as required by Section 2.4(d)(ii) hereof, indicating that an Annual Report, complete to the extent required in Section 2.1(a) hereof, has been provided to the Repositories and the I-Bank by the date specified in Section 2.1(a) hereof, the Trustee shall send a notice to each National Repository or to the MSRB and the State Depository, if any, in substantially the form attached hereto as **Exhibit B** together with any standard forms or cover sheets that may be required by the MSRB as of the date thereof, with a copy thereof to the I-Bank and the Borrower.

(c) If the Borrower has determined that a Borrower Bond Disclosure Event has occurred, the Borrower or the Dissemination Agent (if one has been appointed or engaged by the Borrower) shall file promptly, not less than eight business days after the occurrence of such Borrower Bond Disclosure Event, a notice of such occurrence with the I-Bank (the "Borrower Bond Disclosure Event Notice") in a form determined by the Borrower; *provided*, that the Borrower Bond Disclosure Event Notice pertaining to the occurrence of a Borrower Bond Disclosure Event described in Section 2.1(c)(viii) (Borrower Bond calls) or 2.1(c)(ix) (defeasances) hereof need not be given under this Section 2.4(c) any earlier than the time when the notice (if any) of such Borrower Bond Disclosure Event shall otherwise be required to be given to the holder of the Borrower Bond as provided in any resolution, ordinance or agreement of the Borrower.

(d) The Borrower shall or, if the Borrower has appointed or engaged a Dissemination Agent, shall cause the Dissemination Agent to:

(i) determine each year, prior to the date for providing the Annual Report, the name and address of each National Repository and each State Depository, if any; and

(ii) by the date specified in Section 2.1(a) hereof, provide a written report to the Trustee and the I-Bank (and, if a Dissemination Agent has been appointed, to the Borrower), upon which said parties may rely, certifying that the Annual Report, complete to the extent required in Section 2.1(a) hereof, has been provided pursuant to this Agreement, stating the date it was provided and listing all of the Repositories to which it was provided.

Section 2.5. Appointment, Removal and Resignation of Dissemination Agent. (a) The Borrower may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and shall provide notice of such appointment to the Trustee and the I-Bank. Thereafter, the Borrower may discharge any such Dissemination Agent and satisfy its obligations under this Agreement without the assistance of a Dissemination Agent, or the Borrower may discharge a Dissemination Agent and appoint a successor Dissemination Agent, such discharge to be effective on the date of the appointment of a successor Dissemination Agent. The Borrower shall provide notice of the discharge of a Dissemination Agent to the Trustee and the I-Bank and shall further indicate either the decision of the Borrower to satisfy its

EXHIBIT G

obligations under this Agreement without the assistance of a Dissemination Agent or the identity of the new Dissemination Agent.

(b) The Dissemination Agent shall have only such duties as are specifically set forth in this Agreement.

(c) The Dissemination Agent, or any successor thereto, may at any time resign and be discharged of its duties and obligations under this Agreement by giving not less than thirty (30) days' written notice to the Borrower. Such resignation shall take effect on the date specified in such notice.

Section 2.6. Responsibilities and Duties of I-Bank. (a) The I-Bank agrees that it will provide, in a timely manner, not in excess of ten business days after the occurrence of the applicable event, to each National Repository or to the MSRB and the State Depository, if any, notice of any of the following events with respect to the Bonds (each a "Bond Disclosure Event"), with a copy of such notice to the Trustee and the Borrower (for informational purposes only):

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to the rights of Bondholders, if material;
- (viii) Bond calls (other than regularly scheduled mandatory sinking fund redemptions for which notice of redemption has been given to the Bondholders as required pursuant to the provisions of the Bond Indenture), if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xiii) Bankruptcy, insolvency, receivership or similar event of any Obligated Person;
- (xiii) The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake

EXHIBIT G

such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

- (xiv) Appointment of a successor to the Trustee or the Master Program Trustee, appointment of an additional Trustee or Master Program Trustee, or the change of name of the Trustee or the Master Program Trustee, if material.

(b) If the I-Bank has determined that the occurrence of a Bond Disclosure Event would be material, the I-Bank shall file promptly a notice of such occurrence with each National Repository or with the MSRB and the State Depository, if any (the “Bond Disclosure Event Notice”), in a form determined by the I-Bank together with any standard forms or cover sheets that may be required by the MSRB as of the date thereof; *provided*, that the Bond Disclosure Event Notice pertaining to the occurrence of a Bond Disclosure Event described in Section 2.6(a)(viii) (Bond calls) or 2.6(a)(ix) (defeasances) hereof need not be given under this Section 2.6(b) any earlier than the time when the notice (if any) of such Bond Disclosure Event shall be given to Holders of affected Bonds as provided in Sections 8.03 and 14.01 of the Bond Indenture, respectively. The obligations of the I-Bank to provide the notices required under this Agreement are in addition to, and not in substitution of, any of the obligations (if any) of the Trustee to provide notices of events of default to Holders under Article X of the Bond Indenture. The I-Bank shall file a copy of each Bond Disclosure Event Notice with the Trustee and the Borrower (for informational purposes only).

Section 2.7. Immunities and Liabilities of Trustee. Article XI of the Bond Indenture, as it relates to the immunities and liabilities of the Trustee, is hereby made applicable to the Trustee’s responsibilities under this Agreement.

EXHIBIT G

ARTICLE 3

REMEDIES

Section 3.1. Remedies. (a) The Trustee may, in reliance upon the advice of counsel (and at the request of the Holders of at least twenty-five percent (25%) in aggregate principal amount of outstanding Bonds, after the provision of indemnity in accordance with Section 11.02 of the Bond Indenture, shall), or any Bondholder may, for the equal benefit and protection of all Bondholders similarly situated, take whatever action at law or in equity against the Borrower or the I-Bank or any of their respective officers, agents and employees necessary or desirable to enforce the specific performance and observance of any obligation, agreement or covenant of the Borrower and the I-Bank under this Agreement, and may compel the Borrower or the I-Bank or any of their respective officers, agents or employees (except for the Dissemination Agent with respect to the obligations, agreements and covenants of the Borrower) to perform and carry out their duties under this Agreement; *provided*, that no person or entity shall be entitled to recover monetary damages hereunder under any circumstances; and *provided, further*, that any Bondholder, acting for the equal benefit and protection of all Bondholders similarly situated, may pursue specific performance only with respect to the failure to file Annual Reports, Borrower Bond Disclosure Event Notices and Bond Disclosure Event Notices required by this Agreement and may not pursue specific performance in challenging the adequacy of Annual Reports that have been filed pursuant to the provisions hereof.

(b) In case the Trustee or any Bondholder shall have proceeded to enforce its rights under this Agreement and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or any Bondholder, as the case may be, then and in every such case the Borrower, the I-Bank, the Trustee and any Bondholder, as the case may be, shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the Borrower, the I-Bank, the Trustee and any Bondholder shall continue as though no such proceeding had been taken.

(c) Any failure by the I-Bank or the Borrower to perform its respective obligations under this Agreement shall not be deemed an event of default under either the Bond Indenture or the I-Bank Loan Agreement, as the case may be, and the sole remedy under this Agreement in the event of any failure by the I-Bank or the Borrower to comply with this Agreement shall be as set forth in Section 3.1(a) hereof.

EXHIBIT G
ARTICLE 4

MISCELLANEOUS

Section 4.1. Purposes of Agreement. This Agreement is being executed and delivered by the Borrower, the Trustee and the I-Bank for the benefit of the Bondholders and in order to assist the Participating Underwriter in complying with clause (b)(5) of Rule 15c2-12.

Section 4.2. I-Bank and Bondholders. (a) The I-Bank may enforce any such right, remedy or claim conferred, given or granted hereunder in favor of the Trustee or the Holders of the Bonds.

(b) Each Bondholder is hereby recognized as being a third-party beneficiary hereunder, and each may enforce, for the equal benefit and protection of all Bondholders similarly situated, any such right, remedy or claim conferred, given or granted hereunder in favor of the Trustee to the extent permitted in Section 3.1(a) hereof.

Section 4.3. Obligations of I-Bank Hereunder; Indemnified Parties. Neither the I-Bank or any member, officer, employee, counsel, consultant or agent thereof nor any person executing the Bonds shall bear any obligation for the performance of any duty, agreement or covenant of the Borrower or the Trustee under this Agreement. The obligations of the I-Bank under this Agreement are expressly limited to the duties set forth in Sections 2.6, 4.9(c), 4.10 and 4.12 hereof.

The Borrower agrees to indemnify and hold harmless the I-Bank and any member, officer, employee, counsel, consultant or agent thereof, including the Trustee and any of its members, officers, employees or agents (collectively, the "Indemnified Parties"), against any and all losses, claims, damages, liabilities or expenses whatsoever caused by the Borrower's failure, or a Dissemination Agent's failure, to perform or observe any of the Borrower's obligations, agreements or covenants under the terms of this Agreement, but only if and insofar as such losses, claims, damages, liabilities or expenses are caused directly or indirectly by any such failure of the Borrower or the Dissemination Agent to perform. In case any action shall be brought against the Indemnified Parties based upon this Agreement and in respect of which indemnity may be sought against the Borrower, the Indemnified Parties shall promptly notify the Borrower in writing. Upon receipt of such notification, the Borrower shall promptly assume the defense of such action, including the retention of counsel, the payment of all expenses in connection with such action and the right to negotiate and settle any such action on behalf of such party to the extent allowed by law. Any Indemnified Party shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party, unless the employment of such counsel has been specifically authorized by the Borrower or unless by reason of conflict of interest (determined by the written opinion of counsel to any Indemnified Party) it is advisable for such Indemnified Party to be represented by separate counsel to be retained by the Borrower, in which case the fees and expenses of such separate counsel shall be borne by the Borrower. The Borrower shall not be liable for any settlement of any such action effected without its written consent, but if settled with the written consent of the Borrower or if there be a final judgment for the plaintiff in any such action with or without written consent, the Borrower agrees to indemnify and hold harmless the Indemnified Parties from and against any loss or liability by reason of such settlement or judgment. Nothing in this Section 4.3 shall require or obligate the Borrower to indemnify or hold harmless the Indemnified Parties from or against any loss, claim, damage, liability or expense caused by any negligence, recklessness or intentional misconduct of the Indemnified Parties in connection with the Borrower's performance of its obligations, agreements and covenants under this Agreement.

EXHIBIT G

Section 4.4. Additional Information. Nothing in this Agreement shall be deemed to prevent the Borrower or the I-Bank from (a) disseminating any other information using the means of dissemination set forth in this Agreement or any other means of communication, or (b) including, in addition to that which is required by this Agreement, in the case of the Borrower, any other information in any Annual Report or any Borrower Bond Disclosure Event Notice and, in the case of the I-Bank, any other information in any Bond Disclosure Event Notice. If the Borrower chooses to include any information in any Annual Report or any Borrower Bond Disclosure Event Notice, or if the I-Bank chooses to include any information in any Bond Disclosure Event Notice, in addition to that which is specifically required by this Agreement, neither the Borrower nor the I-Bank shall have any obligation under this Agreement to update such information or to include it in any future Annual Report, Borrower Bond Disclosure Event Notice or Bond Disclosure Event Notice, as the case may be.

Section 4.5. Notices. All notices required to be given or authorized to be given by each party pursuant to this Agreement shall be in writing and shall be sent by registered or certified mail (as well as by facsimile, in the case of the Trustee) addressed to, in the case of the Borrower, [Borrower Address] (Attention: [Title]); in the case of the Trustee, its principal corporate trust office at [Trustee Address] (facsimile: [Number]); and in the case of the I-Bank, 3131 Princeton Pike, Building 4 - Suite 216, Lawrenceville, New Jersey 08648 (Attention: Executive Director).

Section 4.6. Assignments. This Agreement may not be assigned by any party hereto without the written consent of the others and, as a condition to any such assignment, only upon the assumption in writing of all of the obligations imposed upon such party by this Agreement.

Section 4.7. Severability. If any provision of this Agreement shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatsoever.

Section 4.8. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. Each party hereto may sign the same or a separate counterpart.

Section 4.9. Amendments, Changes and Modifications. (a) Except as otherwise provided in this Agreement, subsequent to the initial issuance of the Bonds and prior to their payment in full (or provision for payment thereof having been made in accordance with the provisions of the Bond Indenture), this Agreement may not be effectively amended, changed, modified, altered or terminated without the written consent of the parties hereto.

(b) Without the consent of any Bondholders, the Borrower, the Trustee and the I-Bank at any time and from time to time may enter into any amendments or modifications to this Agreement for any of the following purposes:

(i) to add to the covenants and agreements of the Borrower or the I-Bank hereunder for the benefit of the Bondholders or to surrender any right or power conferred upon the Borrower or the I-Bank by this Agreement;

(ii) to modify the contents, presentation and format of the Annual Report from time to time to conform to changes in accounting or disclosure principles or practices or legal requirements followed by or applicable to the Borrower, to reflect changes in the identity, nature or status of the Borrower or in the business, structure or operations of the Borrower or to reflect any mergers, consolidations, acquisitions

EXHIBIT G

or dispositions made by or affecting the Borrower; *provided*, that any such modification shall not be in contravention of Rule 15c2-12 as then in effect at the time of such modification; or

(iii) to cure any ambiguity herein, to correct or supplement any provision hereof that may be inconsistent with any other provision hereof or to include any other provisions with respect to matters or questions arising under this Agreement, any of which, in each case, would have complied with the requirements of Rule 15c2-12 at the time of the primary offering, after taking into account any amendments or interpretations of Rule 15c2-12 as well as any changes in circumstances;

provided, that prior to approving any such amendment or modification, the Trustee determines, in reliance upon an opinion of Bond Counsel (as defined in the Bond Indenture) to the I-Bank, that such amendment or modification does not adversely affect the interests of the Holders of the Bonds in any material respect.

(c) Upon entering into any amendment or modification required or permitted by this Agreement that materially affects the interests of the Holders of the Bonds, the I-Bank shall deliver to each of the Repositories written notice of any such amendment or modification.

(d) The Borrower, the Trustee and the I-Bank shall be entitled to rely exclusively upon an opinion of Bond Counsel to the I-Bank to the effect that such amendments or modifications comply with the conditions and provisions of this Section 4.9.

Section 4.10. Amendments Required by Rule 15c2-12. The Borrower, the Trustee and the I-Bank each recognize that the provisions of this Agreement are intended to enable compliance with Rule 15c2-12. If, as a result of a change in Rule 15c2-12 or in the interpretation thereof or the promulgation of a successor rule, statute or regulation thereto, a change in this Agreement shall be permitted or necessary to assure continued compliance with Rule 15c2-12, upon delivery of an opinion of Bond Counsel to the I-Bank to the effect that such amendments shall be permitted or necessary to assure continued compliance with Rule 15c2-12 as so amended or interpreted, then the Borrower, the Trustee and the I-Bank shall amend this Agreement to comply with and be bound by any such amendment to the extent necessary or desirable to assure compliance with the provisions of Rule 15c2-12, and shall provide written notice of such amendment as required by Section 4.9(c) hereof.

Section 4.11. Governing Law. This Agreement shall be governed exclusively by and construed in accordance with the laws of the State and the laws of the United States of America, as applicable.

Section 4.12. Termination of Continuing Disclosure Obligations. (a) The obligations of the Borrower hereunder shall be in full force and effect from the date of issuance of the Bonds, and shall continue in effect until the date either (i) the Borrower Bond is no longer outstanding in accordance with the terms of the documents under which it was issued, or (ii) the Borrower no longer remains a material “obligated person” (as the term “obligated person” is defined in Rule 15c2-12, with materiality being determined by the I-Bank in its sole discretion pursuant to criteria set forth in the Bond Indenture, the Notice of Sale, the Preliminary Official Statement and the Final Official Statement) with respect to the Bonds, and, in either event, only after the I-Bank delivers written notice to such effect to each National Repository or to the MSRB and the State Depository, if any.

(b) The obligations of the I-Bank hereunder shall be in full force and effect from the date hereof and shall continue in effect until the date the Bonds are no longer outstanding in accordance with the terms of the Bond Indenture, and only after the I-Bank delivers written notice to such effect to each National Repository or to the MSRB and the State Depository, if any.

EXHIBIT G

Section 4.13. Prior Undertakings. The Borrower has not failed to comply in any material respect with any prior continuing disclosure undertaking made by the Borrower in accordance with Rule 15c2-12.

Section 4.14. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the Borrower, the Trustee and the I-Bank and their respective successors and assigns.

EXHIBIT G

IN WITNESS WHEREOF, [NAME OF BORROWER], [NAME OF TRUSTEE] and NEW JERSEY INFRASTRUCTURE BANK have caused this Agreement to be executed in their respective names and their corporate seals to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written.

[SEAL]

ATTEST:

[NAME OF BORROWER]

Name:
Title:

By: _____
Name:
Title:

[SEAL]

ATTEST:

[NAME OF TRUSTEE],
as Trustee

Name:
Title:

By: _____
Name:
Title:

[SEAL]

ATTEST:

NEW JERSEY INFRASTRUCTURE
BANK

Name:
Title:

By: _____
Name:
Title:

**EXHIBIT G
EXHIBIT A**

EXCERPT OF FINAL OFFICIAL STATEMENT

EXHIBIT G
EXHIBIT B

**FORM OF NOTICE TO REPOSITORIES OF
FAILURE TO FILE ANNUAL REPORT**

Name of Obligated Person: [NAME OF BORROWER]

Name of Bond Issue: New Jersey Infrastructure Bank
Environmental Infrastructure Bonds, Series _____,
dated [DATE]

Date of Issuance: [DATE]

CUSIP Numbers:

NOTICE IS HEREBY GIVEN that [Name of Borrower] (the “Borrower”) has not provided an Annual Report with respect to the above-named bonds (the “Bonds”) as required by the Continuing Disclosure Agreement relating to the Bonds dated [DATE] by and among the Borrower, [Name of Trustee], as Trustee, and the New Jersey Infrastructure Bank. [The Borrower anticipates that the Annual Report will be filed by _____.]

**[NAME OF TRUSTEE],
as Trustee**

By: _____
Name:
Title:

Dated: _____