

RESOLUTION NO. 22 – 79

AMENDING RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE BANK AUTHORIZING (I) THE AMENDED AND RESTATED MASTER INDENTURE OF TRUST WITH RESPECT TO THE TRANSPORTATION INFRASTRUCTURE FINANCING PROGRAM, (II) THE EXECUTION AND DELIVERY THEREOF AND (III) THE AMENDMENT TO THE ORIGINAL AUTHORIZING RESOLUTION IN CONNECTION THEREWITH

WHEREAS, in furtherance of the “New Jersey Transportation Infrastructure Financing Program” of the I-Bank (the “Financing Program”) and pursuant to and in accordance with (i) the “New Jersey Infrastructure Trust Act”, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State of New Jersey (the “State”) (codified at N.J.S.A. 58:11B-1 et seq.), as the same has been, and in the future may be, further amended and supplemented from time to time (the “Act”), (ii) this Resolution, and (iii) a financial plan (the “Financial Plan”) developed pursuant to and in accordance with Section 22.3 of the Act, duly approved by the Legislature of the State, the I-Bank may issue its revenue bonds, from time to time, for the purpose of making loans to qualifying Local Government Units, as such term is defined in the Act, authorized to construct, operate and maintain Transportation Projects (as hereinafter defined) (each a “Borrower” and, collectively, “Borrowers”) from the proceeds of such revenue bonds in order to finance or refinance a portion of the allowable costs of the acquisition, construction, improvement, repair or reconstruction of all or part of any structure, facility, or equipment, or real or personal property necessary for or ancillary to, one or more “transportation projects”, as such term is defined in the Act, (each a “Transportation Project” and, collectively, “Transportation Projects”); and

WHEREAS, pursuant to and in accordance with Section 6(c) of the Act, the I-Bank is authorized to enter into a trust indenture that, inter alia, shall provide for the issuance of revenue bonds (“Bonds”) and for their payment and security; and

WHEREAS, the I-Bank, by virtue of the Act, is authorized and empowered, among other things, (a) to lend money to the Borrowers through the purchase by the I-Bank of bonds issued by such Borrowers (“Borrower Bonds”) to secure the loan(s) of such Borrowers to finance or refinance the costs of Transportation Projects; and (b) to borrow money and issue and refund Bonds from time to time pursuant to a master indenture (the “Master Indenture”), as amended and supplemented by supplemental indentures (each a “Supplemental Indenture”; the Master Indenture, as so amended and supplemented from time to time, is hereinafter referred to as the “Indenture”) for such purpose, payable from the revenues derived from such Borrower Bonds and as otherwise provided for in the Indenture; and to secure said Bonds by a pledge of said revenues; and

WHEREAS, the I-Bank is also authorized under the Act to enter into any contracts and to execute all instruments necessary or convenient for the exercise of its corporate powers and the fulfillment of its corporate purposes; and

WHEREAS, on May 12, 2022, the Board of Directors of the I-Bank (the “Board” or “Board of Directors”) duly adopted a resolution entitled “Resolution of the New Jersey Infrastructure Bank (I) Authorizing the Execution and Delivery of a 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” (the “Original Authorizing Resolution”; capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Original Authorizing Resolution) which Original Authorizing Resolution authorized the execution and delivery of the Master

Indenture by and between the I-Bank and Zions Bancorporation, National Association d/b/a Zions Bank, as Trustee thereunder (the "Trustee"); and

WHEREAS, subsequent to the adoption by the Board of the Original Authorizing Resolution that served to approve the Master Indenture, it was determined by the I-Bank that it would be advisable to create in the Master Indenture an Equity Loan Repayment Account within the Revenue Fund and an Investment Earnings Fund to account for interest earnings on Borrower loan repayments and other amounts held under the Master Indenture and to adjust the loan repayment dates from April and October to May and November of each year; and

WHEREAS, these changes have been developed and integrated into a revised draft of the Master Indenture (the "Amended and Restated Master Indenture")

WHEREAS, it is the desire of the I-Bank to approve such Amended and Restated Master Indenture in the form attached hereto as **Exhibit A** and made a part hereof, and thereby amend those provisions of the Original Authorizing Resolution for the purpose of approving the Amended and Restated Master Indenture, in substantially the form attached hereto and made a part hereof, in substitution for, and replacement of, the Master Indenture attached to the Original Authorizing Resolution and made a part thereof.

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

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

Section 2. Approval, Execution and Delivery of the Amended and Restated Master Indenture. (i) In furtherance of the Financing Program and (ii) in satisfaction of the terms and provisions of, and subject to the conditions precedent set forth in, (a) the Act, (b) the Financial Plan and (c) this Resolution, the Board hereby approves the execution and delivery of the Amended and Restated Master Indenture, by and between the I-Bank and Zions Bancorporation, National Association d/b/a Zions Bank, as Trustee thereunder (the "Trustee"), 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 of the I-Bank, the Vice-Chairperson of the I-Bank, the Secretary of the I-Bank, and the 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, but in each case subject to the limitations of the by-laws 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.

Section 3. Delivery of the Amended and Restated Master Indenture and the Additional Documents. The Board hereby authorizes and directs (i) any Authorized Officer to approve, execute and deliver each of the following, and (ii) the Secretary and the Assistant Secretary of the I-Bank, where required, to affix the corporate seal of the I-Bank, and to attest to the signature of the Authorized Officer, on each of the following: the Amended and Restated Master Indenture, in substantially the form attached hereto as Exhibit A; and

(a) any other documents, certificates and/or instruments (collectively, the “Additional Documents”) as may be determined by an Authorized Officer to be necessary, convenient or desirable in order to implement the provisions of (1) this Resolution and/or (2) the Amended and Restated Master Indenture, so as to affect the transactions contemplated hereby and thereby.

The execution of the Amended and Restated Master Indenture and the Additional Documents, if any, by an Authorized Officer shall be deemed to be conclusive evidence of approval by such Authorized Officer of such document.

Section 4. Further Action. The Board hereby authorizes any Authorized Officer, after consultation with Bond Counsel to the I-Bank and the Office of the Attorney General of the State, to take such other actions, to execute such other documents and instruments, and to seek such other consents as may be necessary or desirable (and not inconsistent with the terms and provisions of the Act, the Financial Plan and this Resolution) in order to effect the execution and delivery of the Amended and Restated Master Indenture.

Section 5. Effective Date. This Resolution shall become effective in accordance with the terms of Section 4(i) of the Act (N.J.S.A. 58:11B-4(i)).

Adopted Date: December 8, 2022

Motion Made By: Mr. Mark Longo

Motion Seconded By: Mr. James McManus

Ayes: 8

Nays: 0

Abstentions: 0

AMENDED AND RESTATED MASTER INDENTURE OF TRUST

between

NEW JERSEY INFRASTRUCTURE BANK

and

ZIONS BANCORPORATION, NATIONAL ASSOCIATION d/b/a ZIONS BANK, as Trustee

for the

TRANSPORTATION PROGRAM

Dated as of January 1, 2023

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Exhibit A – Form of Officer’s Certificate

AMENDED AND RESTATED MASTER INDENTURE OF TRUST

THIS AMENDED AND RESTATED MASTER INDENTURE OF TRUST (this “Master Indenture”), dated as of January 1, 2023, by and between the **NEW JERSEY INFRASTRUCTURE BANK**, a public body corporate and politic constituting an instrumentality of the State of New Jersey with corporate succession (the “I-Bank”), and **ZIONS BANCORPORATION, NATIONAL ASSOCIATION d/b/a ZIONS BANK**, a national banking association, duly organized, validly existing and authorized to accept and execute trusts of the character herein set out under and by virtue of the laws of the State of New Jersey, as trustee (together with any successor trustee hereunder and their respective successors and assigns, the “Trustee”),

WITNESSETH THAT:

WHEREAS, in furtherance of the “New Jersey Transportation Infrastructure Financing Program” of the I-Bank (the “Financing Program”) and pursuant to and in accordance with (i) the “New Jersey Infrastructure Trust Act”, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State of New Jersey (the “State”) (codified at N.J.S.A. 58:11B-1 *et seq.*), as the same may be amended and supplemented from time to time (the “Act”), (ii) a resolution authorizing the execution and delivery of this Master Indenture, duly adopted by the Board of Directors of the I-Bank, and (iii) a financial plan (the “Financial Plan”) developed pursuant to and in accordance with Section 22.3 of the Act, and approved by a concurrent resolution duly adopted by the Legislature of the State, the I-Bank may issue its revenue bonds, from time to time, for the purpose of making Loans (hereinafter defined) to qualifying Borrowers (hereinafter defined) from the proceeds of such revenue bonds in order to finance or refinance a portion of the allowable costs of the acquisition, construction, improvement, repair or reconstruction of all or part of any structure, facility, or equipment, or real or personal property necessary for or ancillary to, any such Borrower’s Project (hereinafter defined); and

WHEREAS, pursuant to the Act, the I-Bank has established the Financing Program for the purpose of providing financial assistance to Borrowers for Costs (hereinafter defined) of Transportation Projects (hereinafter defined); and

WHEREAS, pursuant to and in accordance with Section 6(c) of the Act, the I-Bank is authorized to enter into a trust indenture that, *inter alia*, shall provide for the issuance of revenue bonds and for their payment and security; and

WHEREAS, the I-Bank, by virtue of the Act, is authorized and empowered, among other things, (a) to lend money to the Borrowers through the purchase by the I-Bank of Borrower Bonds (hereinafter defined) of such Borrowers to finance or refinance the Costs of Transportation Projects; and (b) to borrow money and issue and refund Bonds (hereinafter defined) from time to time pursuant to this Master Indenture, as amended and supplemented by Supplemental Indentures (hereinafter defined) hereto (the Master Indenture, as so amended and supplemented from time to time in accordance with the terms and provisions of this Master Indenture, is hereinafter referred to as the “Indenture”) for such purpose, payable from the revenues derived from such Borrower

Bonds and as otherwise provided for in the Indenture; and to secure said Bonds by a pledge of said revenues; and

WHEREAS, the I-Bank is also authorized under the Act to enter into any contracts and to execute all instruments necessary or convenient for the exercise of its corporate powers and the fulfillment of its corporate purposes; and

WHEREAS, pursuant to the Act, the I-Bank shall submit to the State Legislature a Financial Plan which is designed to implement the long-term financing of the Transportation Projects included on the Transportation Financing Program Project Eligibility List (the “Project Eligibility List”); and

WHEREAS, the Financial Plan shall include the aggregate amount of funds to be authorized by the I-Bank for such purposes; and

WHEREAS, the Project Eligibility List shall consist of Transportation Projects that are eligible to be included therein pursuant to the Act; and

WHEREAS, in connection with its receipt of financial assistance from the I-Bank, each Borrower will enter into a Loan Agreement (hereinafter defined) with the I-Bank, pursuant to which the I-Bank will make a Loan to each such Borrower to finance or refinance, or to reimburse such Borrower for Costs incurred in connection with, the acquisition, construction and installation of one or more Transportation Projects, upon the terms and conditions as required by the Act, such Loan Agreement and as hereinafter set forth; and

WHEREAS, the Bonds of the I-Bank issued pursuant to the Indenture shall be special obligations of the I-Bank payable solely from the revenues or other receipts, funds or moneys to be derived by the I-Bank under or pursuant to the Loan Agreements and other revenues, receipts, funds or moneys pledged therefor and under the Indenture; and

WHEREAS, the I-Bank (i) may have issued or may issue bonds from time to time pursuant to one or more indentures of trust with a bond trustee named or to be named therein, for the purpose of providing loans or other financial assistance to Borrowers for costs of projects that are eligible for financing under Additional Programs (hereinafter defined) and/or (ii) may have entered into or may enter into one or more master program trust agreements with a master program trustee named or to be named therein, for the purpose of securing bonds issued from time to time pursuant to Additional Programs in order to facilitate the provision of loans or other financial assistance to Borrowers for costs of projects that are eligible for financing under such Additional Programs (each such indenture of trust or master program trust agreement, an “Additional Program Indenture”, and each such bond trustee or master program trustee, an “Additional Program Trustee”); and

WHEREAS, in order to provide additional security for the Bonds issued pursuant to the Indenture, the I-Bank has determined, in accordance with the Act, to permit the temporary investment of available funds held in accordance with an Additional Program Indenture, in the

Cross-Investment Fund (hereinafter defined) established under this Master Indenture, for the purpose of curing any payment-related defaults occurring under the Indenture; and

WHEREAS, in order to provide additional security for bonds of the I-Bank issued or secured pursuant to an Additional Program Indenture, the I-Bank has determined, in accordance with the Act, to permit the temporary investment of available funds held in the Cross-Investment Fund established under this Master Indenture, in an Additional Program Indenture, for the purpose of curing any payment-related defaults occurring under or with respect to an Additional Program Indenture; and

WHEREAS, the temporary investment of funds held under the Cross-Investment Fund into an Additional Program Indenture, and the temporary investment of funds held under the terms of an Additional Program Indenture into the Cross-Investment Fund, for the purpose of providing additional security for Bonds issued pursuant to the Indenture and bonds issued or secured pursuant to an Additional Program Indenture, is hereinafter referred to as a “Cross-Investment;” and

WHEREAS, all acts, conditions and things necessary or required by the State Constitution, the Act and other statutes of the State or otherwise, to exist, happen, and be performed as prerequisites to the execution and delivery of this Master Indenture, do exist, have happened, and have been performed; and

WHEREAS, the I-Bank desires to do all things necessary to make its Bonds, when authenticated by the Trustee and issued as provided in the Indenture, the valid, binding and legal obligations of the I-Bank according to the import hereof and to constitute this Master Indenture a valid pledge of the Trust Estate (hereinafter defined), provision for which is herein made, to secure the payment of the principal and Redemption Price (hereinafter defined) of, and interest on, the Bonds; and

WHEREAS, the Trustee has the power to enter into this Master Indenture and to execute the trusts hereby and has accepted the trusts created by this Master Indenture and in evidence thereof has joined in the execution hereof;

GRANTING CLAUSES

NOW, THEREFORE, THIS MASTER INDENTURE FURTHER WITNESSETH:

That the I-Bank, in consideration of the promises and the acceptance by the Trustee of the trusts hereby created and of the purchase and acceptance of the Bonds by the Bondholders thereof, and for good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure the payment of the principal of, premium, if any, and interest on the Bonds at any time issued and Outstanding (hereinafter defined) hereunder according to their tenor and effect, and to secure the performance and observance by the I-Bank of all of the covenants expressed or implied herein and in the Bonds, does hereby grant, bargain, sell, convey, assign and pledge, and grant a security interest in, to the Trustee, and its successors in trust and assigns forever, to the extent provided in the Indenture (capitalized terms used in these granting clauses and not defined herein shall have the meanings ascribed thereto in Section 1.01 hereof):

GRANTING CLAUSE FIRST

All rights, title and interest of the I-Bank in, to and under the Loan Agreements (except for the Reserved Rights of the I-Bank under the Loan Agreements and the I-Bank's right, title and interest in and to the Loan Origination Fees, the Administrative Fees and the Late Fees);

GRANTING CLAUSE SECOND

All rights, title and interest of the I-Bank in, to and under the Revenues;

GRANTING CLAUSE THIRD

All rights, title and interest of the I-Bank in, to and under all funds, accounts and subaccounts established by the Indenture (other than amounts in (i) the Loan Servicing Account constituting Loan Origination Fees and Administrative Fees, (ii) the Fee Fund, (iii) the Project Fund, (iv) the Rebate Fund, (v) the Investment Earnings Fund and (vi) the Cross-Investment Fund), including investments, if any, thereof, subject only to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture;

GRANTING CLAUSE FOURTH

All other property of any kind, if any, mortgaged, pledged or hypothecated by the I-Bank at any time as and for additional security for the Bonds, or by anyone properly authorized on behalf of the I-Bank or with its written consent, in favor of the Trustee, which is hereby authorized to receive all such property at any time and to hold and apply it subject to the terms hereof;

SUBJECT, HOWEVER, to: (i) the provisions of this Master Indenture permitting the release or application thereof for the purposes and on the terms and conditions set forth in this Master Indenture, including, but not limited to, the right of the I-Bank to withdraw or otherwise cause to be substituted for or released from the Trust Estate any Loan Agreements pursuant to Section 4.01; and (ii) the following conditions: (1) that the Holders of the Bonds shall not be responsible or liable in any manner or to any extent for the performance of any of the covenants or provisions thereof to be performed by the I-Bank and (2) that, unless and until the Trustee shall, in its discretion when an Event of Default shall have occurred and shall be continuing, so elect, by instrument in writing delivered to the I-Bank and the Borrower (and then only to the extent that the Trustee shall so elect), the Trustee shall not be responsible or liable in any manner or to any extent for the performance of any of the covenants or provisions contained in any Loan Agreement to be performed by the I-Bank (except to the extent of actions undertaken by the Trustee in the course of performing any such covenant or provision), and (3) with respect to each Loan Agreement that is part of the Trust Estate, the I-Bank shall remain liable to observe and perform all the conditions and covenants in such Loan Agreement provided to be observed and performed by it;

SUBJECT, FURTHER, HOWEVER, to the qualification that the lien on and pledge of amounts on deposit in any Fund, Account or Subaccount securing Senior Bonds shall not secure any Senior Bonds for which a Supplemental Indenture expressly waives the lien on and pledge of amounts on deposit in such Fund, Account or Subaccount;

SUBJECT, FURTHER, HOWEVER, to the qualification that the lien on and pledge of amounts on deposit in any Fund, Account or Subaccount securing Subordinated Bonds shall not secure any Subordinated Bonds for which a Supplemental Indenture expressly waives the lien on and pledge of amounts on deposit in such Fund, Account or Subaccount;

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby transferred, pledged, conveyed, assigned and/or granted, or agreed or intended to be, to the Trustee and its assigns in trust forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth:

(a) with respect to Senior Bonds, for the equal and proportionate benefit, security and protection of the Holders of the Senior Bonds issued by the I-Bank and secured by the Indenture, except as otherwise provided in any Supplemental Indenture,

(b) with respect to Subordinated Bonds, for the equal and proportionate benefit, security and protection of the Holders of the Subordinated Bonds issued by the I-Bank and secured by the Indenture, except as otherwise provided in any Supplemental Indenture,

(c) for the enforcement of the payment of the principal and Redemption Price of, and interest on, the Bonds, at any time issued and Outstanding hereunder, and all other amounts due from time to time under the Indenture, including those due to the Trustee and the I-Bank, when payable, according to the true intent and meaning thereof and hereof; and

(d) to secure the performance and observance of all the covenants, agreements and conditions of the I-Bank hereunder, under the Loan Agreements and under the Bonds, all in accordance with the covenants, agreements, obligations, terms and conditions thereof and hereof, in each case, without privilege, preference, priority or distinction, except as otherwise hereinafter provided, as to priority of lien or otherwise, of any of such Bonds over any other of the Bonds of the same priority of lien, by reason of designation, number, date of the Bonds or of authorization, issuance, sale, execution, authentication, delivery or maturity thereof, or otherwise so that each Bond and all Bonds of the same priority often shall have the same right, lien and privilege under the Indenture and shall be secured equally and ratably by the Indenture, except as otherwise provided in any Supplemental Indenture, it being intended that the lien and security of the Indenture shall take effect from the date hereof and the date of each applicable Supplemental Indenture, without regard to the date of the actual issue, sale or disposition of the Bonds, as though upon that date all of the Bonds were actually issued, sold and delivered to purchasers for value; provided, however, that upon satisfaction of and in accordance with the provisions of Article XIV, the rights assigned hereby shall cease, determine and be void to the extent described therein; otherwise, such rights shall be and remain in full force and effect;

PROVIDED, HOWEVER, that the pledge of the right, title and interest of the I-Bank in and to the Trust Estate is given subject to the right of the I-Bank to issue a Series of Bonds secured on a parity or subordinate basis with the Bonds by the Trust Estate;

PROVIDED FURTHER, HOWEVER, that the assignment and pledge of the Trust Estate does not include: (A) the rights of the I-Bank pursuant to provisions for consent,

concurrence, approval or other action by the I-Bank, notice to the I-Bank or the filing of reports, certificates or other documents with the I-Bank; or (B) the powers of the I-Bank as stated herein to enforce the provisions hereof; and

THIS MASTER INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Bonds from time to time issued and secured hereunder and under an applicable Supplemental Indenture are to be issued, authenticated and delivered, and said property, rights and interest, including, without limitation, the amounts assigned and pledged hereby and by an applicable Supplemental Indenture, are to be dealt with and disposed of subject to the terms of the Indenture, and the I-Bank agrees with the Trustee and with the respective Holders, from time to time, of said Bonds or any part thereof, as follows:

ARTICLE I.
DEFINITIONS; RULES OF CONSTRUCTION; LIABILITY UNDER BONDS

Section 1.01 Definitions. The terms defined in this Section 1.01 shall for all purposes of the Indenture have the meanings herein specified, unless the context clearly otherwise requires:

“Account” or **“Accounts”** means each of the accounts established by this Master Indenture or any Supplemental Indenture.

“Accreted Value” means with respect to any Capital Appreciation Bond: (i) as of any Valuation Date, the amount set forth for such date in the Supplemental Indenture authorizing such Capital Appreciation Bond and (ii) as of any date other than a Valuation Date, the sum of (a) the Accreted Value on the immediately preceding Valuation Date and (b) the product of (1) a fraction, the numerator of which is the number of days having elapsed from the preceding Valuation Date and the denominator of which is the number of days from such preceding Valuation Date to the next succeeding Valuation Date, calculated based on the assumption that Accreted Value accrues during any semiannual period in equal daily amounts on the basis of a year of twelve (12) thirty-day months, and (2) the difference between the Accreted Values for such Valuation Dates.

“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 be amended and supplemented from time to time.

“Additional Program” means another financing program of the I-Bank, whether such other financing program is now existing or is hereafter established pursuant to the Act. By way of example but not limitation, each of the following financing programs may constitute an Additional Program: a program to finance “aviation projects”, as such term is defined in the Act; a program to finance “marine projects”, as such term is defined in the Act; a program to finance “environmental infrastructure projects”, as such term is defined in the Act.

“Additional Program Indenture” shall have the meaning given such term in the Recitals hereto.

“Additional Program Trustee” shall have the meaning given such term in the Recitals hereto.

“Administrative Fee” means the annual fee owed by a 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 Applicable Borrower’s Loan, payable to the I-Bank by the Applicable Borrower in accordance with the terms of its Loan Agreement.

“Aggregate Debt Service” means for any Bond Year, as of any date of calculation, the sum of the Aggregate Senior Bonds Debt Service and the Aggregate Subordinated Bonds Debt Service.

“Aggregate Senior Bonds Debt Service” means for any Bond Year, as of any date of calculation, the sum of the Debt Service for all Senior Bonds Outstanding during such Bond Year.

“Aggregate Subordinated Bonds Debt Service” means for any Bond Year, as of any date of calculation, the sum of the Debt Service for all Subordinated Bonds Outstanding during such Bond Year.

“Allowable Project Cost” means, for any Borrower, the Allowable Project Cost as initially defined in Exhibit B to such Borrower’s Loan Agreement.

“Annual Appropriation Amount” means the amount appropriated by the New Jersey Legislature each year to or for use by the I-Bank for deposit into the State Funded transportation project subaccount of the State Transportation Infrastructure Bank Fund to finance or refinance transportation project loans.

“Applicable” or “applicable” means (i) with reference to any Supplemental Indenture, the particular Supplemental Indenture that is at issue for the purposes of the application of the terms of the Indenture in the context thereof, (ii) with reference to any Series of Bonds, the particular Series of Bonds, that is at issue for the purposes of the application of the terms of the Indenture in the context thereof, (iii) with reference to any Fund, Account or Subaccount so designated and established by the Indenture, the particular Fund, Account or Subaccount so designated and established and that is at issue for the purposes of the application of the terms of the Indenture in the context thereof, (iv) with reference to any Borrower, the particular Borrower that is at issue for the purposes of the application of the terms of the Indenture in the context thereof, and (v) with respect to any Loan Agreement (and the Loan made pursuant to the terms thereof), the particular Loan Agreement (and the Loan made pursuant to the terms thereof) entered into by and between a Borrower and the I-Bank, relating to a borrowing from the I-Bank, and that is at issue for the purposes of the application of the terms of the Indenture in the context thereof.

“Appreciated Value” means with respect to any Deferred Income Bond: (i) as of any Valuation Date, the amount set forth for such date in the Supplemental Indenture authorizing such Deferred Income Bond and (ii) as of any date other than a Valuation Date, the sum of (a) the Appreciated Value on the immediately preceding Valuation Date and (b) the product of (1) a fraction, the numerator of which is the number of days having elapsed from the preceding Valuation Date and the denominator of which is the number of days from such preceding Valuation Date to the next succeeding Valuation Date, calculated based on the assumption that Appreciated Value accrues during any semiannual period in equal daily amounts on the basis of a year of twelve (12) thirty-day months, and (2) the difference between the Appreciated Values for such Valuation Dates, and (iii) as of any date of calculation on and after the Interest Commencement Date, the Appreciated Value on the Interest Commencement Date.

“Authorized Officer” means (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; 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.

“Board” means the Board of Directors of the I-Bank, or if said Board shall be abolished, the board, body, commission or agency succeeding to the principal functions thereof or to whom the powers and duties granted or imposed by the Indenture shall be given by law.

“Bond” or “Bonds” means the bonds, notes and other obligations (including but not limited to Commercial Paper) of the I-Bank issued from time to time pursuant to the Indenture, including any Senior Bonds or Subordinated Bonds, any Refunding Bonds and any Bonds issued to and held by the I-Bank as purchaser and Holder thereof pursuant to the terms of a Supplemental Indenture and, except as expressly limited hereby or otherwise expressly provided herein, any Parity Repayment Obligations, any Parity Reimbursement Obligations and any Subordinated Reimbursement Obligations; provided, however, that a Parity Repayment Obligation, a Parity Reimbursement Obligation or a Subordinated Reimbursement Obligation shall only be considered a Bond for purposes of Article I, Section 3.03, Article V, Article VI, Article VII, Article IX and Article XV.

“Bond Counsel” means Chiesa Shahinian & Giantomasi PC or other counsel selected by the I-Bank and nationally recognized as experienced in matters relating to bonds issued by states and their political subdivisions.

“Bond Payment Date” means each June 1 and December 1 on which payment of principal or Redemption Price or interest with respect to any Bonds shall be due and payable or such other dates as set forth in a Supplemental Indenture.

“Bond Register” means the bond register specified in Section 3.07.

“Bond Year” means, for purposes of the Indenture and the tests set forth herein, each twelve-month period ending on December 1 of any year in which Bonds are Outstanding.

“Bondholder”, “Holder”, “holder”, “Owner”, or “owner” means any person who shall be the registered owner of a Bond or Bonds, including, but not limited to, the I-Bank if the I-Bank shall be the purchaser and Holder of a Bond or Bonds pursuant to the terms of a Supplemental Indenture.

“Bondholder Action” means any request, demand, authorization, direction, notice, consent or waiver.

“Borrower” means a Local Government Unit authorized to construct, operate and maintain Transportation Projects that has entered into a Loan Agreement with the I-Bank pursuant to which the I-Bank will make a Loan to the Borrower.

“Borrower Bond” means the bond issued by a Borrower to the I-Bank to evidence the Loan made by the I-Bank to the Borrower pursuant to the Applicable Loan Agreement, for the purpose of financing or refinancing a portion of the Cost of such Borrower’s Project.

“Borrower’s Project” means the respective Transportation Project of the Borrower, as described in the Applicable Loan Agreement, which constitutes a project or projects for which the I-Bank is permitted to make a loan to the Borrower pursuant to the Act.

“Business Day” means, with respect to the Bonds of any Series, any day other than (i) a Saturday or Sunday, (ii) a legal holiday in the State, (iii) a legal holiday in the city in which the Principal Office of the Trustee or the Paying Agent is located, (iv) a day on which banking institutions, in the State or the city in which the Principal Office of the Trustee or the Paying Agent is located, are closed, or (v) a day on which the New York Stock Exchange is closed; provided, however, that, with respect to Option Bonds or Variable Interest Rate Bonds of a Series, such term means any day which is not a Saturday, Sunday, a day on which the Trustee, the New York Stock Exchange, banking institutions chartered by the State or the United States of America or the issuer of a Credit Facility or Liquidity Facility for such Bonds are legally authorized to close in the State, or a day that is a legal holiday for the State.

“Capital Appreciation Bond” means any Bond as to which interest is compounded on each Valuation Date therefor and is payable only at the maturity or prior redemption thereof.

“Capitalized Interest Subaccount” means the Subaccount of that name established by Article V hereof in the Debt Service Fund or in the Subordinated Debt Service Fund, as applicable.

“Certificate”, “Order”, “Request”, “Requisition” and “Statement” mean, respectively, a written Certificate, order, request, requisition, or statement signed in the name of the I-Bank, the Trustee or a Borrower by an Authorized Officer of the I-Bank, the Trustee or such Borrower, respectively. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the instruments so combined shall be read and construed as a single instrument.

“C-I Receiving Account” means the Account of that name within the Cross-Investment Fund so designated and established by Article V hereof.

“C-I Sending Account” means the Account of that name within the Cross-Investment Fund so designated and established by Article V hereof.

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

“Commercial Paper” means notes of the I-Bank issued from time to time pursuant to a Commercial Paper Program adopted by the I-Bank, such notes to have a maturity specified in the applicable Supplemental Indenture.

“Commercial Paper Program” means a program authorized by the I-Bank pursuant to which Commercial Paper is issued from time to time, up to the authorized amount of such Program.

“Common Reserve Account” means the Account of that name established by Article V hereof in the Debt Service Reserve Fund to secure the Common Reserve Bonds.

“Common Reserve Bonds” means the Senior Bonds of any Series secured by the Common Reserve Account as provided in the Applicable Supplemental Indenture providing for the issuance of each such Series of Senior Bonds.

“Conditional Redemption” shall have the meaning ascribed to that term in Section 8.01.

“Corporate Trust Office” means the office of the Trustee at which at any particular time its corporate trust business shall be principally administered.

“Cost” or **“Costs”** means those costs that are eligible, reasonable, necessary, allocable to a Borrower’s Project and permitted by generally accepted accounting principles, as shall be determined on a project-specific basis and in accordance with the Act.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the I-Bank and related to the authorization, execution, issuance, sale and delivery of each Series of Bonds, including, but not limited to, printing costs, costs of reproducing documents, filing and recording fees, initial fees and charges of the Trustee or a Depository, legal fees and charges, professional consultants’ fees and disbursements, costs of credit ratings, fees and charges for execution, transportation and safekeeping of the Bonds, underwriting or placement fees (including, but not limited to, underwriting discount), fees of a Remarketing Agent, fees, and expenses payable in connection with any Credit Facility, Liquidity Facility, Hedge Agreement (including, but not limited to, Termination Payments), or Reserve Deposits, and other costs, charges and fees in connection with the issuance of the Bonds.

“Costs of Issuance Account” means the Account within the Operating Expense Fund that may be designated and established pursuant to Section 5.01(d) of Article V hereof.

“Counsel” means an attorney at law or firm of attorneys at law (who may be, without limitation, of counsel to, or an employee of, the I-Bank, the Trustee, the Paying Agent or any Borrower) duly admitted to practice law before the highest court of the State of New Jersey, or other United States jurisdiction, or otherwise qualified to practice law in the State of New Jersey or other United States jurisdiction.

“Counterparty” means any person with which the I-Bank has entered into a Hedge Agreement, and such person’s successors and assigns.

“Credit Facility” means an irrevocable letter of credit, surety bond, loan agreement, Standby Purchase Agreement or other agreement, facility or insurance or guaranty arrangement pursuant to which the I-Bank or the Trustee is entitled to obtain money to pay the principal, purchase price or Redemption Price of Bonds due in accordance with their terms or tendered for purchase or redemption, plus accrued interest thereon to the date of payment, purchase or

redemption thereof whether or not the I-Bank is in default hereunder, which is issued or extended by:

(A) a bank, a trust company, a national banking association, an organization subject to registration with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956 or any successor provisions of law;

(B) a federal branch pursuant to the International Banking Act of 1978 or any successor provisions of law;

(C) a domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America;

(D) a savings bank;

(E) a saving and loan association;

(F) an insurance company or association chartered or organized under the laws of any state of the United States of America;

(G) the Government National Mortgage Association or any successor thereto or the Federal National Mortgage Association or any successor thereto;

(H) an entity affiliated with or which is a subsidiary of any entity described above or affiliated with or a subsidiary of any registered securities dealer; or

(I) any other entity approved by the I-Bank.

“Credit Rating Agency” means any of Fitch, Moody’s, S&P or such other nationally recognized rating agency or agencies, if any, that have published ratings for the Bonds.

“Cross-Investment” shall have the meaning given such term in the Recitals hereto.

“Cross-Investment Additional Program Note” means a short-term obligation issued pursuant to an Additional Program Indenture to secure the I-Bank’s obligations, pursuant to a Cross-Investment Agreement, to repay a Cross-Investment made into the Additional Program Indenture. A Cross-Investment Additional Program Note shall be subordinate in all respects to any Series of Senior Bonds then Outstanding or thereafter issued under such Additional Program Indenture.

“Cross-Investment Agreement” means an investment agreement entered into in connection with a Cross-Investment.

“Cross-Investment Fund” means the Fund of that name established by Article V hereof.

“Cross-Investment Obligation” means a short-term obligation issued pursuant to Section 5.12 of this Indenture to secure the I-Bank’s obligations, pursuant to a Cross-Investment Agreement, to repay a Cross-Investment made into this Master Indenture. A Cross-Investment Obligation shall be subordinate in all respects to any Series of Senior Bonds then Outstanding or thereafter issued under this Master Indenture.

“Debt Service” for any Bond Year or part thereof means, as of any date of calculation and with respect to any Series, an amount equal to the sum of (i) interest payable during such Bond Year or part thereof on Outstanding Bonds of such Series (except to the extent that such interest is to be paid from amounts representing capitalized interest), including interest payable on Deferred Income Bonds from and after their respective Interest Commencement Dates and (ii) Principal Installments of the Outstanding Bonds of such Series payable during such Bond Year or part thereof. Such interest and Principal Installment for such Series shall be calculated on the assumption that no Bonds of such Series Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment thereof upon stated maturity or upon mandatory redemption by application of Sinking Fund Installments; provided, however, that if the interest at which a Variable Interest Rate Bond will bear interest at any time during such period is not known, the Trustee shall calculate such interest based upon a rate per annum certified to it by the I-Bank as the rate the I-Bank has assumed such Variable Interest Rate Bond will bear.

“Debt Service Fund” means the fund of that name established by Article V hereof.

“Debt Service Reserve Fund” means the fund of that name established by Article V hereof.

“Default” means an event or condition the occurrence of which would, with the lapse of time or the giving of notice or both, become an Event of Default with respect to the Bonds as described in Section 10.01 hereof.

“Defaulting Borrower” means any Borrower (a) which the I-Bank shall specify, in an Officer’s Certificate delivered to the Trustee, as being in default under such Borrower’s Loan Agreement until such time as the I-Bank shall specify, in an Officer’s Certificate delivered to the Trustee, that such Borrower is no longer in default under such Loan Agreement and/or (b) which the Trustee shall specify in a notice to the I-Bank to the effect that the Trustee has not timely received any portion of a Loan Repayment of such Borrower due under such Borrower’s Loan Agreement and/or that the Trustee has knowledge of any other event of default under such Loan Agreement.

“Defeasance Securities” means:

- (i) Government Obligations;
- (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality, including United States Agency for International Development securities, and that, on the date the I-Bank adopts or approves proceedings authorizing the issuance of Refunding

Bonds or, if such defeasance is not in connection with the issuance of Refunding Bonds, on the date the I-Bank provides for the funding of an escrow to effect the defeasance of the Bonds, are rated as to investment quality by a nationally-recognized investment rating firm not less than “AAA” or its equivalent;

(iii) If provided pursuant to a Supplemental Indenture, noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the I-Bank adopts or approves proceedings authorizing the issuance of Refunding Bonds or, if such defeasance is not in connection with the issuance of Refunding Bonds, on the date the I-Bank provides for the funding of an escrow to effect the defeasance of the Bonds, are rated as to investment quality by a nationally-recognized investment rating firm not less than “AAA” or its equivalent; or

(iv) any other then authorized securities or obligations that may be used to defease obligations such as the Bonds under the then applicable laws of the State.

“Deferred Income Bond” means any Bond as to which interest accruing thereon prior to the Interest Commencement Date therefor is compounded on each Valuation Date for such Deferred Income Bond, payable at maturity or earlier redemption, and interest accruing from and after the Interest Commencement Date is payable on the Interest Payment Dates therefor.

“Department” means the New Jersey Department of Transportation.

“Depository” or **“DTC”** means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State, or its nominee, or any other person, firm, association or corporation designated in the Supplemental Indenture authorizing a Series of Bonds to serve as securities depository for Bonds of such Series.

“Disbursement Procedures” mean with respect to each Loan the procedures and provisions set forth in the applicable Loan Agreement.

“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.

“EMMA” means the MSRB’s Electronic Municipal Market Access system, or any other electronic municipal securities information access system designated by the MSRB for collecting and disseminating primary offering documents and information.

“Equity Loan Portion Repayment” means that portion of a Borrower’s Loan Repayment, as set forth in the Loan Repayment information provided by the I-Bank pursuant to Section 5.03 hereof, that is allocated to the repayment of the portion of such Borrower’s Loan that was funded by the I-Bank with available amounts in the Transportation Fund.

“Equity Loan Portion Repayment Account” means the Account of that name established by Article V hereof in the Revenue Fund.

“Event of Default” means any occurrence or event designated as such in Section 10.01.

“Federal Agency” means any department, agency or instrumentality of the federal government of the United States of America, other than the USDOT or one of its Administrations, which may include, without limitation, an instrumentality of the federal government of the United States of America, currently existing or as may be established in the future, that operates as a federal infrastructure bank or other federal infrastructure financing instrumentality.

“Fee Fund” means the fund of that name established by Article V hereof.

“Fiduciary” or **“Fiduciaries”** means the Trustee or the Paying Agent, or both of them, as may be appropriate.

“Financial Plan” means that certain financial plan developed for, and applicable to, the particular State fiscal year during which Bonds of a particular Series shall be issued pursuant hereto, which financial plan shall be prepared as required by, and in accordance with, Section 22.3 of the Act, and approved by a concurrent resolution duly adopted by the Legislature of the State.

“Fiscal Year” means the twelve-month period beginning on July 1 and ending on June 30, unless a different twelve-month period or such other period as may be specified, from time to time, in the By-laws of the I-Bank.

“Fitch” means Fitch, Inc. and its successors and assigns; provided, however, that references hereto to Fitch shall be effective so long as Fitch is a Credit Rating Agency recognized as an NRSRO as defined herein.

“Fund” or **“Funds”** means each of the funds established by Article V hereof or by any Supplemental Indenture or Officer’s Certificate pursuant to Section 5.01(d) of Article V hereof.

“Government Obligations” means secured obligations of the United States of America including Treasury bills, Treasury notes, Treasury bonds, and Treasury Inflation-Protected Securities.

“Hedge Agreement” means any financial arrangement entered into by the I-Bank, with the prior written consent of the State Treasurer and consultation with Bond Counsel and the Office of the State Attorney General, with another person that (i) is executed in connection with Bonds and is an Interest Rate Exchange Agreement, an interest rate cap or collar or other exchange or rate protection transaction, or (ii) is an agreement for the forward purchase of securities for the investment of money of the I-Bank in any Fund, Account or Subaccount established hereby.

“Hedge Agreement Payment” means any periodic or regularly scheduled payment required to be made by the I-Bank pursuant to a Hedge Agreement, but does not include a Termination Payment.

“Indenture” means this Master Indenture, as amended and supplemented from time to time in accordance with the terms and provisions hereof by one or more Supplemental Indentures, unless in the case of any one or more Supplemental Indentures the context requires otherwise.

“Initial Bonds” mean the Bonds of the first Series authorized and issued under the Indenture.

“Interest Account” means the Account of that name established by Article V hereof in the Debt Service Fund or in the Subordinated Debt Service Fund, as applicable.

“Interest Commencement Date” means, with respect to any particular Deferred Income Bond, the date prior to the maturity date thereof after which interest accruing thereon shall be payable on each Interest Payment Date succeeding such Interest Commencement Date.

“Interest Payment Date” means, each June 1 and December 1 on which payment of accrued interest on the Bonds of such Series shall be due and payable or such other dates as set forth in a Supplemental Indenture.

“Interest Rate Exchange Agreement” means an agreement entered into by the I-Bank, with the prior written consent of the State Treasurer, in connection with the issuance of or which relates to any Bonds which provides that during the term of such agreement the I-Bank is to pay to the Counterparty an amount based on the interest accruing at a fixed or variable rate per annum on a notional amount equal to the principal amount of such Bonds and that the Counterparty is to pay to the I-Bank an amount based on the interest accruing on such notional amount at a fixed or variable rate, in each case computed according to a formula set forth in such agreement, or that one shall pay to the other any net amount due under such agreement.

“Interest Subsidy Subaccount” means the Subaccount within the Debt Service Fund so designated and established by Article V hereof.

“Investment Earnings Fund” means the Fund of that name established by Article V hereof.

“Investment Security” or **“Investment Securities”** means and includes any of the following securities, if and to the extent the same are at the time legal for investment of the I-Bank’s funds, which securities may be obligations of the Trustee to the extent qualified hereunder:

- (A) Defeasance Securities;
- (B) Government Obligations;
- (C) the following bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full-faith and credit of the United States of America (stripped securities being permitted only if they have been stripped by the agency itself):

- (i) direct obligations or fully guaranteed certificates of beneficial ownership of The Export-Import Bank of the United States;
 - (ii) participation certificates and guaranteed pool certificates of the Small Business Administration;
 - (iii) debentures of the Federal Housing Administration;
 - (iv) guaranteed mortgage-back bonds and guaranteed mortgage-backed obligations of the Government National Mortgage Association; and
 - (v) project notes, local authority bonds, guaranteed debentures and guaranteed public housing notes and bonds of the Department of Housing and Urban Development;
- (D) the following bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit of the United States government agencies (stripped securities being permitted only if they have been stripped by the agency itself):
- (i) senior debt obligations of the Federal Home Loan Bank System (“FHLB”);
 - (ii) senior debt obligations of the Federal Farm Credit System;
 - (iii) mortgage-backed securities and senior debt obligations of the Federal Home Loan Mortgage Corporation; and
 - (iv) mortgage-backed securities and senior debt obligations of the Federal National Mortgage Association;
- (E) commercial paper, with a maturity not greater than 270 days (but excluding any form of form of Extendable Commercial Paper), and rated, at the time of purchase, “Prime-1” by Moody’s, “F1” or better by Fitch or “A-1” or better by S&P;
- (F) Municipal Obligations;
- (G) money market funds registered under the Investment Company Act of 1940, the shares of which are registered under the Securities Act of 1933, and having a rating of no less than “AA” or its equivalent from a national recognized rating agency; including, if so rated, any such fund which the Trustee or an affiliate of the Trustee serves as an investment advisor, administrator, shareholder, servicing agent and/or custodian or sub-custodian, notwithstanding that (a) the Trustee or an affiliate of the Trustee

charges and collects fees and expenses (not exceeding current income) from such funds for services rendered, (b) the Trustee charges and collects fees and expenses for services rendered pursuant to this Master Indenture and (c) services performed for such funds and pursuant to the Indenture may converge at any time (the I-Bank specifically authorizes the Trustee or an affiliate of the Trustee to charge and collect all fees and expenses from such funds for services rendered to such funds, in addition to any fees and expenses the Trustee may charge and collect for services rendered pursuant to this Master Indenture);

- (H) certificates of deposit, savings accounts, deposit accounts, bank deposit products or money market deposits which are fully insured by the Federal Deposit Insurance Corporation or fully secured as to both principal and interest by a FHLB Letter of Credit (“LOC”) or collateralized by government securities as described in clauses (B) and (C) above;
- (I) investment agreements or guaranteed investment contracts with any financial institution or corporation, any insurance company, a registered broker/dealer or a domestic commercial bank whose senior long term debt obligations are rated, or guaranteed by a financial institution, whose senior long term debt obligations are rated, at the time such agreement or contract is entered into, in one of the two highest long-term rating categories by at least two Rating Agencies, and without regard to ratings subcategories. Financial agreements with institutions having senior debt ratings below “AA” must be fully secured as to principal balance and accrued interest by securities described in clause (B) or (C) above, or a FHLB LOC. In the event that the counterparty’s required debt rating on the unsecured agreement is suspended, withdrawn or reduced below the rating the I-Bank has an option to (a) terminate such agreement or contract or (b) require the balance of such agreement or contract to be fully collateralized by securities described in clause (B) or (C) above. All collateral security I-Bank deposits shall require:
 - (i) a specific written collateral agreement governing the transaction(s);
 - (ii) any collateral securities must be held free and clear of any lien, by the Trustee or by a trustee of an independent third party acting solely as the agent of the Trustee that is either a Federal Reserve Bank or a member of the Federal Deposit Insurance Corporation that has combined surplus and undivided profits of not less than one-hundred million dollars (\$100,000,000), and the Trustee shall have received written confirmation from such third party that it holds such securities, free and clear of any lien, as agent for the Trustee;
 - (iii) the agreement has a term of thirty days or less, or either the Trustee, if the Trustee holds the collateral, or a custodian of the collateral or

a valuation agent selected by the I-Bank, will value the collateral securities no less frequently than monthly, will liquidate the collateral securities if any deficiency in the required collateral percentage is not restored within five (5) Business Days of such valuation; and

- (iv) the fair market value of the collateral securities in relation to the amount of the obligation, including principal and interest, is equal to at least one hundred two percent (102%);
- (J) investments in short-term obligations of the I-Bank's Water Bank (pursuant to and in satisfaction of the provisions of N.J.S.A. 58:11B-5(n)) and short term obligations of any other Additional Programs established by the I-Bank, in each case, if and to the extent permitted by the Act;
- (K) other obligations or securities that either (i) under the applicable standards and guidelines of each Credit Rating Agency then maintaining a rating on Bonds issued and Outstanding under this Indenture, are investments in which money in a particular Fund, Account or Subaccount under the Indenture may be invested by the I-Bank, or (ii) as to the investment therein for any Fund, Account or Subaccount, the I-Bank has received a Rating Confirmation or an indicative rating conclusion, or similar determination, from each Credit Rating Agency then maintaining a rating on Bonds issued and Outstanding hereunder to the effect that, assuming no other significant rating factor changed, the proposed investment would likely not result in an adverse change in the then-existing rating on such Bonds;
- (L) deposits in the New Jersey Cash Management Fund; and
- (M) any other investments as may be legal investments for funds of the State or any State agency.

"Late Fee" means the Late Fee (as such term is defined in the Applicable Loan Agreement) owed by a Borrower to the I-Bank pursuant to the terms of the Applicable Loan Agreement.

"Liquidity Facility" means a letter of credit, surety bond, loan agreement, Standby Purchase Agreement, line of credit or other agreement or arrangement pursuant to which money may be obtained upon the terms and conditions contained therein for the purchase or redemption of Option Bonds tendered for purchase or redemption in accordance with the terms hereof and of the Supplemental Indenture authorizing such Bonds, which is issued or provided by:

(A) a bank, a trust company, a national banking association, an organization subject to registration with the Board of Governors of the Federal Reserve System under the I-Bank Holding Company Act of 1956 or any successor provisions of law;

(B) a federal branch pursuant to the International Banking Act of 1978 or any successor provisions of law;

(C) a domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America;

(D) a savings bank;

(E) a saving and loan association;

(F) an insurance company or association chartered or organized under the laws of any state of the United States of America;

(G) the Government National Mortgage Association or any successor thereto or the Federal National Mortgage Association or any successor thereto;

(H) an entity affiliated with or which is a subsidiary of any entity described above or affiliated with or a subsidiary of any registered securities dealer; or

(I) any other entity approved by the I-Bank.

“Loan” means, collectively, a loan or any other credit instrument provided by the I-Bank to a Borrower, pursuant to the Applicable Loan Agreement and the Act, to finance or refinance a portion of the Cost of such Borrower’s Project. For all purposes of this Indenture, the Principal Amount of a Loan shall be the principal amount specified as such in the Applicable Loan Agreement.

“Loan Agreement” means a loan agreement or other agreement that is entered into by and between the I-Bank and a Borrower, pursuant to which a Loan is made by the I-Bank to a Borrower, as such Loan Agreement may be amended, modified or supplemented from time to time in accordance with the provisions thereof and of the Indenture.

“Loan Closing” means the date on which an executed Loan Agreement between the I-Bank and a Borrower is delivered pursuant to the Indenture.

“Loan Origination Fee” means the Loan Origination Fee charged to a Borrower in connection with obtaining a long-term loan. The amount of the Loan Origination Fee shall be as set forth in the Applicable Loan Agreement.

“Loan Repayment” means, with respect to a Loan, the sum of the following amounts, all in accordance with the Applicable Loan Agreement: (i) the payments of the principal amount of the Loan, (ii) in the event of a redemption of the associated Bonds in connection with any prepayment or acceleration of the Loan, the payment of any redemption premium associated with the associated bonds, (iii) the payment of interest on the Loan, (iv) with respect to any prepayment or acceleration, as the case may be, of the principal amount of the Loan, the payment of interest to

accrue on such principal amount to the date of redemption or acceleration, (v) the Loan Origination Fee (if applicable), (vi) Administrative Fees, and (vii) any Late Fees.

“Loan Repayment Date” means, unless otherwise specified in a Supplemental Indenture, May 1 and November 1 of each year.

“Loan Servicing Account” means the Account of that name so designated and established by Article V hereof.

“Local Government Unit” has the meaning given such term in clause (3) of the definition of “local government unit” as set forth in the Act, or as may otherwise be set forth in the Act in the future, with respect to Transportation Projects.

“Mail”, “Mailing” or “Mailed” refers to the mail delivery service of the United States Postal Service, or any alternative or replacement service for the non-electronic delivery of notices, documents, or other instruments, as the parties hereto may agree.

“Maximum Annual Debt Service” means, as of any particular date of calculation and with respect to any Outstanding Bonds, an amount equal to the greatest amount required in the then current or any future Bond Year to pay the Debt Service on such Bonds during such Bond Year; provided, however, that for purposes of this definition:

(i) the Accreted Value of a Capital Appreciation Bond and the Appreciated Value of a Deferred Income Bond becoming due at maturity or through a mandatory Sinking Fund Installment shall be included in the calculations of the interest and Principal Installments payable during the Bond Year in which such Capital Appreciation Bond or Deferred Income Bond matures or in which such Sinking Fund Installment is due;

(ii) the Principal Installments of an Option Bond Outstanding during any Bond Year shall be included only in the years and in the respective Principal Installments due on the dates on which Sinking Fund Installments are due and on the stated maturity date thereof;

(iii) it shall be assumed that a Variable Interest Rate Bond, prior to its conversion to bear interest at a fixed rate to its maturity, bears interest during any Bond Year at the lesser of:

(1) a fixed rate of interest determined in the sole judgment of an Authorized Officer, on a Business Day not more than five (5) days prior to the date of calculation as the fixed rate at which such Variable Interest Rate Bond would have had to bear to be marketed at par on such date as a fixed rate obligation; and

(2) if the I-Bank has in connection with such Variable Interest Rate Bond entered into (A) an Interest Rate Exchange Agreement which provides that the I-Bank is to pay to another person an amount determined based upon a fixed rate of interest on the principal amount of the Outstanding Variable Interest Rate Bonds to which such agreement relates and the Counterparty pays with respect to a like principal amount a variable rate expected to be reasonably equivalent to the variable rate of interest on such Bonds, or (B) a Hedge Agreement in the nature of an interest rate cap or collar, then either the interest fixed rate set forth in or determined in

accordance with such Interest Rate Exchange Agreement or the maximum rate set forth in such Hedge Agreement, as applicable; and

(iv) the Principal Installments and Sinking Fund Installments of and interest on Bonds paid or Bonds deemed to be paid as provided in Section 14.01 shall be excluded from such calculation.

“Maximum Interest Rate” means, with respect to any particular Variable Interest Rate Bond, the numerical rate of interest, if any, established as the maximum rate at which such Variable Interest Rate Bond may bear interest at any time.

“Minimum Interest Rate” shall mean, with respect to any particular Variable Interest Rate Bond, a numerical rate of interest, if any, established as the minimum rate at which such Variable Interest Rate Bond may bear interest at any time.

“Moody’s” shall mean Moody’s Investors Service and its successors and assigns; provided, however, that references herein to Moody’s shall be effective so long as Moody’s is a Credit Rating Agency recognized as an NRSRO as defined herein.

“MSRB” shall mean the Municipal Securities Rulemaking Board.

“Municipal Obligation” means an obligation of any state or territory of the United States of America, any political subdivision of any state or territory of the United States of America, or any agency, authority, public benefit corporation or instrumentality of such state, territory or political subdivision including those of any state of the United States of America, any political subdivision of any state of the United States of America, or any agency, or authority thereof, that at the time of purchase is in one of the two highest long-term rating categories by at least two Rating Agencies, without regard to gradations within the rating

“Net Earnings” means, with respect to any Fund, Account or Subaccount, or any portion thereof, all interest, profits and other income earned and received by the Trustee and the I-Bank, as appropriate, in respect of such Fund, Account, Subaccount or portion thereof, net of (i) any losses suffered, (ii) any fees due to the Trustee, the provider of an Investment Security, or, at the written direction of an Authorized Officer of the I-Bank, the financial advisor or investment advisor to the I-Bank in connection with an Investment Security held in such Fund, Account or Subaccount, and (iii) any amounts required to be set aside for the payment of rebate or to satisfy a yield restriction requirement in accordance with the Code, pursuant to any letter of instructions or certificate as to arbitrage.

“NRSRO” means a nationally recognized statistical ratings organization registered with and approved by the Securities and Exchange Commission.

“Officer’s Certificate” means a certificate signed by an Authorized Officer, as may be required hereunder, in the form attached as Exhibit A hereto, with such changes as are necessary or appropriate from time to time in the sole discretion of such Authorized Officer in connection with delivery of such Officer’s Certificate.

“Operating Expense Fund” means the fund of that name that may be designated and established pursuant to Section 5.01(d) of Article V hereof.

“Option Bond” means any Bond which by its terms may be tendered by and at the option of the Holder thereof for purchase or redemption by the I-Bank prior to the stated maturity thereof, or the maturity of which may be extended by and at the option of the Holder thereof.

“Outstanding”, when used with reference to Bonds, means, as of any particular date, the aggregate of all Bonds authenticated and delivered under the Indenture, all Parity Repayment Obligations, all Parity Reimbursement Obligations, and all Subordinated Reimbursement Obligations except:

(a) Bonds cancelled by the Trustee or delivered to the Trustee for cancellation at or prior to such date;

(b) Bonds for the payment or redemption of which money in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent in trust for the Holders of such Bonds, provided that if such Bonds are to be redeemed, notice of such redemption has been duly given pursuant to the Indenture or provision therefor satisfactory to the Trustee has been made;

(c) Bonds paid or Bonds deemed to be paid as provided in Section 14.01;

(d) Bonds paid or in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to Section 3.04, unless proof satisfactory to the Trustee shall be presented that any such Bond shall be held by a bona fide purchaser (as such term is defined in the Uniform Commercial Code of the State);

(e) Option Bonds tendered or deemed tendered in accordance with the provisions of the Supplemental Indenture authorizing such Bonds on the applicable adjustment or conversion date, if interest thereon shall have been paid through such applicable date and the purchase price thereof shall have been paid or amounts are available for such payment as provided in the Supplemental Indenture authorizing such Bonds;

(f) Parity Reimbursement Obligations arising out of a Credit Facility or Liquidity Facility if and to the extent that such Parity Reimbursement Obligations are evidenced by Bonds to which the Credit Facility or Liquidity Facility relates and such Bonds are registered in the name of the Provider thereof or its nominee; and

(g) Subordinated Reimbursement Obligations arising out of a Credit Facility or Liquidity Facility if and to the extent that such Subordinated Reimbursement Obligations are evidenced by Subordinated Bonds to which the Credit Facility or Liquidity Facility relates and such Subordinated Bonds are registered in the name of the Provider thereof or its nominee;

provided, however, that in determining whether the Holders of the requisite principal amount of Bonds Outstanding have taken Bondholder Action hereunder, (A) Bonds owned or held by or for

the account of the I-Bank shall not be deemed Outstanding and (B) Bonds owned by or for the account of a Borrower shall be disregarded and deemed not to be Outstanding, except that (i) in determining whether the Trustee shall be protected in relying upon any such Bondholder Action, only Bonds which a Responsible Officer of the Trustee knows to be so owned by a Borrower shall be so disregarded, and (ii) Bonds so owned by a Borrower which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right to act with respect to such Bonds and that the pledgee is not a Borrower and that the pledgee is not holding such Bonds for the account of a Borrower.

“Parity Reimbursement Obligation” means an obligation of the I-Bank to: (i) reimburse the Provider of a Credit Facility or Liquidity Facility for money advanced thereunder for the payment of the principal, Redemption Price or purchase price of Bonds, including interest on the money so advanced, or (ii) make Hedge Agreement Payments (other than Termination Payments), whether or not such obligation is evidenced by a note, bond or other evidence of indebtedness, but which is secured by a security interest in, pledge of and lien on the Trust Estate on a parity with the lien created hereby and by an applicable Supplemental Indenture for the payment of the Senior Bonds to which such Credit Facility, Liquidity Facility, or Hedge Agreement relates.

“Parity Repayment Obligation” means an obligation of a Borrower to repay all or any portion of a Loan if and to the extent the I-Bank has designated such Loan or portion thereof as a “Parity I-Bank Loan” pursuant to a Supplemental Indenture or an Officer's Certificate delivered based upon delegated authority provided by the I-Bank Board, whether or not such obligation is evidenced by a note, bond or other evidence of indebtedness, but which Parity Repayment Obligation is secured by a security interest in, pledge of and lien on the Trust Estate on a parity with the lien created hereby and by an applicable Supplemental Indenture for the payment of the Senior Bonds.

“Paying Agent” means any paying agent for the Bonds and any successor or successors as paying agent appointed pursuant to Section 11.17.

“Person” means an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization or a government or political subdivision thereof.

“Principal Account” means the Account of that name established by Article V hereof in the Debt Service Fund or in the Subordinated Debt Service Fund, as applicable.

“Principal Amount” means the principal amount of the Loan as specified in the Applicable Loan Agreement.

“Principal Installment” means, as of any date of calculation, (i) the principal amount of Bonds due on a future date for which no Sinking Fund Installments have been established, or (ii) the unsatisfied balance of any Sinking Fund Installment due on a future date, or (iii) if such future dates coincide, the sum of such principal amount of Bonds and of such Sinking Fund Installment due on such future date; in each case in the amounts and on the dates as provided in the Indenture.

“Principal Office” means, when used with reference to the I-Bank, the Trustee, or the Paying Agent, the respective addresses of such parties as set forth in Section 15.07, and any further or different addresses as such parties may designate pursuant to Section 15.07.

“Program Borrower” means a distinct Borrower whose Loan Repayments constitute Revenues hereunder.

“Project Fund” means the Fund of that name established by Article V hereof.

“Project Subaccount” means a Subaccount within a Series Account within the Project Fund, such Project Subaccount having been established with respect to a specific Borrower and Project.

“Projected Debt Service Coverage Ratio” means:

(a) with respect to Section 2.03(g), Section 2.04(a)(ii) and Section 4.01 (regarding the release of Loan Agreements in respect of Senior Bonds), for any future period, the ratio determined by dividing (i) a numerator equal to the projected Revenues (including Revenues projected to be received with respect to Loans whether or not such Loans are financed or refinanced in whole or in part by the Series of Senior Bonds proposed to be issued but excluding moneys and securities in the Cross-Investment Fund and excluding moneys, securities and Reserve Deposits in any Series Reserve Account of the Debt Service Reserve Fund, if any, to the extent such Series Reserve Account secures less than all of the Senior Bonds issued under the Indenture) for the current and each future Bond Year, by (ii) a denominator equal to the Annual Debt Service for the Senior Bonds then Outstanding and secured by the Indenture and the Series of Senior Bonds proposed to be issued, for the current and each future Bond Year in which such Senior Bonds shall be Outstanding; and

(b) with respect to Section 2.03(1), Section 2.04(a)(iii) and Section 4.01 (regarding the release of Loan Agreements in respect of Subordinated Bonds), for any future period, the ratio determined by dividing (i) a numerator equal to the projected Revenues (including Revenues projected to be received with respect to Loans financed or refinanced in whole or in part by the Series of Subordinated Bonds proposed to be issued) to be available for deposit into the Subordinated Debt Service Fund for the current and each future Bond Year inclusive of any Revenues available after the application of Revenues as set forth in Sections 5.06(b)(i)-(v) by (ii) a denominator equal to the Annual Debt Service for the Subordinated Bonds then Outstanding and secured by the Indenture and the Series of Subordinated Bonds proposed to be issued, for the current and each future Bond Year in which such Subordinated Bonds shall be Outstanding.

“Pro Rata Basis” means a pro-rated allocation to each Series of Bonds or, as applicable, the Applicable Funds and the Applicable Account and/or Subaccounts therein, calculated based upon payments then due and owing.

“Provider” means the provider or issuer of a Credit Facility or a Liquidity Facility, and its successors and assigns.

“Provider Payments” means the amount, certified by a Provider to the Trustee, as payable to such Provider on account of amounts advanced by it under a Credit Facility or a Liquidity Facility, including interest on amounts advanced and fees and charges with respect thereto.

“Qualified Independent Consultant” means an independent accountant or firm of independent accountants or such other independent consultant or advisory firm of independent consultants which, in any case, shall be of recognized standing and shall have the necessary experience to provide the certificate or other information required by Sections 2.03(g), 2.03(l), 2.04, 4.01, 4.02, and 7.03 hereof, selected by the I-Bank and satisfactory to the Trustee.

“Rating Confirmation” means the written confirmation of one Credit Rating Agency which, as of such date, has assigned a rating to the Bonds, to the effect that the rating assigned, without regard to any Credit Facility, to each of the Bonds rated by such Credit Rating Agency, will remain unchanged and will not be withdrawn, suspended, or reduced as a consequence of some act or occurrence.

“Rebate Fund” means the Fund of that name established by Article V hereof.

“Record Date” shall have the meaning ascribed to such term in Section 2.02(a).

“Redemption Fund” means the Fund of that name established by Article V hereof.

“Redemption Price” means, with respect to any Bond or portion thereof the Outstanding principal amount thereof or of such portion, or such other amount as may be provided in the applicable Supplemental Indenture, plus the premium, if any, payable upon redemption thereof.

“Refunding Bond” means any Bond authenticated and delivered on original issuance pursuant to Section 2.04 for the purpose of refunding any Outstanding Bonds, or thereafter authenticated and delivered in lieu of or substitution for such Bond pursuant to the Indenture.

“Registered Holder” means the person or persons in whose name or names a particular Bond shall be registered on the Bond Register.

“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 draft or 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.

“Reimbursement Obligations” shall have the meaning ascribed to that term in Section 2.05(b).

“Remarketing Agent” means the person appointed by or pursuant to a Supplemental Indenture authorizing the issuance of Option Bonds to remarket such Option Bonds tendered or deemed to have been tendered for purchase in accordance with such Supplemental Indenture.

“Reserve Account” means, as the context requires, either the Common Reserve Account established within the Debt Service Reserve Fund pursuant to Section 5.01(a)(viii) hereof, or any Series Reserve Account that may be established within the Debt Service Reserve Fund pursuant to a Supplemental Indenture, which Series Reserve Account may secure one or more Series of Senior Bonds as set forth in the applicable Supplemental Indenture providing for the issuance of such Series of Senior Bonds.

“Reserve Deposit” or “Reserve Deposits”, except as set forth in any Supplemental Indenture, means one or more of the following:

(A) irrevocable, unexpired letters of credit issued by banking institutions the senior long-term debt obligations of which (or of the holding company of such banking institution) have (at the time of issue of such letter of credit), a rating within the two highest rating categories generally available to banking institutions by each Credit Rating Agency rating such debt without regard to any gradations within such categories; or

(B) irrevocable and unconditional policies of insurance in full force and effect issued by municipal bond insurers the obligations insured by which are eligible for a rating at the time of issuance of such policies within the two highest rating categories available to insurers generally issuing such insurance by each Credit Rating Agency rating such insurance without regard to any gradations within such categories;

in each case providing for the payment of sums for the payment of principal of and interest on Bonds in the manner provided under Section 5.09.

“Reserve Requirement” means, as applicable,

(a) with regard to Common Reserve Bonds, (i) the amount that is specified in a Supplemental Indenture authorizing the issuance of Common Reserve Bonds, or

(ii) 50% of the amount determined pursuant to (a)(i) above if (1) the number of Program Borrowers is no less than twenty (20) and (2) the I-Bank shall have received either a Rating Confirmation or an indicative rating conclusion, or similar determination, from each Credit Rating Agency then maintaining a rating on Bonds issued and Outstanding hereunder to the effect that, assuming no other significant rating factor changed, the proposed reduction in the Reserve Requirement for Common Reserve Bonds by 50% would likely not result in an adverse change in the then-existing rating on such Bonds; or

(iii) \$0 if (1) the number of Program Borrowers is no less than twenty-five (25) and (2) the I-Bank shall have received either a Rating Confirmation or an indicative rating conclusion, or similar determination, from each Credit Rating Agency then maintaining a rating on Bonds issued and Outstanding hereunder to the effect that, assuming no other significant rating

factor changed, the proposed release of all amounts on deposit in the Common Reserve Account within the Debt Service Reserve Fund and the reduction in the Reserve Requirement for Common Reserve Bonds to \$0 would likely not result in an adverse change in the then-existing rating on such Bonds.

(b) with respect to any Series of Senior Bonds that are not Common Reserve Bonds, such amount, if any, as shall be specified in the Supplemental Indenture authorizing the issuance of such Series of Senior Bonds;

provided, however, that in no event shall any Reserve Requirement under clause (a) or (b) exceed an amount permitted by the Code and the regulations thereunder.

“Reserved Rights” means the rights of the I-Bank under each Loan Agreement to enforce the remedies therein and to enjoy the benefits of the respective Borrower’s covenants thereunder, including but not limited to the I-Bank’s right, title and interest in and to the Loan Origination Fees, the Administrative Fees and any Late Fees with respect to each respective 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 Indenture, without limiting the obligation of the Trustee to exercise the rights and remedies provided for in the Indenture.

“Resolution” means that certain “RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE BANK (I) AUTHORIZING THE EXECUTION AND DELIVERY OF A 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”, as adopted by the Board on May 12, 2022, and all amendments and supplements thereto adopted in accordance with the provisions thereof.

“Responsible Officer” means any vice president, assistant vice president or corporate trust officer employed in the Corporate Trust Division of the Trustee and authorized to perform any act or execute any document; the designation of such person or persons shall be evidenced by a written Certificate containing the specimen signature of such person or persons reasonably acceptable to the I-Bank.

“Revenue Fund” shall mean the Fund of that name established pursuant to Section 5.01(a)(v).

“Revenues” means (i) all Loan Repayments that are held by the Trustee, (ii) all proceeds derived from the foregoing, including, without limitation, Net Earnings received by the I-Bank on all amounts held in Funds held hereunder, except Net Earnings on amounts in the Fee Fund, and (iii) provided that the I-Bank receives an opinion of Bond Counsel that, pursuant to the Act, such amounts may be applied for any purpose for which Revenues may be applied pursuant to this Indenture, such other amounts designated by the I-Bank as Revenues pursuant to a Supplemental Indenture; *provided, however*, that Revenues shall not include amounts payable to the I-Bank pursuant to the Loan Agreements to the extent any such amounts are credited as Loan Origination Fees or Administrative Fees pursuant to Section 5.03 hereof.

“S&P” means S&P Global Ratings and its successors and assigns; provided, however, that references herein to S&P shall be effective so long as S&P is a Credit Rating Agency recognized as an NRSRO as defined herein.

“Senior Bond” or **“Senior Bonds”** means any Bond or Bonds other than any Bond of a Series which in accordance with its term is a Subordinated Bond.

“Senior Bonds Redemption Account” means the Account of that name established by Article V hereof in the Redemption Fund.

“Series” or **“Series of Bonds”** means all of the Bonds, notes or other obligations, including a Commercial Paper Program, authenticated and delivered on original issuance pursuant to the Indenture as a separate Series of Bonds and any Bonds, notes or other obligations thereafter authenticated and delivered in lieu of or in substitution therefor pursuant to the Indenture regardless of variations in maturity, interest rate or other provisions.

“Series of Senior Bonds” means all of the Senior Bonds authenticated and delivered on original issuance pursuant to the Indenture as a separate series of Senior Bonds and any Senior Bonds thereafter authenticated and delivered in lieu of or in substitution therefor pursuant to the Indenture regardless of variations in maturity, interest rate, Sinking Fund Installments or other provisions.

“Series of Subordinated Bonds” means all of the Subordinated Bonds authenticated and delivered on original issuance pursuant to the Indenture as a separate Series of Subordinated Bonds and any Subordinated Bonds thereafter authenticated and delivered in lieu of or in substitution therefor pursuant to the Indenture regardless of variations in maturity, interest rate, Sinking Fund Installments or other provisions.

“Series Account” means the Account of that name established by Article V hereof in the Project Fund.

“Series Reserve Account” means the account of that name established by an applicable Supplemental Indenture in the Debt Service Reserve Fund and securing one or more Series of Senior Bonds that are not Common Reserve Bonds.

“Sinking Fund Installment”, when used in connection with any Bond, means, as of any date of calculation, the amount of money required to be paid on a future date for the retirement of a Term Bond that matures after said future date, but does not include any amount payable by the I-Bank by reason only of the maturity of such Term Bond.

“Standby Purchase Agreement” means an agreement by and between the I-Bank and another person, pursuant to which such person is obligated to purchase an Option Bond tendered for purchase and not remarketed to another purchaser.

“State” means the State of New Jersey.

“Subaccount” or **“Subaccounts”** means each of the subaccounts established by Article V hereof or any Supplemental Indenture.

“Subordinated Bond” or **“Subordinated Bonds”** means any Bond or Bonds secured in the manner set forth in Section 5.01(j) or otherwise issued pursuant to the Indenture on terms and conditions that are subordinate in any respect to any other Series of Bonds.

“Subordinated Bonds Redemption Account” means the Account of that name established by Article V hereof in the Redemption Fund.

“Subordinated Debt Service Fund” shall mean the Fund of that name established by Article V hereof.

“Subordinated Reimbursement Obligation” means an obligation of the I-Bank to: (i) reimburse the Provider of a Credit Facility or Liquidity Facility for money advanced thereunder for the payment of the principal, Redemption Price or purchase price of Subordinated Bonds, including interest on the money so advanced, or (ii) make Hedge Agreement Payments (other than Termination Payments), whether or not such obligation is evidenced by a note, bond or other evidence of indebtedness, but which is secured by a security interest in, pledge of and lien on the Trust Estate on a parity with the lien created hereby and by an applicable Supplemental Indenture for the payment of the Subordinated Bonds to which such Credit Facility, Liquidity Facility, or Hedge Agreement relates.

“Supplemental Indenture” means any indenture authorizing the issuance of a Series of Bonds or otherwise supplementary to or amendatory of this Master Indenture now or hereafter duly executed and delivered in accordance with the provisions hereof.

“Tax Certificate” means the Tax Certificate as to Arbitrage of the I-Bank dated the date of original issuance of each tax-exempt Series of the Bonds.

“Tax-Exempt Bonds” means any Bonds issued and Outstanding hereunder, the interest on which is excluded from gross income of the Holders thereof for federal income tax purposes pursuant to the Code.

“Tax Requirements” means those provisions of the Code and regulations of the United States Treasury Department, which are applicable to the Bonds and which must be complied with in order that the interest on the Bonds not be, and continue not to be, includable in the gross income of the Holders thereof for federal income tax purposes.

“Term Bond” means a Bond so designated and payable from Sinking Fund Installments.

“Termination Payment” means any payment required to be made upon and solely as a consequence of the termination of a Hedge Agreement.

“Transportation Fund” means, collectively, the federally-funded transportation project subaccount and the State-funded transportation project subaccount each within the State Transportation Infrastructure Bank Fund established pursuant to Section 10.4 of the Act.

“Transportation Project” or “Transportation Projects” shall mean, as the context may require, one or more “transportation projects”, as such term is defined in the Act.

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

“Treasury Inflation-Protected Securities” means direct obligations of the United States of America whose principal is adjusted for inflation or deflation.

“Trust Estate” means the property conveyed to the Trustee pursuant to the Granting Clauses hereof.

“Trustee” means Zions Bancorporation, National Association d/b/a Zions Bank, and its successor or successors and any other corporation which may at any time be substituted in its place pursuant to the Indenture.

“Valuation Date” means: (i) with respect to any Capital Appreciation Bond, the date or dates set forth in the Supplemental Indenture authorizing such Bond on which specific Accreted Values are assigned to such Capital Appreciation Bond, and (ii) with respect to any Deferred Income Bond, the date or dates prior to the Interest Commencement Date set forth in the Supplemental Indenture authorizing such Bond on which specific Appreciated Values are assigned to such Deferred Income Bond.

“Variable Interest Rate” means the rate or rates of interest to be borne by a Bond which is or may be varied from time to time in accordance with the method of determining such interest rate or rates established for such Bond; provided, however, that such variable interest rate may be subject to a Maximum Interest Rate and a Minimum Interest Rate and that there may be an initial rate specified, in each case as provided in such Supplemental Indenture.

“Variable Interest Rate Bond” means any Bond that bears a Variable Interest Rate; provided, however, that from and after the date on which the interest rate on such Bond shall have been fixed for the remainder of the term thereof, such Bond shall no longer be a Variable Interest Rate Bond.

Section 1.02 Rules of Construction. For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(a) **“This Indenture” or “The Indenture”** means this instrument as originally adopted and as it may be supplemented, modified or amended from time to time by any Supplemental Indenture, unless in the case of any one or more Supplemental Indentures the context requires otherwise.

(b) All reference in this Indenture to designated “Articles”, “Sections” and other subdivisions are to the designated Articles, Sections and other subdivisions of this Indenture. The words “herein”, “hereof”, “hereunder” and “herewith” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision hereof.

(c) The terms defined in this Indenture include the plural as well as the singular.

(d) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(e) The table of contents and the headings or captions used in this Indenture are for convenience of reference only and shall not define, limit or prescribe any of the provisions hereof or the scope or intent hereof.

(f) References to any document, agreement, certificate or other instrument shall refer to the provisions of such instrument, as the same may be amended and supplemented from time to time.

(g) Words permitting discretion shall mean that the Person having such discretion may take such action but is not obligated to do so.

Section 1.03 Indenture and Bonds Constitute a Contract. With respect to the Bonds, in consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued pursuant to this Indenture by those who shall hold the same from time to time, this Indenture shall be deemed to be and shall constitute a contract among the I-Bank, the Trustee and the Holders, from time to time, of such Bonds. The pledge made hereby is valid and binding from the time when the pledge is made and the Trust Estate shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the I-Bank irrespective of whether such parties have notice thereof. Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or give or grant to, any person or entity, other than the I-Bank, the Trustee, the Paying Agent and the registered owners of the Bonds, any right, remedy or claim under or by reason of this Indenture or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Indenture contained by and on behalf of the I-Bank shall be for the sole and exclusive benefit of the I-Bank, the Trustee, the Paying Agent and the registered owners of the Bonds.

ARTICLE II. AUTHORIZATION AND ISSUANCE OF BONDS

Section 2.01 Authorization of Bonds. There is hereby authorized one or more Series of Bonds of the I-Bank, to be designated in such manner as determined by the I-Bank, which Bonds may be issued as hereinafter provided from time to time. Bonds may be issued in accordance with this Section for the purpose of: (i) making Loans to finance or refinance all or a portion of the Cost of any Transportation Project, (ii) the making of deposits in all Funds and Accounts established hereunder, (iii) the payment of Costs of Issuance, (iv) the payment of capitalized interest, if any, (v) refunding all or a portion of any prior Series of Bonds, or (vi) any combination of the foregoing. The Bonds may, if and when authorized by the I-Bank pursuant to one or more Supplemental Indentures, be issued in one or more Series, and within a Series, in one or more subseries or lots, and the designation thereof may include such further appropriate designations added to or incorporated in such title for the Bonds of any particular Series, subseries or lots as the I-Bank may determine. The aggregate principal amount of the Bonds which may be executed, authenticated and delivered under the Indenture is not limited except as may be limited by law.

Nothing contained herein shall be deemed to preclude or restrict the consolidation pursuant to a Supplemental Indenture of any Bonds of any two or more separate Series authorized pursuant hereto and pursuant to any such Supplemental Indenture into a single Series of Bonds for purposes of sale and issuance; provided, however, that each of the tests, conditions and other requirements contained in this Article II as applicable to each such separate Series shall be met and complied with. Except as otherwise provided in this Section or in such Supplemental Indenture, such a consolidated Series shall be treated as a single Series of Bonds for all purposes hereof.

Neither the State of New Jersey nor any political subdivision thereof, other than the I-Bank, but solely to the extent of the Trust Estate, is obligated to pay the principal or Redemption Price of, or interest on, the Bonds, and neither the faith and credit nor the taxing power of the State, or any political subdivision thereof, is pledged to the payment of the principal or Redemption Price of, or interest on, the Bonds.

Section 2.02 General Provisions for Issuance of Bonds. The I-Bank may issue hereunder at one time or from time to time a Series of Bonds by means of a Supplemental Indenture upon compliance with the requirements, if any, set forth in such Supplemental Indenture and with the requirements of this Article II. The Supplemental Indenture authorizing the issuance of each Series of Bonds shall specify:

(a) The: (i) authorized principal amount, designation, manner of numbering and letters and Series of such Bonds; (ii) dated date, maturity dates, the principal amounts of each maturity and the Interest Payment Dates of the Bonds of such Series and the regular record dates relating thereto (which record dates shall be the fifteenth (15th) day of the month immediately preceding each Interest Payment Date unless otherwise provided in the Supplemental Indenture (the "Record Date")); (iii) the Redemption Price(s) and the time or times and other terms of redemption, if any, of such Series of Bonds; (iv) the amount and date of each Sinking Fund Installment, if any, required to be paid for the retirement of any Term Bonds; (v) the minimum denomination applicable to such

Series of Bonds; and (vi) whether any Bonds of such Series are to be issued as Book-Entry Bonds and the Depository thereof;

(b) Except in the case of Capital Appreciation Bonds and Deferred Income Bonds prior to the Interest Commencement Date, the interest rate or rates, if any, of the Bonds of such Series, or the manner of determining such rate or rates and, with respect to Variable Interest Rate Bonds, the date on which the interest rate shall be adjusted and the date or dates on which interest on such Variable Interest Rate Bonds shall be paid, or the manner of determining the same, and the manner in which interest is to be paid on such Variable Interest Rate Bonds;

(c) If Bonds of such Series are Capital Appreciation Bonds, the Valuation Dates for such Bonds and the Accreted Value on each such Valuation Date;

(d) If Bonds of such Series are Deferred Income Bonds, the Interest Commencement Date for such Bonds, the Valuation Date or Dates prior to the Interest Commencement Date for such Bonds and the Appreciated Value on each such Valuation Date;

(e) The Maximum Interest Rate or Rates or Minimum Interest Rate or Rates, if any, in connection with any Variable Interest Rate Bonds or Option Bonds of such Series;

(f) If Bonds of such Series are Option Bonds, provisions regarding the tender for purchase or redemption thereof: payment of the purchase or Redemption Price thereof and the appointment of a Remarketing Agent with respect thereto;

(g) The purposes for which the Bonds of such Series are being issued and the manner in which the proceeds, if any, of such Bonds are to be applied, including the amounts to be deposited in the Funds and Accounts created and established by the Indenture;

(h) The form or forms of the Bonds of such Series and the form of the Trustee's certificate of authentication thereon;

(i) The designation as to whether Senior Bonds of such Series shall: (i) constitute Common Reserve Bonds secured by the Common Reserve Account, (ii) be secured by the applicable Series Reserve Account, or (iii) not be secured by any Reserve Account;

(j) The Reserve Requirement, if any, applicable to the Senior Bonds of such Series and the deposit of such amount in either the Common Reserve Account or the Series Reserve Account, as applicable;

(k) If the Series of Bonds consists of a Commercial Paper Program, the maximum amount of Commercial Paper that is authorized to be issued and outstanding at any time under such Commercial Paper Program;

(l) If applicable, such covenants, elections or determinations as are deemed necessary or appropriate to assure the tax exemption of interest on the Bonds;

(m) If a Credit Facility or Liquidity Facility is to be provided in connection with the issuance of the Bonds of such Series, such Credit Facility or Liquidity Facility; and

(n) Any other provisions deemed advisable by the I-Bank not in conflict with this Master Indenture.

Section 2.03 Issuance of Bonds. The Bonds shall be executed by an Authorized Officer of the I-Bank and delivered to the Trustee for authentication and thereupon the Bonds shall be authenticated by a Responsible Officer of the Trustee and shall be delivered to or upon the written order of an Authorized Officer described in subsection (f) below, but only upon the receipt by the Trustee of the proceeds (including accrued interest) of the sale of the Bonds, of which certain amounts will be deposited in accordance with such written order. Prior to, or simultaneously with, the authentication and delivery of the Bonds, the Trustee shall also receive the following:

(a) A copy of the resolutions adopted by the I-Bank authorizing the execution and delivery of the Applicable Supplemental Indenture, and the applicable Loan Agreements and the issuance, sale, execution and delivery of the Bonds, certified by an Authorized Officer of the I-Bank to have been duly adopted by the I-Bank and to be in full force and effect on the date of such certification;

(b) An original executed counterpart or a copy of the applicable Loan Agreements, Borrower Tax Certificates and the Applicable Supplemental Indenture;

(c) A copy of an opinion of nationally recognized bond counsel to each Borrower to the effect that the Borrower Bonds issued by such Borrower delivered pursuant to the applicable Loan Agreement have been duly authorized, executed and delivered and issued, together with a letter to the effect that the Trustee may rely on such opinion as if it were addressed to it;

(d) An opinion of Bond Counsel to the effect that the Bonds have been duly authorized and that all conditions precedent to the issuance thereof have been fulfilled, together with a letter to the effect that the Trustee may rely on such opinion as if it were addressed to it;

(e) A written order and authorization to the Trustee on behalf of the I-Bank, signed by an Authorized Officer, directing the Trustee to authenticate and deliver the Bonds to or upon the order of the purchaser or purchasers therein identified upon payment to the Trustee of the purchase price (including accrued interest, if any) of the Bonds;

(f) If not otherwise provided in the Applicable Supplemental Indenture, an Officer's Certificate:

(i) stating the name of each Borrower to which a Loan is to be made;

(ii) stating, with respect to each Borrower and each Borrower's Project, (a) the amount of the Loan to such Borrower for such Borrower's Project, (b) the amount thereof, if any, constituting Borrower Capitalized Interest with respect to such Borrower's Project, (c) the amount thereof, if any, to be deposited in the Interest Subsidy Subaccount and (d) the amount thereof, if any, to be applied to refinance such Borrower's Project;

(iii) designating the Funds and Accounts into which the proceeds of the Bonds or other available moneys shall be deposited;

(iv) stating the amount of moneys or Reserve Deposits in a stated amount such that following the issuance of such Series of Bonds and application of the proceeds thereof, the amounts on deposit in and the aggregate stated and unpaid amount of all Reserve Deposits held as part of the Debt Service Reserve Fund shall equal the Reserve Requirement, if any; provided, however, that the applicable Supplemental Indenture may provide that the Reserve Requirement, if any, attributable to any Series of Bonds may be funded in substantially equal installments over a period of time after issuance as specified in the applicable Supplemental Indenture (which period shall not exceed twenty-four (24) months);

(v) in the case of any Series of Bonds for which Capitalized Interest will be provided, directing the Trustee to: (i) establish the Capitalized Interest Subaccount for such Series in the Series Specific Interest Subaccount of the Interest Account of the Debt Service Fund and (ii) deposit the applicable amount of the proceeds of such Series therein;

(g) Except in the case of the Initial Bonds, Subordinated Bonds and in the case of Refunding Bonds issued pursuant to Section 2.04, a Certificate of a Qualified Independent Consultant stating that the Projected Debt Service Coverage Ratio for each subsequent Bond Year is not less than 1.20:1.00 taking into account all Senior Bonds then Outstanding and secured by the Indenture and the Series of Senior Bonds proposed to be issued;

(h) Except in the case of the Initial Bonds, an Officer's Certificate stating that the I-Bank is not in default in the performance of any of the covenants, conditions, agreements or provisions of this Master Indenture;

(i) Except in the case of the Initial Bonds, an Officer's Certificate stating that the Bonds then have, and, after giving effect to the Series of Bonds being issued, will have a rating designated as investment grade by each Credit Rating Agency that, as of such date, has assigned a rating to the Bonds;

(j) The Officer's Certificates contemplated by Section 5.01(d) if any;

(k) Such further documents and moneys as are required by the provisions of Article XIII or any Supplemental Indenture adopted pursuant to Article XIII; and

(l) In the case of any Series of Subordinated Bonds, a Certificate of a Qualified Independent Consultant showing that the Projected Debt Service Coverage Ratio for each

subsequent Bond Year is not less than the ratio set forth in the Applicable Supplemental Indenture, taking into account all Subordinated Bonds then Outstanding and secured by the Indenture and the Series of Subordinated Bonds proposed to be issued.

Section 2.04 Issuance of Refunding Bonds.

(a) One or more Series of Refunding Bonds may be issued pursuant to this Section 2.04 at any time to refund any Outstanding Bonds, provided that either: (i) the Debt Service on such Series of Refunding Bonds in each Bond Year in which such Series of Refunding Bonds will be Outstanding shall not exceed the Debt Service on the Bonds to be refunded in each Bond Year in which such Series of Bonds otherwise would be Outstanding but for the issuance of such Series of Refunding Bonds, as shown in a certificate of a Qualified Independent Consultant delivered to the Trustee prior to the authentication and delivery of such Series of Refunding Bonds; or (ii) if such Series of Refunding Bonds are issued as Senior Bonds, (x) the Projected Debt Service Coverage Ratio for each subsequent Bond Year is not less than 1.20:1.00 taking into account (1) all Senior Bonds then Outstanding and secured by the Indenture (other than the Series of Bonds to be refunded) and (2) the Series of Refunding Bonds proposed to be issued or (y) would be no less, taking into account all Senior Bonds then Outstanding and secured by the Indenture and the Series of Senior Bonds proposed to be issued, than the Projected Debt Service Coverage Ratio for each subsequent Bond Year if no additional Series of Senior Bonds were issued; or (iii) if such Series of Refunding Bonds are issued as Subordinated Bonds, the Projected Debt Service Coverage Ratio for each subsequent Bond Year is not less than the ratio set forth in the Applicable Supplemental Indenture, taking into account all Subordinated Bonds then Outstanding and secured by the Indenture and the Series of Refunding Subordinated Bonds proposed to be issued; in each case as shown in a certificate of a Qualified Independent Consultant delivered to the Trustee prior to the authentication and delivery of such Series of Refunding Bonds. Refunding Bonds shall be issued in a principal amount sufficient, together with other moneys available therefor, to accomplish such refunding and to make the deposits in the Funds and Accounts required by the provisions of the Supplemental Indenture authorizing such Refunding Bonds.

(b) All Refunding Bonds of a Series issued under this Section 2.04 shall be executed by an Authorized Officer of the I-Bank and delivered to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the I-Bank or upon its order, but only upon the receipt by the Trustee (in addition to the documents required by Section 2.03(a), (b), (c), (d), (e), (f), (h), (i) and (j) and subsection (a) of this Section 2.04) of:

(i) irrevocable instructions to the Trustee, satisfactory to it, to give due notice of redemption of all the Bonds to be redeemed on a redemption date or dates specified in such instructions;

(ii) if the Bonds to be refunded are not to be redeemed within the next succeeding sixty (60) days, irrevocable instructions to the Trustee, satisfactory to it, to give due notice of any refunding of such Bonds on a specified date prior to their maturity, as provided in Article VIII and Section 14.01;

(iii) Either (A) moneys (which may include all or a portion of the proceeds of the Refunding Bonds to be issued) in an amount sufficient to effect payment of the principal amount and the applicable Redemption Price, if any, of the Bonds to be refunded, together with accrued interest on such Bonds to the maturity or redemption date thereof, as the case may be, or (B) Defeasance Securities (which may be purchased with all or a portion of the proceeds of the Refunding Bonds to be issued) in such principal amounts, of such maturities, bearing such interest and otherwise having such terms and qualifications and any moneys, as shall be necessary to comply with the provisions of Section 14.01, which Defeasance Securities and moneys shall be held in trust and used only as provided in Section 14.01; and

(iv) such further documents and moneys as are required by the provisions of Article XIII or the applicable Supplemental Indenture.

Section 2.05 Parity Reimbursement Obligations; Subordinated Reimbursement Obligations.

(a) In connection with a Series of Bonds, the I-Bank may obtain or cause to be obtained one or more Credit Facilities, Liquidity Facilities or Hedge Agreements. In connection therewith, the I-Bank may enter into such agreements with the Provider of such Credit Facility or Liquidity Facility or the Counterparty to a Hedge Agreement providing for, *inter alia*: (i) the payment of fees and expenses to such Provider or Counterparty; (ii) the terms and conditions of such Credit Facility, Liquidity Facility or Hedge Agreement; (iii) the Series of Bonds to which it relates; and (iv) the security, if any, for the I-Bank's obligations thereunder.

(b) The I-Bank may, in an agreement with the Provider of such Credit Facility or Liquidity Facility or the Counterparty to a Hedge Agreement, agree to directly reimburse the Provider for amounts paid by it pursuant to the Credit Facility or Liquidity Facility, together with interest thereon, or to make Hedge Agreement Payments to the Counterparty (collectively, the "Reimbursement Obligation"); provided, however, that no Reimbursement Obligation under a Credit Facility or Liquidity Facility shall be created, for purposes of this Master Indenture, until amounts are paid under the Credit Facility or Liquidity Facility. Any Reimbursement Obligation may be (i) a Parity Reimbursement Obligation, except that, in the case of a Hedge Agreement, only the obligation to make Hedge Agreement Payments, but not Termination Payments, may be secured by a lien on the Trust Estate that is on a parity with the lien created hereby, or (ii) a Subordinated Reimbursement Obligation. A Parity Reimbursement Obligation shall be deemed to be part of the Series of Senior Bonds to which the Credit Facility, Liquidity Facility or Hedge Agreement which gave rise to such Parity Reimbursement Obligation relates. A Subordinated Reimbursement Obligation shall be deemed to be part of the Series of Subordinated Bonds to which the Credit Facility, Liquidity Facility or Hedge Agreement which gave rise to such Subordinated Reimbursement Obligation relates.

Section 2.06 Certain Provisions Relating to Capital Appreciation Bonds and Deferred Income Bonds.

(a) For the purposes of: (i) receiving payment of the Redemption Price if a Capital Appreciation Bond is redeemed prior to maturity or (ii) computing the principal amount of Bonds held by the Registered Holder of a Capital Appreciation Bond in giving to the I-Bank or the Trustee any notice, consent, request, or demand pursuant hereto for any purpose whatsoever, the Accreted Value of such Bond as at the immediately preceding Valuation Date shall be deemed to be its principal amount. Notwithstanding any other provision hereof, the amount payable at any time with respect to the principal of and interest on any Capital Appreciation Bond shall not exceed the Accreted Value thereof at such time. For purposes of receiving payment of the Redemption Price or principal of a Capital Appreciation Bond called for redemption prior to maturity, the difference between the Accreted Value of such Bond when the Redemption Price or principal thereof is due upon such redemption or declaration and the principal of such Bond on the date the Bonds of the Series of which it is a part were first issued shall be deemed not to be accrued and unpaid interest thereon.

(b) For the purposes of: (i) receiving payment of the Redemption Price if a Deferred Income Bond is redeemed or (ii) computing the principal amount of Bonds held by the Registered Holder of a Deferred Income Bond in giving to the I-Bank or the Trustee any notice, consent, request, or demand pursuant hereto for any purpose whatsoever, the Appreciated Value of such Bond as at the immediately preceding Valuation Date shall be deemed to be its principal amount. Notwithstanding any other provision hereof, the amount payable at any time prior to the Interest Commencement Date with respect to the principal of and interest on any Deferred Income Bond shall not exceed the Appreciated Value thereof at such time. For purposes of receiving payment prior to the Interest Commencement Date of the Redemption Price or principal of a Deferred Income Bond called for redemption prior to maturity, the difference between the Appreciated Value of such Bond when the Redemption Price or principal thereof is due upon such redemption or declaration and the principal of such Bond on the date the Bonds were first issued shall be deemed not to be accrued and unpaid interest thereon.

ARTICLE III.
GENERAL TERMS AND CONDITIONS OF BONDS; SECURITY FOR BONDS

Section 3.01 Place and Medium of Payment; Form and Date.

The Bonds of each Series shall be issued in the form of fully-registered bonds without coupons in the denomination or denominations specified in the applicable Supplemental Indenture not exceeding the aggregate principal amount of such Series of Bonds. The Bonds shall be payable, with respect to interest, principal and Redemption Price, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Upon presentation and surrender of Bonds the principal and Redemption Price of such Bonds shall be payable at the Principal Office of the Trustee. Interest on the Bonds shall be paid by check or draft of the Trustee mailed to such Registered Owner who shall appear as of the fifteenth (15th) day (whether or not such day shall be a Business Day) of the month immediately preceding such interest payment date on the books of the I-Bank maintained by the Trustee. However, so long as the Bonds are held in book-entry-only form pursuant to Section 3.13 hereof, such provisions governing such book-entry-only form shall govern repayment of the principal or Redemption Price, if any, of and interest on the Bonds.

(a) Bonds of each Series issued prior to the first Interest Payment Date thereof shall be dated as of the date specified in the Supplemental Indenture authorizing the issuance thereof. Bonds of each Series issued on or subsequent to the first Interest Payment Date thereof shall be dated as of the Interest Payment Date immediately preceding the date of authentication thereof by the Trustee, unless such date of authentication shall be an Interest Payment Date, in which case they shall be dated as of such date of authentication; provided, however, that if, as shown by the records of the Trustee, interest on the Bonds of any Series shall be in default, Bonds of such Series issued in lieu of Bonds surrendered for transfer or exchange may be dated as of the date to which interest has been paid in full on the Bonds surrendered. Unless otherwise provided in the Supplemental Indenture authorizing the issuance thereof, Bonds of each Series shall bear interest from their dated date.

(b) Any Subordinated Bonds issued pursuant to this Master Indenture shall, in addition to or in lieu of the provisions established therefore herein, be subject to the provisions of, and shall have the terms set forth in, the Supplemental Indenture authorizing such Subordinated Bonds; provided, however, that in no event shall any Subordinated Bond be secured in a manner or payable on a priority that is the same as or senior to any Senior Bond.

Section 3.02 Legends. The Bonds of each Series may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of this Master Indenture as may be necessary or desirable to comply with custom, the rules of any securities exchange, commission or board or brokerage board, the Act, or otherwise, as may be determined by an Authorized Officer of the I-Bank prior to the authentication and delivery thereof.

Section 3.03 Pledge and Assignment Effected by Indenture; Bonds of Same Priority of Lien Equally and Ratably Secured; Option of I-Bank to Assign Certain Further Rights and Remedies to Trustee.

(a) The I-Bank, to secure the payment of the principal and Redemption Price of, and interest on, the Bonds and performance and observance of all of the covenants and conditions contained in the Indenture, has by the Granting Clause hereof, conveyed, granted, assigned, transferred, pledged, and confirmed and granted a security interest in and does hereby convey, grant, assign, transfer, pledge, and confirm and grant a security interest in, unto the Trustee, its successor or successors and its or their assigns forever, the Trust Estate, all in accordance with the provisions hereof. For the avoidance of doubt, the Cross-Investment Fund is not pledged to the payment of Outstanding Bonds hereunder; the application of monies on deposit in the Cross-Investment Fund shall be governed by Section 5.11 hereof.

(b) The pledge made hereby is valid and binding from the time when the pledge is made and the Trust Estate shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the I-Bank irrespective of whether such parties have notice thereof. Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or give or grant to, any person or entity, other than the I-Bank, the Trustee, the Paying Agent and the registered owners of the Bonds, any right, remedy or claim under or by reason of this Indenture or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Indenture contained by and on behalf of the I-Bank shall be for the sole and exclusive benefit of the I-Bank, the Trustee, the Paying Agent and the registered owners of the Bonds.

(c) (1) All Senior Bonds issued and to be issued under the Indenture are, and are to be, to the extent provided in the Indenture, equally and ratably secured by the Indenture without preference, priority or distinction on account of the actual time or times of the authentication or delivery or maturity or redemption of the Senior Bonds or any of them, so that, subject to the provisions of Section 9.06, all Senior Bonds at any time Outstanding hereunder shall have the same right, lien and preference under and by virtue of the Indenture and shall all be equally and ratably secured hereby with like effect as if they had all been executed, authenticated and delivered simultaneously on the date hereof. The aggregate principal amount of Senior Bonds which may be executed and delivered by the I-Bank and authenticated by the Trustee and secured by the Indenture is not limited except as is or may hereafter be provided in the Indenture or as may be limited by law.

(2) All Subordinated Bonds issued and to be issued under the Indenture are, and are to be, to the extent provided in the Indenture, secured in accordance with Section 5.01(j) and the liability of the I-Bank thereto shall be enforceable only to the extent provided therein; in all events, however, the liability of the I-Bank under the Subordinated Bonds shall be subordinate to the liability of the I-Bank under the Senior Bonds. The aggregate principal amount of Subordinated Bonds which may be executed and delivered by the I-Bank and authenticated by the Trustee and secured by the Indenture is not limited except as is or may hereafter be provided in the Indenture

or as may be limited by law. Funds on deposit in the Debt Service Reserve Fund shall be excluded from the Trust Estate pledged for the benefit of such Subordinated Bonds and shall not be applied to the payment of principal or Redemption Price of, or interest on, such Subordinated Bonds. The Supplemental Indenture with respect to any Subordinated Bonds may establish separate reserves for the benefit of such Subordinated Bonds (which are specifically excluded from the Trust Estate pledged for the benefit of the Senior Bonds), shall specify the terms and conditions applicable to such Subordinated Bonds, and shall make such amendments to this Master Indenture as are certified by an Authorized Officer to be necessary to effect the subordination of payments with respect to such Subordinated Bonds to payments due on the Senior Bonds.

(d) All Bonds of a particular Series or subseries shall in all respects be equally and ratably secured and shall have the same right, lien and preference hereunder established for the benefit of such Series or subseries of Bonds; provided that nothing herein shall be construed to preclude the creation or application of separate Loan Agreements, Credit Facilities, Hedge Agreements, Liquidity Facilities, Reserve Accounts or Reserve Deposits for any Series or subseries of Bonds, which may or may not be pledged toward the payment or application of other Series or subseries of Bonds.

Section 3.04 Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall become mutilated or be destroyed, lost or stolen, the I-Bank in its discretion may execute, and upon its request the Trustee shall authenticate and deliver, a new Bond of like Series form, maturity and principal amount, and bearing interest at the same rate, as the Bond so mutilated, destroyed, lost or stolen, in exchange and substitution for the mutilated, destroyed, lost or stolen Bond, upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for such Bond so destroyed, lost or stolen, upon filing with the I-Bank evidence satisfactory to the I-Bank and the Trustee that such Bond has been destroyed, lost or stolen and proof of ownership thereof, and upon furnishing the I-Bank and the Trustee with indemnity satisfactory to them and complying with such other reasonable regulations as the I-Bank and the Trustee may prescribe and paying such expenses as the I-Bank and the Trustee may incur in connection therewith. All Bonds so surrendered to the Trustee shall be cancelled by it and evidence of such cancellation shall be given to the I-Bank. In case any Bond which has matured or is about to mature shall have become mutilated or have been destroyed, lost or stolen, the I-Bank may, instead of issuing a Bond in exchange or substitution therefor, pay or authorize the payment of such mutilated Bond upon the surrender on or after the maturity date thereof, or authorize the payment of such destroyed, lost or stolen Bond, upon the Holder thereof filing evidence satisfactory to the I-Bank and the Trustee that such Bond has been destroyed, lost or stolen and proof of ownership thereof, and upon furnishing the I-Bank and the Trustee with indemnity satisfactory to them and complying with such other reasonable regulations as the I-Bank and the Trustee may prescribe and paying such expenses as the I-Bank and the Trustee may instruct in connection therewith.

Section 3.05 Temporary Bonds. Until Bonds in definitive form are ready for delivery, the I-Bank may execute, and upon the I-Bank's request in writing, the Trustee shall authenticate and deliver in lieu thereof, and subject to the same provisions, limitations, and conditions, one or more printed, lithographed or typewritten Bonds of such series in temporary form, substantially of the tenor of the Bonds hereinbefore described and with appropriate omissions, variations and

insertions. Bonds in temporary form will be for such principal amounts as the I-Bank shall determine. Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the security and benefit of the Indenture. The I-Bank shall, without unreasonable delay, prepare, execute and deliver to the Trustee, and thereupon, upon the presentation and surrender of the Bond or Bonds in temporary form to the Trustee at the Corporate Trust Office, the Trustee shall authenticate and deliver, in exchange therefor, a Bond or Bonds of the same form and maturity, in definitive form in the authorized denomination, and for the same principal amount and bearing interest at the same rate, as the Bond or Bonds in temporary form surrendered. Such exchange shall be made without making any charge therefor.

Section 3.06 Execution of Bonds; Effect of Change of Officers.

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

(b) The Bonds of each Series shall bear thereon a certificate of authentication, in the form set forth in this Indenture or in the Supplemental Indenture authorizing such Series of Bonds, executed manually by the Trustee. Only such Bonds as shall bear thereon such certificate of authentication shall be entitled to any right or benefit pursuant to this Indenture, and no Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee. Such certificate of the Trustee upon any Bond executed on behalf of the I-Bank shall be conclusive evidence that the Bond so authenticated has been duly authenticated and delivered pursuant to this Indenture and that the Holder thereof is entitled to the benefits of this Indenture.

Section 3.07 Registration of Bonds; Transfers.

(a) All the Bonds issued under the Indenture shall be negotiable, subject to the provisions for registration and transfer contained in the Indenture and in the Bonds. The Trustee shall be the bond registrar, and shall maintain and keep at the Corporate Trust Office the Bond Register for the registration and transfer of Bonds. Upon presentation thereof for such purpose at either said office, the Trustee shall register or cause to be registered therein, and permit to be transferred thereon, under such reasonable regulations as it may prescribe, any Bond.

(b) Each Bond shall be transferable only upon the Bond Register at the Corporate Trust Office at the written request of the Holder thereof or its representative duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Trustee duly executed by the Holder or its representative duly authorized in writing. Upon the transfer of any Bond, the I-Bank shall issue in the name of the transferee, in authorized denominations, one or more Bonds of the same aggregate principal amount, form and maturity, and bearing interest at the same rate as the surrendered Bonds.

Section 3.08 Persons Treated as Holders. The I-Bank, the Trustee, and any Paying Agent may, for all purposes, deem and treat the Holder of any Bond as the absolute Holder of such Bond, whether or not such Bond is overdue, and neither the I-Bank nor the Trustee nor any Paying Agent shall be affected by any notice to the contrary. Payment made to the Holder of any Bond for such purpose in accordance with the provisions of this Section 3.08 shall be valid and effectual, to the extent of the sum or sums so paid, to satisfy and discharge the liability upon such Bond in respect of which such payment was made.

Section 3.09 Exchange of Bonds. So long as any of the Bonds remain Outstanding, the I-Bank shall make all necessary provisions to permit the exchange of Bonds at the Corporate Trust Office. Bonds, upon surrender thereof at the Corporate Trust Office with a written instrument of transfer satisfactory to the Trustee duly executed by the Holder or its representative duly authorized in writing may, at the option of the Holder thereof, be exchanged for an equal aggregate principal amount of Bonds of the same maturity and interest rate and of any other authorized denominations.

Section 3.10 Payment for and Limitations on Exchanges and Transfers. In all cases in which the privilege of exchanging or transferring the Bonds is exercised, the I-Bank shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions hereof. The Bonds in changed denominations shall be exchanged for the surrendered Bonds in such manner that no overlapping interest is paid and no interest is lost, and such Bonds in changed denominations shall be of the same Series, bear interest at the same rate or rates and mature on the same date or dates as the Bonds for which they are exchanged. All Bonds surrendered in any such exchanges or transfers shall forthwith be surrendered to the Trustee for cancellation and cancelled by the Trustee. For every such exchange or transfer of Bonds, the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. Notwithstanding any other provisions hereof, the cost of preparing each new Bond upon each exchange or transfer, and any other expenses of the I-Bank or the Trustee incurred in connection therewith, shall be paid by the person requesting such exchange or transfer. The I-Bank shall not be obliged to make, or cause to be made, any exchange or transfer of Bonds of any Series, other than the exchange or transfer of an Option Bond which has been tendered or deemed to have been tendered by the Holder thereof for purchase, during the period beginning on the Record Date for such Bonds next preceding an Interest Payment Date on such Bonds and ending on such Interest Payment Date, or, in the case of any proposed redemption of Bonds of such Series, after the date next preceding the date of the selection of Bonds to be redeemed.

Section 3.11 Cancellation of Bonds. Upon the surrender to the Trustee of any temporary or mutilated Bonds, or Bonds transferred or exchanged for other Bonds, or Bonds acquired,

redeemed or received by the Trustee as a credit to reduce any Sinking Fund Installment, or paid at maturity, or otherwise delivered to the Trustee for cancellation, or Bonds purchased by the Trustee pursuant to Section 8.05, the same shall forthwith be cancelled and may be destroyed by the Trustee in such manner as it deems appropriate and the Trustee shall, if such Bonds are so destroyed, deliver its certificate as to such disposition to the I-Bank. Notwithstanding the foregoing, Bonds purchased in lieu of redemption pursuant to Section 8.05 shall not be cancelled and destroyed unless the Trustee shall receive written instructions from an Authorized Officer of the I-Bank to do so.

Section 3.12 Book-Entry Bonds. Anything herein to the contrary notwithstanding, Bonds may be authorized and issued as Book-Entry Bonds in accordance with the Supplemental Indenture authorizing such Bonds.

For all purposes of the Indenture, the Holder of a Book-Entry Bond shall be the Depository therefor and neither the I-Bank nor the Trustee shall have responsibility or any obligation to the beneficial Holder of such Bond or to any direct or indirect participant in such Depository. Without limiting the generality of the foregoing, neither the I-Bank nor the Trustee shall have any responsibility or obligation to any such participant or to the beneficial Holder of a Book-Entry Bond with respect to: (i) the accuracy of the records of the Depository or any participant with respect to any beneficial ownership interest in such Bond, (ii) the delivery to any participant of the Depository, the beneficial Holder of such Bond or any other person, other than the Depository, of any notice with respect to such Bond, including any notice of the redemption thereof, or (iii) the payment to any participant of the Depository, the beneficial Holder of such Bond or any other person, other than the Depository, of any amount with respect to the principal or Redemption Price of, or interest on, such Bond. The I-Bank and the Trustee may treat the Depository therefor as the absolute Holder of a Book Entry Bond for the purpose of (x) payment of the principal and Redemption Price of, and interest on, such Bond, (y) giving notices of redemption and of other matters with respect to such Bond, (z) registering transfers with respect to such Bond, and for all other purposes whatsoever. The Trustee shall pay all principal and Redemption Price of, and interest on, such Bond only to or upon the order of the Depository, and all such payments shall be valid and effective to fully satisfy and discharge the I-Bank's obligations with respect to such principal, Redemption Price and interest to the extent of the sum or sums so paid. No person other than the Depository shall receive a Bond or other instrument evidencing the I-Bank's obligation to make payments of the principal and Redemption Price thereof and interest thereon.

Anything herein to the contrary notwithstanding, payment of the Redemption Price of a Book-Entry Bond which is redeemed in part prior to maturity may be paid to the Depository by wire transfer without surrender of such Bond to the Trustee; provided, however, that the Trustee shall maintain records as to each such payment and of the principal amount of such Bond Outstanding, which shall be binding on the I-Bank and the Holders from time to time of such Bond; provided, further, that payment of the principal and Redemption Price of, and interest on, a Book-Entry Bond at the maturity date or earlier date on which such Bond has been called for redemption in whole shall only be made upon presentation and surrender of such Bond to the Trustee at the Corporate Trust Office.

Notwithstanding Section 8.02, so long as the Depository is the sole registered Holder of a Series of Book-Entry Bonds, the particular Book-Entry Bonds of such Series, or portions thereof, to be redeemed within a maturity shall be selected by lot by the Depository in such manner as the Depository shall determine.

The I-Bank, in its sole discretion and without the consent of the Trustee, the beneficial Holder of a Book-Entry Bond or any other person, may terminate the services of the Depository with respect to a Book-Entry Bond if the I-Bank determines that (i) the Depository is unable to discharge its responsibilities with respect to such Bonds or (ii) a continuation of the requirement that all of the Outstanding Bonds of like Series issued in book entry form be registered in the registration books of the I-Bank in the name of the Depository, is not in the best interest of the beneficial Holders of such Bonds, and the I-Bank shall terminate the services of the Depository upon receipt by the I-Bank and the Trustee of written notice from the Depository that it has received written requests that such Depository be removed from its participants having beneficial interest, as shown in the records of the Depository, in an aggregate amount of not less than fifty percent (50%) in aggregate principal amount of the then Outstanding Bonds for which the Depository is serving as Depository.

Upon the termination of the services of a Depository with respect to a Book-Entry Bond, or upon the resignation of a Depository with respect to a Book-Entry Bond, after which no substitute securities depository willing to undertake the functions of such Depository can be found which, in the opinion of the I-Bank, is able to undertake such functions upon reasonable and customary terms, such Bonds shall no longer be registered in the registration books kept by the Trustee in the name of a Depository, but shall be registered in the name or names of the Bondholders transferring or exchanging such Bonds shall designate, in accordance with the provisions of this Article III.

ARTICLE IV.

LOAN AGREEMENTS

Section 4.01 Release of Loan Agreements from Trust Estate. The I-Bank may at any time release specified Loan Agreements and the Revenues related thereto that are pledged and assigned to the Trustee pursuant to the Indenture from the lien of the Indenture, and, in its discretion, pledge and assign substitute Loan Agreements and the Revenues related thereto to the Trustee, in each case by filing with the Trustee: (i) an Officer's Certificate describing the specific Loan Agreements to be released or, if applicable, substituted therefor or added thereto; (ii) a certificate of a Qualified Independent Consultant stating: (a) on the basis of such supporting schedules as shall be attached, that after the release of any such Loan Agreements from the lien of the Indenture, and taking into account the payments which the I-Bank reasonably expects will be received under the Loan Agreements which are to be substituted therefor upon such release, if any, and the other Revenues available for the payment of the principal and Redemption Price of, and interest on, the Outstanding Bonds, the resulting Revenues are reasonably expected to be sufficient to pay the principal of and interest due on the Outstanding Bonds on each Interest Payment Date and at maturity thereof; and (b) either (i) that the Projected Debt Service Coverage Ratio for each subsequent Bond Year is not less than 1.25:1.00, taking into account the proposed release or substitution, as applicable or (ii) attaching a Rating Confirmation or an indicative rating conclusion, or similar determination, from each Credit Rating Agency then maintaining a rating on Bonds issued and Outstanding hereunder to the effect that, assuming no other significant rating factor changed, the proposed release or substitution would likely not result in an adverse change in the then-existing rating on such Bonds; and (iii) an opinion of Bond Counsel to the effect that such release or substitution will not affect the exclusion from gross income for federal income tax purposes of interest on the Bonds.

Section 4.02 Disposition of the Proceeds of Sale, Redemption or Prepayment of Borrower Bonds. Except as otherwise provided in Section 4.01, Borrower Bonds pledged and assigned to the Trustee pursuant to the Indenture shall not be sold by the I-Bank, or redeemed or prepaid by any Borrower, unless, (i) in the opinion of Bond Counsel, the application of the proceeds of such sale or redemption will not affect the exclusion from gross income for federal income tax purposes of interest on the Bonds and (ii) the I-Bank shall have received a Certificate of a Qualified Independent Consultant stating that the proceeds of such sale, redemption or prepayment (including any prepayment penalties to be paid by the Borrower) are sufficient to pay, redeem or defease Bonds having the same maturity date as, and being equal in principal amount to the principal amount of, the Borrower Bonds so sold, redeemed or prepaid.

In the event Borrower Bonds pledged and assigned to the Trustee pursuant to the Indenture shall be sold by the I-Bank or redeemed or prepaid by the Borrower either at the option of the Borrower pursuant to the terms of the Loan Agreement or as a result of a default in its payment obligations thereunder, the I-Bank may deposit the proceeds of such sale, redemption or prepayment, net of the costs and expenses of the I-Bank in effecting the sale, redemption or prepayment, as appropriate, as specified in an Officer's Certificate:

(A) into the Redemption Fund and apply the same to the payment, defeasance or redemption of Bonds having the same maturity date as, and being equal in principal amount to the principal amount of, the Borrower Bonds so sold, redeemed or prepaid; and/or

(B) into a Subaccount to be established in the Debt Service Fund for investment by the Trustee in accordance with Article VII, the earnings on which investment shall be used to pay interest when due on Bonds being equal in principal amount to the principal amount of Borrower Bonds so sold, redeemed or prepaid, and the principal of which investment shall be used to pay the principal of such Bonds.

Section 4.03 Amendments to Loan Agreements Not Requiring Consent of Bondholders. The I-Bank may, with prior written notice to the Trustee, but without the consent of or notice to the Bondholders, consent to any amendment or modification of any provision of any Loan Agreement pledged and assigned to the Trustee pursuant to the Indenture which: (i) is required for the purpose of curing any ambiguity or formal defect or omission in such Loan Agreement or (ii) will not adversely affect the Bonds then Outstanding, as determined in accordance with the next succeeding paragraph.

The Bonds shall be deemed to be affected by a modification or amendment of such Loan Agreement if the same adversely affects or diminishes the rights of the Holders of the Bonds, which rights were granted pursuant to such Loan Agreement, in any material respect. The I-Bank may in its discretion determine whether or not, in accordance with the foregoing provisions, Bonds would be affected by any modification or amendment of any such Loan Agreement and any such determination shall be binding and conclusive on the Trustee and all Holders of the Bonds. The I-Bank shall receive an opinion of Bond Counsel as conclusive evidence of the extent, if any, to which such modification or amendment so affects the rights of any Holders of Bonds then Outstanding.

Section 4.04 Amendments to Loan Agreements Requiring Consent of Bondholders. Except for amendments or modifications pursuant to Section 4.03, the I-Bank shall not enter into any amendment or modification of any Loan Agreement pledged and assigned to the Trustee pursuant to the Indenture without providing notice to the Trustee and obtaining the written consent of the Holders of a majority in aggregate principal amount of the Senior Bonds then Outstanding, or if no Senior Bonds are then Outstanding, then a majority in aggregate principal amount of the Subordinated Bonds then Outstanding.

Such consent of Bondholders shall be given and procured in the same manner as provided in Section 13.03 with respect to Supplemental Indentures.

Notwithstanding anything to the contrary contained in the Indenture or any Loan Agreement, the I-Bank shall not agree to any amendment, change or modification of, or any waiver, discharge or termination of, any of the provisions of any Loan Agreement pledged and assigned to the Trustee pursuant to the Indenture which would adversely affect the exclusion from gross income for federal income tax purposes of interest on any of the Bonds. The I-Bank shall be entitled to rely upon an opinion of Bond Counsel with respect to the extent, if any, as to which any

amendment, change or modification of, or any waiver, discharge or termination of, any of the provisions of any Loan Agreement would adversely affect the exclusion from gross income for federal income tax purposes of interest on any of the Bonds.

**ARTICLE V.
REVENUES AND FUNDS**

Section 5.01 Creation and Custody of Funds and Accounts.

(a) The following Funds and Accounts, separate Accounts within Funds, and separate Subaccounts within Accounts are hereby established, each to be held by the Trustee:

- (i) Project Fund
- (ii) Redemption Fund, and, within such Fund,
 - (A) Senior Bonds Redemption Account
 - (B) Subordinated Bonds Redemption Account
- (iii) Loan Servicing Account
- (iv) Fee Fund
- (v) Revenue Fund, and, within such Fund,
 - (A) Equity Loan Portion Repayment Account
- (vi) Debt Service Fund, and, within such Fund,
 - (A) Principal Account
 - a. Series Specific Principal Subaccount
 - (B) Interest Account, and, within such Account,
 - a. Series Specific Interest Subaccount, and, within such Subaccount
 - i. Capitalized Interest Subaccount
 - ii. Interest Subsidy Subaccount
- (vii) Subordinated Debt Service Fund, and, within such Fund,
 - (A) Principal Account
 - (B) Interest Account, and, within such Account,

a. Capitalized Interest Subaccount

- (viii) Debt Service Reserve Fund, and, within such Fund,
 - (A) Common Reserve Account
 - (B) One or more Series Reserve Accounts, if applicable
- (ix) Cross-Investment Fund, and, within such Fund,
 - (A) C-I Receiving Account
 - (B) C-I Sending Account
- (x) Rebate Fund
- (xi) Investment Earnings Fund

(b) Pursuant to Section 5.04, the Trustee shall, if directed by the I-Bank, establish in the Project Fund such Accounts and Subaccounts as an Authorized Officer of the I-Bank may direct in writing.

(c) For each Series of Bonds for which Capitalized Interest has been provided, the Trustee shall, as an Authorized Officer of the I-Bank may direct in writing by an Authorized Officer's Certificate, establish a Capitalized Interest Subaccount within the Series Specific Interest Subaccount within the Interest Account within the Debt Service Fund.

(d) In addition to the foregoing Funds, Accounts and Subaccounts, the I-Bank may, by Supplemental Indenture or by Officer's Certificate, establish one or more additional Funds, Accounts or Subaccounts with the Trustee and determine the extent to which the moneys and securities therein are pledged as additional security for the Bonds.

(e) All moneys, securities and Reserve Deposits in the Funds, Accounts and Subaccounts established pursuant to subsections (a) through (d) of this Section 5.01, other than (i) the amounts within the Loan Servicing Account that constitute Loan Origination Fees and Administrative Fees, (ii) the Fee Fund, (iii) the Project Fund, (iv) the Rebate Fund, if any, and (v) the Cross-Investment Fund, and except interest earnings on any of the foregoing to the extent necessary to comply with Article VI, shall be available for and pledged for the payment of Senior Bonds, but shall nevertheless be disbursed, allocated and applied solely for the uses and purposes provided herein.

(f) A Supplemental Indenture establishing a Series of Bonds may establish a Fund, Account or Subaccount and pledge the moneys, securities, and deposits therein as additional security for the payment of Bonds.

(g) A Supplemental Indenture establishing a Series of Bonds may establish a Series Reserve Account and pledge the moneys, securities, and Reserve Deposits therein as security solely for the payment of Bonds of such Series.

(h) The moneys derived from the remarketing of Option Bonds tendered or deemed to have been tendered for purchase or redemption in accordance with the Supplemental Indenture authorizing the issuance of such Bonds or derived from a Liquidity Facility or a Credit Facility relating to such Bonds, and the moneys in any Fund, Account or Subaccount established by or pursuant to such Supplemental Indenture for the payment of the purchase price or Redemption Price of Option Bonds so tendered or deemed to have been tendered, shall not be held in trust for the benefit of the Holders of Bonds other than the Holders of such Option Bonds, and such moneys are pledged hereby for the payment of the purchase price or Redemption Price of such Option Bonds.

(i) Amounts on deposit in the Common Reserve Account of the Debt Service Reserve Fund, if any, shall be available for the payment of Debt Service on all Outstanding Senior Bonds issued pursuant to the Indenture.

(j) (1) The Subordinated Debt Service Fund is hereby established, and within the Subordinated Debt Service Fund, an Interest Account and a Principal Account, and such other Accounts and Subaccounts that the I-Bank may from time to time, by Supplemental Indenture or Officer's Certificate, establish. If directed in writing by an Authorized Officer of the I-Bank, for each Series of Bonds for which Capitalized Interest has been provided, the Trustee shall establish, within the Interest Account within the Subordinated Debt Service Fund, a Capitalized Interest Subaccount. The Subordinated Debt Service Fund and each Account and Subaccount established thereunder shall be held by the Trustee.

(2) Any amounts on deposit in the Subordinated Debt Service Fund established pursuant to this Section 5.01(j), except interest earnings to the extent necessary to comply with Article VI, shall be available for and pledged for the payment of each Series of Subordinated Bonds secured pursuant to this Section 5.01(j). In the event of a default by any Defaulting Borrower in making such Borrower's Loan Repayments, no amounts on deposit in any other Fund, Account or Subaccount established hereunder, other than the Subordinated Debt Service Fund and the Subordinated Bonds Redemption Account of the Redemption Fund, shall be available to the Holders of any Subordinated Bond secured pursuant to this Section 5.01(j).

(3) Subordinated Bonds secured pursuant to this Section 5.01(j) shall at all times remain subordinate to all Senior Bonds secured pursuant to this Section 5.01.

(4) A Series of Subordinated Bonds may be issued on a parity with or subordinate to Outstanding Subordinated Bonds and may be secured pursuant to this Section 5.01(j).

Section 5.02 [Reserved]

Section 5.03 Loan Repayments. The Trustee shall, as agent for the I-Bank, perform the following duties and services:

(a) The Trustee shall collect from each Borrower all required Loan Repayments, when due, in the amounts and at the times established by the I-Bank. The I-Bank shall use its best efforts to provide Loan Repayment information, including, but not limited to, the amount of each Borrower's Loan Repayment that constitutes an Equity Loan Portion Repayment, to the Trustee no less than thirty (30) days prior to the date on which any such payments are due and payable. In collecting such payments from each Borrower, the Trustee shall rely exclusively upon such Loan Repayment information provided by the I-Bank.

(b) Upon receipt thereof, the Trustee shall deposit all Loan Repayments in the Loan Servicing Account. The Trustee hereby acknowledges that (a) all amounts so collected shall be collected by the Trustee on behalf of, and for the benefit of, the I-Bank, (b) in making such collections, the Trustee shall act as an agent for the I-Bank, (c) all amounts so collected by the Trustee shall be the property of the I-Bank, and not of the Trustee, and (d) all such amounts, when received by the Trustee, shall be deemed to be received by the I-Bank.

(c) Promptly after collection of each Borrower's Loan Repayment, the Trustee shall credit the moneys received from each such Borrower with respect to a particular payment date (including, without limitation, any credit derived from the Interest Subsidy Subaccount) in the following order of priority: *first*, to the payment of such Borrower's Loan Origination Fee, *second*, to the payment of the Administrative Fee payment then due under such Borrower's Loan Agreement, *third*, to the repayment of the Borrower's Loan, *and fourth*, to the payment then due under such Borrower's Loan Agreement of any Late Fees.

(d) Promptly after crediting each Borrower pursuant to the order of priority established under paragraph (c), above, for the moneys received from such Borrower with respect to a particular payment date, the Trustee shall (A) *first*, deposit into the Fee Fund the amounts constituting Loan Origination Fees and the Administrative Fees, and (B) *second*, deposit the remaining moneys, including Late Fees, into the Revenue Fund to be applied in accordance with Section 5.06 hereof.

Section 5.04 Project Fund.

(a) Loans from Borrower Subaccounts of Series Account of Project Fund. From the proceeds of the applicable Series of Bonds, an amount set forth in the Officer's Certificate pursuant to Section 2.03(f) shall be deposited in the applicable Series Account of the Project Fund, and the Trustee shall use such moneys to make the Loans to the applicable Borrowers to finance or refinance the Costs of such Borrowers' Projects, as follows:

(i) The Trustee, in accordance with Section 5.01(b), shall establish in the Project Fund the applicable Series Account, and within such Series Account, the applicable Subaccount for the benefit of each Borrower and shall deposit therein the amount of the Loan to be made to such Borrower from the proceeds of such Series of Bonds, as set forth in such Officer's Certificate, to pay the Costs of the Transportation Projects to be financed or refinanced in whole or in part by such Loan, in exchange for which the I-Bank shall receive the Borrower Bond of such

Borrower. The Trustee shall promptly deposit and hold such Borrower Bond in the applicable Series Account of the Project Fund.

(ii) **[Reserved]**

(iii) In the event that Borrower Subaccounts are established, the Trustee shall make payments from a Borrower Subaccount for the Costs of the respective Borrower's Project(s) in the amounts, at the times, in the manner, and pursuant to the other terms and conditions as are set forth in this Section 5.04 and in such Borrower's Loan Agreement. Before any such payment shall be made, an Authorized Officer of the I-Bank shall file with the Trustee a written direction as to the release of funds for such Costs of such Borrower's Project(s), which written direction, which may be transmitted to the Trustee by Electronic Means, shall be in such form as shall be determined from time to time by the Executive Director or other Authorized Officer of the I-Bank. The Trustee shall make payment required by such written direction including by interbank transfer or other method of transfer. No disbursement from the respective Borrower Subaccount shall be made by the Trustee pursuant to the terms hereof unless the Borrower has complied with each provision of Section 3.02 of the respective Loan Agreement, as evidenced by the written direction of the I-Bank as referenced herein.

(b) Application of Excess Loan Proceeds in Borrower Project Subaccount of Series Account. The I-Bank shall file with the Trustee an Officer's Certificate of the I-Bank with respect to each Applicable Project Subaccount, directing the Trustee to transfer to the Debt Service Fund (and to the appropriate Account and Subaccount therein), to be applied as a credit against and considered as Loan Repayments due from the Applicable Borrower in whose favor any such Project Subaccount was established, all of the moneys remaining in any such Project Subaccount at the following times and upon satisfaction of the following conditions: (A) (i) the I-Bank has approved all requisitions to be paid from such Project Subaccount that are eligible to be approved under the Regulations and (ii) all such requisitions have been paid from such Project Subaccount; or, if earlier, (B) the occurrence of the Project Subaccount disbursement deadline, as set forth in the exhibits to the Applicable Borrower's Applicable Loan Agreement; provided, however, notwithstanding the provisions hereof to the contrary, the I-Bank may determine to apply the moneys remaining in such Project Subaccount to implement a redemption of Bonds pursuant to the terms of this Indenture to the extent provided by the terms of the Applicable Borrower's Applicable Loan Agreement. Such Officer's Certificate shall (X) state that, as applicable, the proceeds of the Loan have been disbursed to the extent allowed by the Regulations, or the Project Subaccount disbursement deadline has occurred, and either (Y) set forth a schedule indicating when and how much of the remaining moneys are to be transferred to the Debt Service Fund (and the appropriate Account and Subaccount therein) and applied as a credit against and considered as Loan Repayments due from the Applicable Borrower in whose favor the Applicable Project Subaccount was established, or (Z) state that such moneys remaining in such Project Subaccount shall be transferred to the Redemption Fund and allocated to the implementation of a redemption of Bonds pursuant to the terms of this Indenture to the extent provided by the terms of the Applicable Borrower's Applicable Loan Agreement. The Trustee shall transfer from any such Project Subaccount to the appropriate Account within the Debt Service Fund (as determined by the application of clause (Y) above) or to the Redemption Fund (as determined by the application

of clause (Z) above) the amounts identified in such Officer's Certificate of the I-Bank at the times indicated therein.

Section 5.05 Fee Fund.

(a) The Trustee shall remit to the I-Bank all amounts on deposit in the Fee Fund. Unless otherwise directed in writing by an Authorized Officer of the I-Bank, such transfers shall be made to the I-Bank with respect to each Loan Repayment Date on the earlier of (i) the receipt of all Borrower Loan Repayments then due on such Loan Repayment Date or (ii) the tenth (10th) day after such Loan Repayment Date. Any amounts received in the Fee Fund after such 10th day shall be remitted to the I-Bank when such amounts are received.

Section 5.06 Revenues; Revenue Fund.

(a) (i) The Trustee shall promptly deposit the following Revenues in the Revenue Fund:

(1) with respect to each Loan Repayment, the portion thereof that constitutes Revenues; and

(2) any other amounts constituting Revenues that are required to be paid to the Revenue Fund or otherwise made available by the I-Bank pursuant to a Supplemental Indenture or an Officer's Certificate for deposit therein.

(ii) Immediately following the deposits required to be made pursuant to clause (i) of this paragraph (a), the Trustee shall make the following transfers from the Revenue Fund to the Equity Loan Portion Repayment Account:

(1) with respect to each Loan Repayment, the portion thereof that constitutes the respective Borrower's Equity Loan Portion Repayment.

(b) No later than two Business Days after the deposit of Revenues into the Revenue Fund, but, in any event, no later than two Business Days prior to the date that any Principal Installment or payment of interest on the Bonds is due, the Trustee shall withdraw from the Revenue Fund and deposit in the Funds and Accounts set forth below the following amounts in the following order of priority:

(i) To the Interest Account in the Debt Service Fund the amount, if any, required so that the balance in such Interest Account shall equal the amount of interest due on the Bonds, any Parity Repayment Obligation and Parity Reimbursement Obligations due on each Interest Payment Date. Any credit, deposit or transfer required to be made pursuant to this paragraph (b)(i) shall take into account the amounts, if any, on deposit in the Capitalized Interest Subaccount and the Interest Subsidy Subaccount, in each case, as and to the extent designated for use on the next immediate debt service payment date for the Bonds as provided by the terms of the Loan Repayment information required by the provision of paragraph (a) of Section 5.03;

(ii) To the Principal Account in the Debt Service Fund the amount, if any, required so that the balance in such Principal Account shall equal the amount of the Principal Installments and Sinking Fund Installments of the Senior Bonds and principal or other amount of any Parity Repayment Obligation and Parity Reimbursement Obligations due on each payment date;

(iii) To the Common Reserve Account of the Debt Service Reserve Fund, up to the amount, if any, required so that the balance in the Common Reserve Account shall equal the Reserve Requirement;

(iv) To each Series Reserve Account, if any, of the Debt Service Reserve Fund, such amount specified in writing by an Authorized Officer of the I-Bank from (I) Loan Repayments of Borrowers whose Loans were funded in whole or in part with Bonds secured by such Series Reserve Account or (II) such other funds as shall be made available by the I-Bank for such purpose, up to the amount, if any, required so that the balance in the Series Reserve Account shall equal the requirement established for such Series Reserve Account in the Applicable Supplemental Indenture;

(v) To the C-I Receiving Account within the Cross-Investment Fund, such amount as directed in writing by an Authorized Officer of the I-Bank;

(vi) To the Interest Account in the Subordinated Debt Service Fund the amount, if any, required so that the balance in such Interest Account shall equal the amount of interest due on each Series of Subordinated Bonds and Subordinated Reimbursement Obligations secured pursuant to Section 5.01(j) on the applicable Interest Payment Date;

(vii) To the Principal Account in the Subordinated Debt Service Fund the amount, if any, required so that the balance in such Principal Account shall equal the amount of the principal and Sinking Fund Installments of the Subordinated Bonds due on each Series of Subordinated Bonds or other amount of Subordinated Reimbursement Obligations secured pursuant to Section 5.01(j) on such date;

(viii) To such other Funds, Accounts or Subaccounts, and in such order, as shall be required by any Supplemental Indenture;

(ix) To the C-I Sending Account within the Cross-Investment Fund, such amount as directed in writing by an Authorized Officer of the I-Bank; and

(x) To such other funds or accounts as may be established outside of the Indenture for the security and benefit of Bonds issued pursuant to the Indenture, in such amounts as directed in writing by an Authorized Officer of the I-Bank.

In making the deposits required by the provisions of this paragraph (b), the Trustee shall rely exclusively upon a Certificate of an Authorized Officer of the I-Bank, which Certificate shall be provided to the Trustee by the I-Bank simultaneously with the provision by the I-Bank to the

Trustee of the Loan Repayment information required by the provision of subsection (a) of Section 5.03.

After the application of Revenues as provided in this Section 5.06(b), unless otherwise directed in writing by an Authorized Officer of the I-Bank, any amounts remaining in the Revenue Fund shall be transferred to the I-Bank on the next succeeding Business Day after such Bond Payment Date, free and clear of the lien of this Indenture, to be applied for any lawful purpose of the I-Bank.

(c) In the event that amounts on deposit in the Revenue Fund are insufficient to make the deposits required to be made pursuant to clauses (b)(i) through (b)(iv) of this Section 5.06, then, no later than two Business Days prior to the date that any Principal Installment or payment of interest on the Bonds is due, amounts on deposit in the Equity Loan Portion Repayment Account within the Revenue Fund shall be withdrawn from the Equity Loan Portion Repayment Account and applied for such purposes in the order of priority set forth in clauses (b)(i) through (b)(iv) of this Section 5.06. Within two Business Days after the application of such amounts, if any, and unless otherwise directed in writing by an Authorized Officer of the I-Bank, any amounts remaining in the Equity Loan Portion Repayment Account within the Revenue Fund shall be released to the I-Bank, free and clear of the lien of the Indenture, to be applied for any lawful purpose of the I-Bank.

Section 5.07 Debt Service Fund.

(a) The Trustee shall promptly deposit the following receipts in the Debt Service Fund:

(i) the amount, if any, (1) of the proceeds of any Series of Senior Bonds constituting Capitalized Interest, set forth in the Officer's Certificate required by Section 2.03(f), to be deposited in the Capitalized Interest Subaccount of the Series Specific Interest Subaccount of the Interest Account, and (2) of the proceeds of any Series of Senior Bonds to be deposited in the Interest Subsidy Subaccount of the Series Specific Interest Subaccount of the Interest Account, as set forth in the Officer's Certificate required by Section 2.03(f);

(ii) all amounts required to be transferred to the Interest Account from the Revenue Fund pursuant to Section 5.06(b)(i), which shall be deposited in the Interest Account;

(iii) all amounts required to be transferred to the Principal Account from the Revenue Fund pursuant to Section 5.06(b)(ii), which shall be deposited in the Principal Account;

(iv) any other amounts required to be paid to the Interest Account or Principal Account or otherwise made available for deposit therein as directed by an Authorized Officer.

(b) The Trustee shall pay out of the Interest Account of the Debt Service Fund, including the moneys credited to the Subaccount, if any, established for a Series of Bonds in the Capitalized Interest Subaccount and/or the Interest Subsidy Subaccount, to any Paying Agents for the Bonds, the Provider or the Counterparty, as applicable: (i) on each Interest Payment Date, or the date on which the interest on Parity Reimbursement Obligations is due, the amount required

for the payment of interest on the Bonds or the payment of interest on Parity Repayment Obligations or Parity Reimbursement Obligations due on such date, and (ii) on any sinking fund redemption date, the amount required for the payment of accrued interest on the Bonds redeemed unless the payment of such accrued interest shall be otherwise provided for, and such amounts shall be applied by the Paying Agents to such payment. The Trustee shall also pay out of the Interest Account the accrued interest included in the purchase price of the Bonds purchased for retirement.

(c) The Trustee shall pay out of the Principal Account of the Debt Service Fund to any Paying Agents for the Bonds, the Provider or the Counterparty, as applicable: (i) on each date on which principal of the Senior Bonds or the principal or other amount of any Parity Repayment Obligations or Parity Reimbursement Obligation is due, the amounts required for the payment of such principal of the Senior Bonds or the principal or other amount of any Parity Repayment Obligations or any related Parity Reimbursement Obligation due on such date, and (ii) and on each date set for redemption of the Senior Bonds, the Redemption Price due on such redemption date, and such amounts shall be applied by the Paying Agents to such payments.

(d) Amounts made available by the I-Bank for the purchase of Senior Bonds that are Term Bonds of the maturity that are subject to mandatory sinking fund redemption shall be applied by the Trustee prior to the thirtieth (30th) day preceding any mandatory sinking fund redemption date to such purpose, at prices (including any brokerage and other charges) not exceeding the Redemption Price payable for such Term Bonds pursuant to such sinking fund redemption plus unpaid interest accrued to the date of purchase. Upon such purchase of any such Term Bond, the Trustee shall then credit an amount equal to the principal of the Term Bond so purchased toward the next succeeding Sinking Fund Installment for such Term Bond.

(e) As soon as practicable after the thirtieth (30th) day preceding the date of any such sinking fund redemption, the Trustee shall proceed pursuant to Article VIII to call for redemption on such redemption date Term Bonds of the maturity for which mandatory sinking fund redemption is required in such amount as shall be necessary to complete the retirement of the principal amount specified for such mandatory sinking fund redemption of the Term Bonds. The Trustee shall so call such Term Bonds for redemption whether or not it then has moneys in the Principal Account sufficient to pay the applicable Redemption Price thereof and moneys in the Interest Account sufficient to pay interest thereon to the redemption date. The Trustee shall pay out of the Principal Account to the appropriate Paying Agents, on each such redemption date, the Redemption Price of the Term Bonds so called for redemption, and such amount shall be applied by such Paying Agents to such redemption.

Section 5.08 Redemption Fund.

(a) There shall be deposited in the Senior Bonds Redemption Account and the Subordinated Bonds Redemption Account, respectively:

(i) proceeds of Refunding Bonds, to the extent provided in the Supplemental Indenture authorizing the issuance of such Refunding Bonds, allocated to the payment of the principal and Redemption Price of, and interest on, the Series of Senior Bonds or Series of Subordinated Bonds, respectively, to be refunded, funded or retired through the issuance of such Refunding Bonds;

(ii) amounts to be transferred to:

(a) the Senior Bonds Redemption Account from:

- (1) the Project Fund, pursuant to Section 5.04(c),
- (2) the Debt Service Fund, pursuant to Section 5.07(f), or
- (3) the Debt Service Reserve Fund, pursuant to subsections (h) and (i) of Section 5.09, or

(b) the Subordinated Bonds Redemption Account from:

- (1) the Project Fund, pursuant to Section 5.04(c), or
- (2) the Subordinated Debt Service Fund, pursuant to Section 5.10(f); and

(iii) any other moneys, including Revenues, made available by the I-Bank for the purposes of the Redemption Fund and not otherwise required by the Indenture to be deposited or applied elsewhere.

(b) Subject to subsection (e) below, amounts in the Senior Bonds Redemption Account may be applied by the I-Bank to the redemption of Senior Bonds in accordance with Section 8.01 and the applicable Supplemental Indenture or, in lieu thereof, to the purchase for cancellation of Senior Bonds in accordance with Section 8.05 at prices not exceeding the applicable Redemption Prices (plus accrued interest) had such Senior Bonds been redeemed (or, if not then subject to redemption, at the applicable Redemption Prices when next subject to redemption), such purchases to be made by the Trustee at such times and in such manner as directed in writing by the I-Bank. Notwithstanding the foregoing, the amounts, if any, transferred to the Senior Bonds Redemption Account from the Common Reserve Account pursuant to Section 5.09(h) shall be applied to the redemption of Common Reserve Bonds being refunded pursuant to an Officer's Certificate and (ii) amounts transferred to the Senior Bonds Redemption Account from the applicable Series Reserve Account pursuant to Section 5.09(i) shall be applied to the redemption of the Series of Senior Bonds secured by such Series Reserve Account.

(c) Subject to subsection (f) below, amounts in the Subordinated Bonds Redemption Account may be applied by the I-Bank to the redemption of Subordinated Bonds in accordance with Section 8.01 and the applicable Supplemental Indenture or, in lieu thereof, to the purchase of Senior Bonds in accordance with Section 8.05 at prices not exceeding the applicable Redemption Prices (plus accrued interest) had such Subordinated Bonds been redeemed (or, if not then subject to redemption, at the applicable Redemption Prices when next subject to redemption), such purchases to be made by the Trustee at such times and in such manner as directed in writing by the I-Bank.

(d) From moneys in the Redemption Fund, the Trustee shall disburse such amounts at such times as are required for the redemption or purchase for cancellation of Bonds. Any amounts in the Senior Bonds Redemption Account so committed but not required for such purposes may be transferred to the Debt Service Fund or the Debt Service Reserve Fund, and any amounts in the Subordinated Bonds Redemption Account so committed but not required for such purposes may be transferred to the Subordinated Debt Service Fund, for the purposes thereof, in each case upon the written direction of an Authorized Officer.

(e) If at any time the amount on deposit and available therefor in the Debt Service Fund is insufficient to pay the principal and Redemption Price of, and interest on, and Parity Repayment Obligations and Parity Reimbursement Obligations in respect of, the Senior Bonds then due, the Trustee shall withdraw from the Senior Bonds Redemption Account and deposit in the Debt Service Fund the amount necessary to meet the deficiency (other than amounts held therein for the redemption of Senior Bonds for which a notice of redemption shall have already been given by the Trustee); provided, however, that amounts transferred to the Senior Bonds Redemption Account from a Series Reserve Account pursuant to Section 5.09(i) shall be used to meet such deficiency solely in respect of the Series of Senior Bonds secured by such Series Reserve Account.

(f) If at any time the amount on deposit and available therefor in the Subordinated Debt Service Fund is insufficient to pay the principal of, and interest on, and Subordinated Reimbursement Obligations in respect of, the Subordinated Bonds then due, the Trustee shall withdraw from the Subordinated Bonds Redemption Account and deposit in the Subordinated Debt Service Fund the amount necessary to meet the deficiency (other than amounts held therein for the redemption of Subordinated Bonds for which a notice of redemption shall have already been given by the Trustee).

Section 5.09 Debt Service Reserve Fund.

(a) Pursuant to Section 5.01(a)(viii), the Trustee shall establish and maintain within the Debt Service Reserve Fund a separate Account designated as the Common Reserve Account. The Trustee may also establish and maintain, from time to time, one or more Series Reserve Accounts within the Debt Service Reserve Fund, with each such Series Reserve Account securing one or more Series of Senior Bonds as set forth in the Supplemental Indenture authorizing the issuance thereof. In connection with the issuance of a Series of Senior Bonds, the Trustee shall deposit in the Common Reserve Account or the Series Reserve Account established and/or maintained for such Series of Bonds, as applicable, an amount equal to the Reserve Requirement required to be deposited therein, as provided in the Supplemental Indenture authorizing the issuance thereof; provided, however, that the applicable Supplemental Indenture may provide that the Reserve Requirement, if any, attributable to any Series of Senior Bonds may be funded in substantially equal installments over a period of time after issuance as specified in the applicable Supplemental Indenture (which period shall not exceed twenty-four (24) months).

(b) First, all moneys in a Series Reserve Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal and Redemption Price of, and interest on, and Parity Repayment Obligations and Parity Reimbursement Obligations in respect of, the

applicable Series of Senior Bonds secured by such Series Reserve Account, in the event of a deficiency in the Principal Account or the Interest Account of the Debt Service Fund.

(c) Second, all moneys in the Common Reserve Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal and Redemption Price of, and interest on, and Parity Repayment Obligations and Parity Reimbursement Obligations in respect of, Common Reserve Bonds, in the event of a deficiency in the Principal Account or the Interest Account of the Debt Service Fund, on a Pro Rata Basis if such moneys are insufficient to make up such deficiency.

(d) If insufficient moneys are available in the Debt Service Fund on the date upon which the payment of the principal or Redemption Price of, or interest on, and Parity Repayment Obligations and Parity Reimbursement Obligations in respect of, any Series of Senior Bonds secured by the Debt Service Reserve Fund is due, the Trustee shall immediately, and after taking into account any transfers pursuant to the provisions of Section 5.06 and Section 5.08, transfer moneys from the applicable Series Reserve Account or the Common Reserve Account, to the Debt Service Fund to make up such deficiency to be applied as provided in this Section 5.09; provided, however, that: (i) amounts in the Series Reserve Account shall be used solely for the payment of the Series of Senior Bonds secured by such Series Reserve Account; and (ii) amounts in the Common Reserve Account shall be used solely for the payment of the Common Reserve Bonds.

(e) The Trustee shall deposit in the Common Reserve Account or the Series Reserve Account, as applicable: (i) all amounts required to be transferred to the Debt Service Reserve Fund from the Revenue Fund pursuant to Section 5.06; (ii) any amounts made available by a Defaulting Borrower in order to reimburse the Debt Service Reserve Fund for transfers to the Debt Service Fund, such amounts to be deposited into either the Common Reserve or the applicable Series Reserve as directed in writing by an Authorized Officer; and (iii) such other funds, securities, or other property made available by the I-Bank for deposit therein.

(f) The Reserve Requirement may be satisfied with cash and/or Reserve Deposits.

(g) Notwithstanding anything to the contrary in the Indenture or any Supplemental Indenture, in the event of a draw on either the Series Reserve Account or the Common Reserve Account pursuant to Section 5.09(d), then, on the next succeeding Bond Payment Date(s) when amounts are available, amounts shall be deposited in the Series Reserve Account or the Common Reserve Account, as applicable, pursuant to Section 5.06. In the event that a Reserve Requirement is satisfied in whole or in part by one or more Reserve Deposits, the Trustee shall deplete any cash balance in such Account before drawing on any Reserve Deposit in such Account. If there shall have been a draw on a Reserve Deposit, deposits made pursuant to Section 5.06(b)(iii) or Section 5.06(b)(iv), as applicable, shall be used first to repay the applicable Reserve Deposit provider, and second to replenish the cash balances in the Debt Service Reserve Fund to the required levels. Unless and until the requirements of the preceding three sentences are met, the difference between the amount of such withdrawals or draws and the amount required to be redeposited or restored to the Debt Service Reserve Fund on account of such withdrawals or draws shall be deemed to be on

deposit in the Debt Service Reserve Fund for purposes of calculating compliance with the Reserve Requirement.

(h) Except as otherwise specified in a Supplemental Indenture, the I-Bank shall not be required to establish or fund any Reserve Requirement for any or all Series of Senior Bonds issued hereunder, and the I-Bank makes no covenant to the Holders of the Senior Bonds or any other party that funds or other assets will be available in the Debt Service Reserve Fund in the event of a deficiency in the Debt Service Fund on any date upon which the payment of the principal and Redemption Price of, and interest on, any Series of Senior Bonds is due.

(i) Subject to Section 5.09(e), the Trustee shall determine the amount of cash and Investment Securities on deposit in the Common Reserve Account on each of the following dates: (i) each Interest Payment Date; (ii) each date on which principal or any other amount of any Senior Bonds, Parity Repayment Obligations or Parity Reimbursement Obligations is due; and (iii) each date on which any Senior Bonds are redeemed or defeased in accordance with the Indenture. Whenever the Trustee shall determine that the cash and Investment Securities on deposit in the Common Reserve Account, together with all other funds available for such purpose, is in excess of the Reserve Requirement for the Common Reserve Bonds, then the Trustee shall either (i) transfer such excess cash and Investment Securities to any Fund or Account established hereunder, (ii) in the case of cash that was provided by the I-Bank, remit such excess cash to the I-Bank, or (iii) transfer such excess amount to the Debt Service Fund or the Senior Bonds Redemption Account of the Redemption Fund, for the purpose of paying or redeeming, as applicable, Common Reserve Bonds; provided, however, that if such excess amount is the result of a redemption or defeasance of Senior Bonds, then, at the written direction of an Authorized Officer, such excess amount may be applied to the redemption or defeasance of such Senior Bonds; and further provided that, in each case, the Trustee shall take only such action or actions as specified in an Officer's Certificate following an Authorized Officer's consultation with Bond Counsel.

(j) Subject to Section 5.09(e), the Trustee shall determine the amount of cash and Investment Securities on deposit in each Series Reserve Account on each of the following dates, with respect to each Series of Senior Bonds secured by a Series Reserve Account: (i) each Interest Payment Date; (ii) each date on which principal or any other amount of any such Series of Senior Bonds, related Parity Repayment Obligation, or related Parity Reimbursement Obligation is due; and (iii) each date on which any such Senior Bonds are redeemed or defeased in accordance with the Indenture. With respect to each Series Reserve Account, whenever the Trustee shall determine that the cash and Investment Securities on deposit in each Series Reserve Account, together with all other funds available for such purpose, is in excess of the Reserve Requirement for the Series of Senior Bonds secured by such Series Reserve Account, then the Trustee, at the written direction of an Authorized Officer, shall transfer such excess amount to the Debt Service Fund or the Senior Bonds Redemption Account of the Redemption Fund, for the purpose of paying or redeeming, as applicable, Senior Bonds of such Series ; provided, however, that if such excess amount is the result of a redemption or defeasance of Senior Bonds, then, at the written direction of an Authorized Officer, such excess amount may be applied to the redemption or defeasance of such Senior Bonds; and further provided that, in each case, the Trustee shall take only such action or

actions as specified in an Officer's Certificate following an Authorized Officer's consultation with Bond Counsel.

(k) For the avoidance of doubt, neither the Debt Service Reserve Fund nor any Series Reserve Account therein shall secure the payment of the principal and Redemption Price of, and interest on, any Series of Subordinated Bonds.

(l) Notwithstanding anything to the contrary in the Master Indenture, unless otherwise provided in a Supplemental Indenture, to the extent that the Reserve Requirement has been funded, then, (1) the Reserve Requirement for all Outstanding Common Reserve Bonds shall be determined as set forth in the definition of "Reserve Requirement" herein and, pursuant thereto, may be reduced to the point where no funds or other assets will be available in the Common Reserve Account within the Debt Service Reserve Fund at any time, including in the event of a deficiency in the Debt Service Fund on any date upon which the payment of the principal and Redemption Price of, and interest on, any Series of Senior Bonds is due.

Section 5.10 Subordinated Debt Service Fund.

(a) The Trustee shall promptly deposit the following receipts in the Subordinated Debt Service Fund:

(i) the amount, if any, of the proceeds of any Series of Subordinated Bonds constituting Capitalized Interest, set forth in the Officer's Certificate required by Section 2.03(f) to be deposited in the Subaccount for such Series of Subordinated Bonds in the Capitalized Interest Subaccount of the Interest Account;

(ii) all amounts required to be transferred to the Interest Account of the Subordinated Debt Service Fund from the Revenue Fund pursuant to Section 5.06(b)(vi), which shall be deposited in the Interest Account;

(iii) all amounts required to be transferred to the Principal Account of the Subordinated Debt Service Fund from the Revenue Fund pursuant to Section 5.06(b)(vii), which shall be deposited in the Principal Account; and

(iv) any other amounts required to be paid to the Interest Account or Principal Account of the Subordinated Debt Service Fund or otherwise made available for deposit by the I-Bank.

(b) The Trustee shall pay out of the Interest Account of the Subordinated Debt Service Fund, including the moneys credited to the Subaccount, if any, established for a Series of Subordinated Bonds in the Capitalized Interest Subaccount, to any Paying Agents for each Series of Subordinated Bonds, the Provider or the Counterparty, as applicable, (i) on each Interest Payment Date or the date on which the interest on Subordinated Reimbursement Obligations is due, the amount required for the payment of interest on such Subordinated Bonds or the payment of interest on Subordinated Reimbursement Obligations due on such payment date and (ii) on any

redemption date, the amount required for the payment of accrued interest on such Subordinated Bonds redeemed unless the payment of such accrued interest shall be otherwise provided for, and such amounts shall be applied by the Paying Agents to such payment. The Trustee shall also pay out of the Interest Account the accrued interest included in the purchase price of such Subordinated Bonds purchased for retirement pursuant to subsection (d) below.

(c) The Trustee shall pay out of the Principal Account of the Subordinated Debt Service Fund to any Paying Agents for the Bonds, the Provider or the Counterparty, as applicable: (i) on each date on which principal of the Subordinated Bonds or the principal or other amount of any Subordinated Reimbursement Obligation is due, the amounts required for the payment of such principal of the Subordinated Bonds or the principal or other amount of any Subordinated Reimbursement Obligation due on such date, and (ii) and on each date set for redemption of the Subordinated Bonds, the Redemption Price due on such redemption date, and such amounts shall be applied by the Paying Agents to such payments.

(d) Amounts made available by the I-Bank for such purpose shall be applied by the Trustee, prior to the forty-fifth (45th) day preceding any mandatory sinking fund redemption date, to the purchase of Subordinated Bonds that are Term Bonds secured pursuant to Section 5.01(j) of the maturity that are subject to such mandatory sinking fund redemption, at prices (including any brokerage and other charges) not exceeding the Redemption Price payable for such Term Bonds secured pursuant to Section 5.01(j) pursuant to such sinking fund redemption plus unpaid interest accrued to the date of purchase. Upon such purchase of any such Term Bond secured pursuant to Section 5.01(j), the Trustee shall then credit an amount equal to the principal of such Term Bond so purchased toward the next succeeding Sinking Fund Installment for such Term Bond secured pursuant to Section 5.01(j).

(e) As soon as practicable after the forty-fifth (45th) day preceding the date of any such sinking fund redemption, the Trustee shall proceed pursuant to Article VIII to call for redemption on such redemption date the Term Bonds secured pursuant to Section 5.01(j) of the maturity for which mandatory sinking fund redemption is required in such amount as shall be necessary to complete the retirement of the principal amount specified for such mandatory sinking fund redemption of such Term Bonds secured pursuant to Section 5.01(j). The Trustee shall so call such Term Bonds secured pursuant to Section 5.01(j) for redemption whether or not it then has moneys in the Principal Account of the Subordinated Debt Service Fund sufficient to pay the applicable Redemption Price thereof and moneys in the Interest Account of the Subordinated Debt Service Fund sufficient to pay interest thereon to the redemption date. The Trustee shall pay out of the Principal Account of the Subordinated Debt Service Fund to the appropriate Paying Agents, on each such redemption date, the Redemption Price of such Term Bonds secured pursuant to Section 5.01(j) so called for redemption, and such amount shall be applied by such Paying Agents to such redemption.

(f) Upon receipt by the Trustee of an Officer's Certificate showing that the amount on deposit in the Subordinated Debt Service Fund exceeds the sum of the Debt Service and Subordinated Reimbursement Obligations in respect of Subordinated Bonds remaining to be paid

therefrom during the then current Bond Year, the Trustee shall, at the written direction of an Authorized Officer, transfer such excess amount to the Subordinated Bonds Redemption Account of the Redemption Fund for the purposes thereof.

Section 5.11 Cross-Investment Fund.

(a) Receiving Cross-Investment Funds

(1) If at any time the Trustee shall notify the I-Bank that insufficient funds are available, after the making of all Debt Service Fund deposits called for in Section 5.07(a)(i) to (iv), inclusive, to meet a scheduled payment, then due, of the interest on and/or principal of a Series of Senior Bonds, then an Authorized Officer of the I-Bank may, subject to the limitations set forth in Section 5.12 hereof, direct an Additional Program Trustee to make a Cross-Investment of funds held under and pursuant to the terms of an Additional Program Indenture, to the extent of any funds available for such Cross-Investment, into the C-I Receiving Account within the Cross-Investment Fund established under this Indenture to cure any such deficiency. Any such Cross-Investment shall be evidenced by a Cross-Investment Agreement and secured by a Cross-Investment Obligation issued under this Master Indenture to and for the benefit of such Additional Program Indenture. Any such Cross-Investment shall be made by the Additional Program Trustee within two (2) Business Days following the receipt of such direction from the I-Bank. The amount of funds held under an Additional Program Indenture and available for such Cross-Investment into the Cross-Investment Fund shall be limited to the amount lawfully available under the Additional Program Indenture for such purpose and shall be further limited to the amount specified by the I-Bank in writing to the Additional Program Trustee.

(2) Upon receipt of the Cross-Investment funds from an Additional Program Indenture into the C-I Receiving Account within the Cross-Investment Fund, the Trustee shall immediately transfer such funds to the Debt Service Fund to pay the interest on and/or the principal of any Series of Senior Bonds then due and payable.

(3) Pursuant to an Officer's Certificate, the Trustee shall repay the amount of any Cross-Investment funds received from an Additional Program Indenture (a) using amounts deposited into the C-I Receiving Account within the Cross-Investment Fund pursuant to Section 5.06(b)(v), or (b) using any amounts deposited by the I-Bank herein for such purpose, or (c) using any amounts held under this Master Indenture and available for such purpose, provided that the I-Bank has received an opinion of Bond Counsel to the effect that such action (i) shall not cause an adverse tax consequence; (ii) is compliant with the Act; and (iii) is in accordance with the applicable Cross Investment Agreement or Agreements.

(b) Sending Cross-Investment Funds

(1) If at any time an Additional Program Trustee shall notify the I-Bank that insufficient funds are available for that Additional Program, after the making of all debt service fund deposits called for in an Additional Program Indenture to meet the payment of the interest on and/or principal of a series of senior-lien bonds issued pursuant to such Additional Program Indenture then due and payable, an Authorized Officer of the I-Bank may, subject to the

limitations set forth in paragraph (b)(2) of this Section 5.11, direct the Trustee, pursuant to an Officer's Certificate, to make a Cross-Investment of funds held under the C-I Sending Account within the Cross-Investment Fund, to the extent of any funds available therefor, into such Additional Program Indenture to cure any such deficiency. Any such Cross-Investment shall be evidenced by a Cross-Investment Agreement and secured by a Cross-Investment Additional Program Note issued pursuant to such Additional Program Indenture to and for the benefit of this Master Indenture. Any such Cross-Investment shall be made by the Trustee within two (2) Business Days following the receipt of such direction from the I-Bank.

(2) Unless otherwise specified in a Supplemental Indenture, the total principal amount of funds that are invested in Additional Program Notes at any given time shall not exceed, in the aggregate, the lesser of (i) the amount legally permitted to be used for such purpose, and (ii) 50% of the Annual Appropriation Amount for the program year at the time in which such Cross-Investment is to be made; provided, however, that, notwithstanding anything to the contrary herein, no Supplemental Indenture executed and delivered hereunder shall alter such limitation unless the I-Bank shall have received either (x) a Rating Confirmation or (y) an indicative rating conclusion, or similar determination, from each Credit Rating Agency then maintaining a rating on Bonds issued and Outstanding hereunder to the effect that, should the I-Bank execute and deliver such Supplemental Indenture, and assuming no other significant rating factor changed, such action would likely not result in an adverse change in the then-existing rating on such Bonds.

(3) Upon the Cross-Investment of funds from the C-I Sending Account within the Cross-Investment Fund into an Additional Program Indenture, such funds shall immediately be applied to pay the interest on and/or the principal of any series of senior-lien bonds issued pursuant to such Additional Program Indenture then due and payable as required by the Cross-Investment Agreement. The Cross-Investment Additional Program Note evidencing such Cross-Investment shall be held by the Trustee in the C-I Sending Account within the Cross-Investment Fund. In accordance with the Additional Program Indenture and the Cross-Investment Agreement, as such amounts are repaid, they shall be deposited into the C-I Sending Account within the Cross-Investment Fund.

(4) Unless and until applied for the purpose of Cross-Investment, amounts on deposit in the C-I Sending Account within the Cross-Investment Fund may be used for any purpose under this Master Indenture as directed in an Officer's Certificate.

(c) General Provisions Relating to Cross-Investment

(1) Each Cross-Investment Agreement shall require the receiving program to repay to the sending program the Cross-Investment funds received pursuant to the terms of the applicable Cross-Investment Agreement.

(2) This Section 5.11 shall have no force and effect and shall not be operative with respect to making any Cross-Investment with any Additional Program unless the following conditions, as applicable, have been met: (i) with respect to any Additional Program other than the New Jersey Environmental Infrastructure Financing Program, the Additional Program shall

have, in force and effect, an Additional Program Indenture incorporating reciprocal Cross-Investment provisions substantially identical to the provisions contained in this Section 5.11; (ii) with respect to the New Jersey Environmental Infrastructure Financing Program, there shall be, in force and effect, a supplemental indenture and / or an amendment to the Master Program Trust Agreement of the New Jersey Environmental Infrastructure Financing Program and / or any other instrument under that Program incorporating Cross-Investment provisions substantially to the same effect as the provisions contained in this Section 5.11, provided, however, that to the extent such provisions are not substantially identical to the provisions contained in this Section 5.11, the I-Bank shall consult with Bond Counsel and the Office of the State Attorney General to determine whether any supplement or amendment to this Section 5.11 is necessary or desirable in order to engage in Cross-Investment transactions with the New Jersey Environmental Infrastructure Financing Program. Such supplement or amendment shall be set forth in a Supplemental Indenture, supplementing or amending this Indenture and authorized by resolution duly adopted by the Board of Directors of the I-Bank. In each case under this subparagraph (c)(2) of this Section 5.11, the I-Bank shall have received either (x) a Ratings Confirmation, or (y) an indicative rating conclusion, or similar determination, from each Credit Rating Agency then maintaining a rating on Bonds issued and Outstanding hereunder, to the effect that, should the I-Bank commence to engage in Cross-Investment transactions with such Additional Program, and assuming no other significant rating factor changed, such action would likely not result in an adverse change in the then-existing rating on such Bonds.

(3) In no event shall amounts on deposit in any Account within the Cross Investment Fund be applied to pay any Costs of a Project.

Section 5.12 Issuance of Cross-Investment Obligations.

(a) Notwithstanding anything to the contrary contained herein and without having to satisfy the requirements of Article II hereof relating to the issuance of Bonds hereunder, the I-Bank may issue Cross-Investment Obligations to secure its obligations under one or more Cross-Investment Agreements; provided, however that, unless otherwise specified in a Supplemental Indenture, (i) the maximum aggregate principal amount of all Cross-Investment Obligations issued and outstanding at one time may not exceed 50% of the Annual Appropriation Amount in the program year in which such Cross-Investment Obligation is to be issued, (ii) no Cross-Investment Obligation may mature later than 5 years after its issuance date, and (iii) the rate of interest on any Cross-Investment Obligation shall not exceed the lesser of the maximum rate allowable by law or 12% per annum. The specific terms of any Cross-Investment Obligation shall be as set forth in an Officer's Certificate.

(b) Notwithstanding anything to the contrary herein, no Supplemental Indenture executed and delivered hereunder shall alter the limitations set forth in this Section 5.12 with regard to Cross-Investment Obligations unless the I-Bank shall have received either (i) a Rating Confirmation or (ii) an indicative rating conclusion, or similar determination, from each Credit Rating Agency then maintaining a rating on Bonds issued and Outstanding hereunder to the effect that, should the I-Bank execute and deliver such Supplemental Indenture, and assuming no other

significant rating factor changed, such action would likely not result in an adverse change in the then-existing rating on such Bonds.

Section 5.13 Trustee to Notify I-Bank of Amounts Available in any Fund. The Trustee, at least monthly and more frequently upon the request of the I-Bank, shall notify the I-Bank of the balance in any Fund, Account or Subaccount established pursuant to the Indenture at the time of such request.

ARTICLE VI. TAX COVENANTS

Section 6.01 Covenant to Comply with Tax Requirements; Rebate Payments.

(a) The I-Bank covenants with the Bondholders that it will comply with the Tax Requirements, including, without limitation, those set forth in the applicable Tax Certificate for each tax-exempt Series of Bonds. The Authorized Officers, and each of them without the others, are hereby authorized to execute all certificates, agreements and other documents necessary or desirable to evidence compliance with such covenant, and are hereby authorized and directed to make all investments of moneys under the Indenture in accordance with such certificates and agreements, required thereby.

(b) In order to enable the I-Bank to satisfy the Tax Requirements, the I-Bank shall direct the Trustee to acquire and sell or otherwise dispose of all Investment Securities in accordance with the “market price rules” contained in Treasury Regulations Section 1.148-6(d) and 1.148-6(c) or any successor or other applicable regulations promulgated by the United States Treasury Department and in a manner that does not cause any Bonds to be federally guaranteed within the meaning of Section 149(b) of the Code. In addition, the Trustee shall maintain accurate books and records setting forth the dates of purchase and sale of any such Investment Securities, the purchase price of such Investment Securities, and the proceeds received with respect to such Investment Securities including any proceeds received upon a sale or other disposition thereof. Such books and records shall also separately record the amount of any brokerage commissions and similar amounts paid in connection with the purchase or sale of any such Investment Securities. Books and records maintained by the Trustee with respect to the applicable tax-exempt Series of Bonds shall be retained by the Trustee until the sixth anniversary of the date on which the last of such Series of Bonds is redeemed or otherwise retired or as otherwise provided in the applicable Supplemental Indenture for such Series of Bonds.

(c) The Authorized Officers, and each of them without the others, are hereby authorized and directed to pay to the United States Treasury Department at such time or times in such amounts as shall be required by the Treasury Department all amounts required under Section 148 of the Code to be rebated, as described in the applicable Tax Certificate for each tax-exempt Series of Bonds. Each such payment shall be, accompanied by Internal Revenue Service Form 8038-T (or any successor or other applicable form).

(d) This Section shall survive the defeasance of the Bonds pursuant to Article XIV hereof.

ARTICLE VII.
SECURITY FOR AND INVESTMENT OF MONEYS; REBATE FUND

Section 7.01 Property Held in Trust. All moneys and securities from time to time received by the Trustee and held in any Fund created under the Indenture pledged as security for the Bonds shall be held in trust by the Trustee for the benefit of the Holders from time to time of the Bonds entitled to be paid therefrom, subject to the provisions of Section 9.06. Moneys held by the Trustee in trust under the Indenture need not be segregated from other funds except to the extent required by law.

Section 7.02 Uninvested Moneys Held by the Trustee. All moneys received by the Trustee hereunder and not invested by the Trustee pursuant to the provisions of this Article VII, to the extent not insured by the Federal Deposit Insurance Corporation or other federal agency, shall be deposited with the Trustee or, if directed by an Authorized Officer of the I-Bank in writing, in the State of New Jersey Cash Management Fund or other similar common trust fund for which the State Treasurer is the custodian.

Section 7.03 Investment of, and Payment of Interest on, Moneys.

(a) Moneys in all Funds and Accounts created pursuant to this Indenture shall be invested upon the direction of an Authorized Officer, which direction shall specify the particular investment to be made, exclusively in Investment Securities, the principal of and interest on which are payable, or which shall be subject to redemption or tender at the option of the Trustee, not later than the dates on which it is estimated that such moneys will be required hereunder. The Investment Securities purchased with the moneys in each Fund and Account hereunder shall be held by or under the control of the Trustee and shall be deemed a part of such Fund or Account. Subject to compliance with the provisions of Article VI, Net Earnings, including any realized increment on securities purchased at a discount, received on all such Investment Securities in any Fund or Account shall be transferred and applied as set forth in paragraph (e) of this Section 7.03. Losses, if any, realized on securities held in any Fund or Account shall be debited to such Fund or Account. Neither the I-Bank, nor the Trustee nor any Depository Bank shall be liable or responsible for any loss resulting from any such investment or resulting from the redemption, sale or maturity of any such investment as herein authorized. If at any time it shall become necessary that some or all of the securities purchased with the moneys in any such Fund, Account or Subaccount be redeemed or sold in order to raise the moneys necessary to comply with the provisions of the Indenture, the Trustee shall effect such redemption or sale, employing in the case of a sale any commercially reasonable method of effecting such sale.

(b) Subject to the foregoing requirements, whenever money in any Fund or Account established hereunder is to be paid in accordance herewith to another such Fund or Account, such payment may be made, upon the direction of an Authorized Officer, in whole or in part, by transferring to such other Fund or Account an amount of Investment Securities held as part of the Fund or Account from which such payment is to be made, provided that the value of such

Investment Securities, determined as provided in Section 7.03(c), together with the money, if any, to be transferred, is at least equal to the amount of the payment then to be made.

(c) In computing the amount in any Fund or Account hereunder for any purpose, Investment Securities shall be valued at the market value thereof as determined by a Qualified Independent Consultant, plus accrued interest to the date of valuation.

(d) Notwithstanding anything to the contrary herein, the Trustee, upon the written direction of an Authorized Officer, shall sell, present for redemption or exchange any investment held pursuant to, and the proceeds thereof may be reinvested as provided in, this Section. Except as otherwise provided herein, such investments shall be sold at the best price obtainable by it, or presented for redemption or exchange, whenever it shall be necessary in order to provide money to meet any payment or transfer from the Fund, Account or Subaccount in which such investment is held. The Trustee shall make available to the I-Bank, on or before the fifteenth (15th) day of each calendar month, the amounts then on deposit in each Fund and Account hereunder, including a statement of the value of the Investment Securities held for the credit of each Fund and Account in its custody under the provisions hereof as of the end of the preceding month. The details of such Investment Securities shall include the par value, if any, the cost and the current market value of such investments as of the end of the preceding month. The Trustee shall also make available to the I-Bank a description of all withdrawals, substitutions and other transactions occurring in each such Fund, Account and Subaccount in the previous month.

(e) **Net Earnings on all Funds and Accounts Subject to Transfer and Credit.** Unless otherwise specified in writing by an Authorized Officer of the I-Bank pursuant to Section 7.06 hereof, all Net Earnings received from the investment of moneys in the Accounts (and in any Subaccounts therein) of any Fund held hereunder, other than the Fee Fund, shall, immediately upon receipt into such Account or Subaccount, and without further instruction or direction by the I-Bank, be paid into the Investment Earnings Fund and thereafter shall be immediately released to the I-Bank. All Net Earnings received from the investment of moneys in the Fee Fund shall be held in such Fund and applied for the purposes thereof.

(f) Any direction to invest moneys given orally under the terms of the Indenture shall be confirmed in a writing signed by an Authorized Officer which shall specify that any investment designated in such direction is of a type permitted by this Section 7.03.

Section 7.04 [Reserved]

Section 7.05 Disposition of Amounts After Payment of Bonds. Any amounts remaining in the Funds created under the Indenture after payment in full of principal and Redemption Price of, and interest on, all the Bonds, or provisions for payment thereof having been made in accordance with the provisions of the Indenture, and payment of all the fees, charges and expenses of the I-Bank, the Trustee, the Paying Agent and any amounts required to be paid to the United States of America in accordance with the provisions of Article VI, shall, except as otherwise provided in Section 14.01(b), belong to and be paid to or at the direction of the I-Bank by the Trustee on demand to the extent the Trustee is so instructed pursuant to an Officer's Certificate.

Section 7.06 Rebate Fund. The I-Bank may, but shall not be required to, withdraw and utilize earnings in any Fund, Account or Subaccount, other than the Interest Account and the Principal Account (and any Subaccounts therein) in the Debt Service Fund, to pay into the Rebate Fund any amounts required pursuant to the Code to be set aside for a rebate payment to the Internal Revenue Service or to satisfy a yield restriction requirement, as identified in the Tax Certificate; provided, however, that to the extent any such moneys and Net Earnings thereon on deposit in the Rebate Fund shall not be required for such purposes at the times so identified, all or a portion of such moneys shall be transferred by the Trustee to the Investment Earnings Fund upon the Trustee's receipt of written instructions from an Authorized Officer of the I-Bank to such effect, and thereafter shall be immediately released to the I-Bank. The Authorized Officer of the I-Bank shall submit to the Trustee a Certificate specifying the Funds, Accounts and/or Subaccounts, and the amount of Net Earnings to be withdrawn therefrom, for the purposes of this Section 7.06, and the Trustee shall be entitled to rely upon each such Certificate in making payments to the I-Bank.

Section 7.07 Liability for Investments. Neither the I-Bank nor the Trustee shall have any liability arising out of or in connection with the making of any investment authorized by the provisions of this Article VII, in the manner provided in this Article VII, for any depreciation in value of any such investment, or for any loss, fee, tax or other charge, direct or indirect, resulting from any such investment, reinvestment or liquidation of an investment.

ARTICLE VIII. REDEMPTION OF BONDS

Section 8.01 Bonds to be Redeemed Only in Manner Provided in Article VIII. Bonds subject to redemption prior to maturity pursuant hereto or pursuant to a Supplemental Indenture shall be redeemable, in accordance with this Article VIII, at such times, at such Redemption Prices and upon such terms as may otherwise be specified herein or in the Supplemental Indenture authorizing such Series.

Bonds of any maturity which are subject to redemption at the option of the I-Bank shall be called by the Trustee for redemption in the manner provided in this Article VIII upon receipt by the Trustee, at least forty-five (45) days prior to the redemption date, or such lesser number of days as the Trustee may approve, of written notice from an Authorized Officer providing for such redemption. Such written direction shall specify the redemption date and the principal amount of Bonds or portions thereof and their maturities so to be called for redemption, the applicable Redemption Price(s) and the provision or provisions of the applicable Supplemental Indenture pursuant to which such Bonds are to be called for redemption. The foregoing provisions of this Section shall not apply in the case of any redemption of Bonds in accordance with any sinking fund provisions of this Master Indenture or the Supplemental Indenture authorizing such Series, and Bonds shall be called by the Trustee for redemption pursuant to such sinking fund provisions without the necessity of any action by the I-Bank.

In the case of an optional redemption, the notice may state: (a) that it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Trustee no later than the redemption date and/or (b) that the I-Bank retains the right to rescind such notice on or prior to the scheduled redemption date (in either case, a “Conditional Redemption”), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described in Section 8.03.

Whenever, by the terms of the applicable Supplemental Indenture, Bonds of a Series are required to be redeemed otherwise than at the option of the I-Bank, the Trustee shall select the Bonds to be redeemed, give the notice of redemption and pay out of the moneys available therefor the Redemption Price and interest accrued and unpaid to the redemption date to the appropriate Paying Agent in accordance with the terms of such Supplemental Indenture.

Upon receipt of a notice of redemption of any Borrower Bonds, the Trustee, after the forty-fifth (45th) day prior to such redemption date but on or before the thirtieth (30th) day prior to such redemption date, shall call for redemption in the manner provided in this Article VIII a like principal amount of Bonds secured by such Borrower Bonds, which Bonds bear the same maturity dates as such Borrower Bonds; provided, however, that the Trustee shall not call any such Bonds for redemption upon receipt, at least forty-five (45) days prior to the redemption date of the Borrower Bonds, of written notice from an Authorized Officer directing the Trustee to not call a like principal amount of the Bonds for redemption.

The moneys necessary for any redemption of Bonds shall be paid to or deposited with the Trustee on or prior to the redemption date. All Bonds called for redemption will cease to bear

interest on the specified redemption date, provided funds sufficient for the redemption of such Bonds in accordance with the Indenture are on deposit with the Trustee. If such moneys are not available on the redemption date, the Bonds or portions thereof will continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

Section 8.02 Selection of Bonds to be Redeemed. Unless otherwise provided in the Supplemental Indenture authorizing the issuance of Bonds of a Series:

(a) If less than all of the Bonds of a Series of like maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected at random by the Trustee in such manner as the Trustee shall determine; provided, however, that the portion of such maturity to be redeemed shall be in the principal amount of the authorized denomination for such Series or an integral multiple thereof, and that, in selecting Bonds for redemption, the Trustee shall treat each Bond as representing that number of Bonds that is obtained by dividing the principal amount of such Bond by the minimum denomination in which Bonds of such Series are authorized to be outstanding after the redemption date.

(b) Notwithstanding the foregoing, in the event of redemption of less than all of an Outstanding Term Bond of like Series, the Trustee shall, at the written direction of an Authorized Officer, redeem, in the authorized denominations for such Series of Bonds, either: (i) a portion of each Sinking Fund Installment of such Term Bond on a Pro Rata Basis - or (ii) all or a portion of one or more Sinking Fund Installments of such Term Bond.

For purposes of this Section 8.02, the lowest denomination in which a Capital Appreciation Bond is authorized to be issued shall be the lowest Accreted Value authorized to be due at maturity on such Bonds, and the lowest denomination in which a Deferred Income Bond is authorized to be issued shall be the lowest Appreciated Value on the Interest Commencement Date authorized for such Bonds.

Section 8.03 Notice of Redemption. In the case of any redemption, the Trustee shall give in the name of the I-Bank notice to the Holders of the Bonds, or portions thereof, so called, which notice shall specify: (i) the Bonds to be redeemed which shall be identified by the designation of the Bonds given in accordance with Section 2.01, the maturity dates and interest rates of the Bonds to be redeemed and the date such Bonds were issued; (ii) the numbers and other distinguishing marks of the Bonds to be redeemed, including CUSIP numbers; (iii) the redemption date; (iv) the Redemption Price; (v) with respect to each such Bond, the principal amount thereof to be redeemed; (vi) that, except in the case of Book Entry Bonds, such Bonds shall be redeemed at the Corporate Trust Office of the Trustee giving the address thereof and the telephone number of the Trustee to which inquiries may be directed; and (vii) that no representation is made as to the correctness of the CUSIP number either as printed on the Bonds or as contained in such notice and that an error in a CUSIP number as printed on a Bond or as contained in such notice shall not affect the validity of the proceedings for redemption. Such notice shall further state that, if on such date all conditions to redemption have been satisfied, there shall become due and payable on such date upon each Bond to be redeemed the Redemption Price thereof, together with interest accrued and unpaid thereon to the redemption date, and that, from and after such date, payment having been made or provided for, interest thereon shall cease to accrue.

Any Conditional Redemption may be rescinded in whole or in part at any time prior to the redemption date upon written notice from the I-Bank to the Trustee instructing the Trustee to rescind the redemption notice. The Trustee shall give prompt notice of such rescission to the affected Bondholders. Any Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and the rescission shall not constitute an Event of Default. Further, in the case of a Conditional Redemption, the failure of the I-Bank to make funds available in part or in whole on or before the redemption date shall not constitute an Event of Default, and the Trustee shall give immediate notice to the Depository or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain Outstanding.

Such notice shall be given by mailing a copy of such notice not less than twenty-five (25) days nor more than forty-five (45) days prior to the redemption date or, in the case of Variable Interest Rate Bonds or Option Bonds, such shorter period as shall be established by the Supplemental Indenture authorizing such Bonds. Such notice shall be sent by first class mail, postage prepaid, to the Holders of the Bonds which are to be redeemed, at their last known addresses, if any, appearing on the registration books not more than ten (10) Business Days prior to the date such notice is given. Upon giving such notice, the Trustee shall promptly certify to the I-Bank that it has mailed or caused to be mailed such notice to the Holders of the Bonds to be redeemed in the manner provided herein. Such certificate shall be conclusive evidence that such notice was given in the manner required hereby. The failure of any Holder of a Bond to be redeemed to receive such notice shall not affect the validity of the proceedings for the redemption of the Bond.

Section 8.04 Rights of Holders of Bonds Called for Redemption Limited to Redemption Price and Accrued Interest. Notice having been given as provided in Section 8.03, the Bonds or portions thereof so called for redemption shall become due and payable on the redemption date so designated at the Redemption Price, plus interest accrued and unpaid to the redemption date, upon presentation and surrender of such Bonds (except in the case of Book Entry Bonds), at the office or offices specified in such notice, and, in the case of Bonds presented by other than the Holder thereof, together with a written instrument of transfer duly executed by the Holder or its duly authorized attorney, such Bonds, or portions thereof, shall be paid at the Redemption Price plus interest accrued and unpaid to the redemption date; provided, however, that payment of the Redemption Price may be paid by wire transfer to such Holder if so authorized in the Supplemental Indenture that authorized the Bonds of the Series to be redeemed. If there shall be drawn for redemption less than all of the principal amount of a registered Bond, the I-Bank shall execute and the Trustee shall authenticate and deliver, upon the surrender of such Bond, without charge to the Holder thereof, for the unredeemed balance of the principal amount of the registered Bond so surrendered, Bonds of like Series and maturity in any of the authorized denominations. If, on the redemption date, money for the redemption of all Bonds or portions thereof of any like Series and maturity to be redeemed, together with interest accrued and unpaid thereon to the redemption date, shall be held by the Trustee so as to be available therefor on such date and if notice of redemption shall have been mailed as aforesaid, then, from and after the redemption date, interest on the Bonds or portions thereof so called for redemption shall cease to accrue and such Bonds shall no longer be considered to be Outstanding hereunder. If such money

shall not be so available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

Section 8.05 Mandatory Tender for Purchase of Bonds in Lieu of Optional Redemption. Whenever any Bonds are subject to redemption at the option of the I-Bank, the I-Bank may, upon written notice to the Trustee and the delivery of an opinion of Bond Counsel that such action will not adversely affect the tax-exempt status of any Outstanding Bonds, elect to call such Bonds for mandatory tender for purchase in lieu of optional redemption at a purchase price equal to the then applicable Redemption Price of such Bonds. The I-Bank shall give written notice to the Trustee of its election pursuant to this Section 8.05 not less than two (2) Business Days prior to the date on which the Trustee is required to give notice of such mandatory tender for purchase to the Bondholders (or such shorter period as shall be acceptable to the Trustee). The provisions of this Master Indenture or any Supplemental Indenture applicable to the redemption of Bonds at the option of the I-Bank shall also apply to a mandatory tender for purchase of such Bonds in lieu of optional redemption at the I-Bank's election pursuant to this Section 8.05.

ARTICLE IX. PARTICULAR COVENANTS

Section 9.01 Payment of Bonds. The I-Bank shall pay or cause to be paid the principal or Redemption Price of and interest on every Bond of each Series on the date, at the place and in the manner provided herein, in the Applicable Supplemental Indenture and in such Bonds, according to the true intent and meaning thereof; provided, however, that the Bonds of each Series are special obligations of the I-Bank, the principal or Redemption Price of and interest on which are payable by the I-Bank solely from the Trust Estate.

The Bonds of each Series shall not be payable from the general funds of the I-Bank and shall not constitute a legal or equitable pledge of, or lien or encumbrance upon, any of the assets or property of the I-Bank or upon any of its income, receipts or revenues, except as provided in this Indenture. The full faith and credit of the I-Bank are not pledged, either expressly or by implication, to the payment of the Bonds. The I-Bank has no taxing power and has no claim on any revenues or receipts of the State of New Jersey or any agency or political subdivision thereof or any Borrower except as expressly provided in a Borrower's Loan Agreement.

Section 9.02 Observance and Performance of Duties, Covenants, Obligations and Agreements; Representations as to Authorization and Validity of Bonds. The I-Bank shall faithfully observe and perform at all times all of its duties, covenants, obligations and agreements contained in the Loan Agreements or in any Bond executed, authenticated and delivered pursuant to this Master Indenture and any Supplemental Indenture or in any proceedings of the I-Bank pertaining thereto.

The I-Bank represents and covenants that: (i) it is duly authorized under the Constitution and laws of the State of New Jersey, including, without limitation, the Act, to issue the Bonds of each Series, to enter into each of the Loan Agreements, and to pledge the Trust Estate in the manner and to the extent set forth in this Indenture and as shall be set forth in any Supplemental Indenture; (ii) all action on its part for the issuance of the Bonds of each Series will be duly and effectively taken; and (iii) the Bonds of each Series held by the Holders thereof will be valid and binding special obligations of the I-Bank enforceable according to their terms.

Section 9.03 Liens, Encumbrances and Charges. The I-Bank shall not create or cause to be created and shall not suffer to exist, any lien, encumbrance or charge upon the Trust Estate except the pledge, lien and charge created for the security of Holders of the Bonds. As and to the extent Revenues are received, the I-Bank will cause to be discharged, or will make adequate provision to satisfy and discharge, within sixty (60) days after the same shall accrue, all lawful claims and demands that if unpaid might by law become a lien upon the Trust Estate; and in furtherance of the provisions hereof, the I-Bank may exercise applicable remedies and rights of indemnification provided to it pursuant to the terms of the Applicable Loan Agreement with respect to costs incurred thereby to pay or cause to be discharged, or make provision for, any such lien, encumbrance or charge, as well as the costs of all appropriate legal proceedings; provided, however, that nothing contained in this Section shall require the I-Bank to pay or cause to be discharged, or make provision for, any such lien, encumbrance or charge so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings.

Section 9.04 Accounts and Audits. The I-Bank shall keep, or cause to be kept, proper books of records and accounts (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Loans, this Indenture and any Supplemental Indenture, which books and accounts (at reasonable hours and subject to the reasonable rules and regulations of the I-Bank) shall be subject to the inspection of the Trustee and any Holder of any Bonds or their agents or representatives duly authorized in writing. The I-Bank shall cause such books and accounts to be audited annually by an independent certified public accountant selected by the I-Bank. Annually, not later than 225 days following the conclusion of its Fiscal Year or, if not available as of such date, as soon thereafter as possible, a signed copy of such report shall be furnished by the I-Bank to the Trustee or otherwise be made available. Such report shall include at least: (i) a statement of all funds and accounts (including investments thereof) held by the Trustee pursuant to the provisions of this Indenture; and (ii) a statement of the Revenues and Administrative Fees collected in connection with this Indenture. The Trustee has no obligation to review the contents of such report, shall not be deemed to have knowledge of its contents, and shall receive and hold such report solely for the convenience of the Holders.

Section 9.05 Further Assurances. The I-Bank will pass, make, do, execute, acknowledge and deliver any and all such further resolutions, indentures, actions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of the Indenture and for the better assuring and confirming unto the Holders of Bonds the rights and benefits provided in this Indenture, including exercising its State aid intercept powers pursuant to the Act.

Section 9.06 No Extension of Time of Payment of Bonds. The I-Bank shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or claims for interest by the purchase or funding of such Bonds or claims for interest or by any other arrangement and, in case the maturity of any of such Bonds or the time for payment of any such claims for interest shall be extended, such Bonds, or claims for interest shall not be entitled, in case of any default hereunder, to the benefit hereof or of any Supplemental Indenture or to any payment out of any assets of the I-Bank or the funds (except funds held in trust for the payment of particular Bonds or claims for interest pursuant hereto and to any Supplemental Indenture) held by the Trustee, except subject to the prior payment of the principal of all Outstanding Bonds the maturity of which has not been extended and of such portion of the interest on such Bonds as shall not be represented by such extended claims for interest. Nothing herein shall be deemed to limit the right of the I-Bank to issue Option Bonds or Refunding Bonds and such issuance shall not be deemed to constitute an extension of the maturity of the Bonds.

Section 9.07 Inspection of Bond Register. At reasonable times and under reasonable regulations that shall have been established by the Trustee, the Bond Register may be inspected and copied by the I-Bank or by the Holders (or a designated representative thereof) of ten percent (10%) or more in principal amount of Bonds then Outstanding such ownership and the authority of any such designated representative to be evidenced to the satisfaction of the Trustee.

Section 9.08 Enforcement of Loan Agreements. The I-Bank shall diligently enforce, and take all reasonable steps, actions and proceedings necessary for the enforcement of all terms, covenants and conditions of the Loan Agreements pledged to the Trustee pursuant to a

Supplemental Indenture. The I-Bank shall file a duly executed counterpart of such Loan Agreement with the Trustee, and reference is hereby made to the same for a detailed statement of the covenants and obligations of each Borrower and the rights of the I-Bank thereunder. The I-Bank agrees that the Trustee may enforce all rights of the I-Bank and all obligations of each Borrower under such Loan Agreement.

ARTICLE X. DEFAULTS AND REMEDIES

Section 10.01 Events of Default. If any one or more of the following events shall occur and be continuing, it is hereby defined as and declared to constitute an “Event of Default”:

- (a) default in the due and punctual payment of any interest on any Bond; or
- (b) default in the due and punctual payment of the principal or Redemption Price of any Bond whether at the stated maturity thereof or on any date fixed for the redemption of such Bond; or
- (c) failure on the part of the I-Bank duly to observe or perform any other of the covenants or agreements on the part of the I-Bank contained in the Indenture or in any Bond for a period of thirty (30) days after the date on which written notice of such failure, requiring the I-Bank to remedy the same, shall have been given to the I-Bank by the Trustee; provided that, if such failure cannot be corrected within such thirty (30) day period, it shall not constitute an Event of Default if corrective action is instituted by the I-Bank within such period and is diligently pursued until the failure is corrected.

Section 10.02 Remedies. Upon the occurrence and continuance of any Event of Default, then, subject to the provisions of any Supplemental Indenture, and in every such case, the Trustee in its discretion may, and upon the written request of the Holders of not less than twenty-five percent (25%) in aggregate principal amount of the Senior Bonds in default then Outstanding, or if no Senior Bonds are then Outstanding, then not less than twenty-five percent (25%) in aggregate principal amount of the Subordinated Bonds in default then Outstanding, shall:

- (a) by suit, action or special proceeding, enforce all rights of the Bondholders and require the I-Bank or each Borrower to perform its or their duties under the Act, the Indenture, the Bonds and the Loan Agreements pledged to the Trustee pursuant to this Master Indenture or a Supplemental Indenture;
- (b) bring suit upon the Bonds and any Borrower Bonds securing such Bonds which may be in default;
- (c) by action or suit in equity, require the I-Bank to account as if it were the trustee of an express trust for the Bondholders; or
- (d) by action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders.

Section 10.03 No Acceleration of Maturity. The Bonds are not subject to acceleration upon an Event of Default hereunder.

Section 10.04 Effect of discontinuance or abandonment of proceedings. In case the Trustee shall have proceeded to enforce any right under the Indenture and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee, then and in every such case the I-Bank, the Trustee, each Provider and the Bondholders shall be restored respectively to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceedings had been taken.

Section 10.05 Power of Bondholders to direct proceedings. Anything in the Indenture to the contrary notwithstanding, the Holders of a majority in aggregate principal amount of the Senior Bonds in default then Outstanding, or if no Senior Bonds are then Outstanding, then a majority in aggregate principal amount of the Subordinated Bonds in default then Outstanding, shall have the right, by an instrument in writing executed and delivered to the Trustee, at any time during the continuance of an Event of Default of such Bonds, to direct the time, method and place of conducting all remedial proceedings to be taken by the Trustee hereunder, subject, however, to the provisions of Section 11.04, and provided, however, such direction shall not be in conflict with any provisions of law or of the Indenture. The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of a majority in aggregate principal amount of the Senior Bonds in default then Outstanding, or if no Senior Bonds are then Outstanding, then a majority in aggregate principal amount of the Subordinated Bonds in default then Outstanding.

Section 10.06 Limitation on actions by Bondholders. No Holder of Bonds in default then Outstanding shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of this Indenture or for the execution of any trust hereof or for the appointment of a receiver or any other remedy hereunder, unless (a) an Event of Default shall have occurred, (b) the Holders of a majority in aggregate principal amount of the Senior Bonds in default then Outstanding, or if no Senior Bonds are then Outstanding, then not less than a majority in aggregate principal amount of the Subordinated Bonds in default then Outstanding, shall have made written request to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the remedies hereinbefore granted or to institute such action, suit or proceeding in its own name, (c) the applicable Holders identified in (b) of this paragraph of this section shall have offered to the Trustee reasonable indemnity satisfactory to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request, and (d) the Trustee shall have refused, or for sixty (60) days after receipt of such request and offer of indemnification, shall have failed to exercise the remedies hereinbefore granted, or to institute such action, suit or proceeding in its own name, and such request and offer of indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder. It is understood and intended that no one or more Holders of the Bonds hereby secured shall have any right in any manner whatever by its or their action to affect, disturb or prejudice the security of the Indenture, or to enforce any right hereunder or under the Bonds, except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Holders of Outstanding Senior Bonds, in accordance with their rights hereunder, and all the Holders of Outstanding Subordinated Bonds in accordance with their rights hereunder,

subject, however, to the provisions of Section 9.06. Nothing in the Indenture or in the Bonds contained shall affect or impair the right of action, which is also absolute and unconditional, of any Holder of any Bond to enforce payment of the principal and Redemption Price of, and interest on, its Bond at the respective dates of maturity of each of the foregoing and at the places therein expressed.

Section 10.07 Trustee's right to enforce rights in respect of Bonds in own name and without possession of Bonds. All rights of action under the Indenture or under any of the Bonds which are enforceable by the Trustee may be enforced by it without the possession of any of the Bonds to which such rights relate, or the production thereof on the trial or other proceedings relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name, as Trustee, for the equal and ratable benefit of the Holders of the Bonds to which such suit, action or proceeding relates, subject to the provisions of the Indenture.

Section 10.08 No remedy herein conferred upon or reserved exclusive. In accordance with the Act, no remedy herein conferred upon or reserved to the Trustee or to the Holders of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Act or existing at law or in equity or by statute on or after the date of this Master Indenture.

Section 10.09 No delay or omission to be deemed waiver of default. No delay or omission of the Trustee or of any Holder of the Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given by this Article X to the Trustee and to the Holders of the Bonds, respectively, may be exercised from time to time as often as may be deemed expedient.

The Trustee may, and upon written request of the Holders of a majority in aggregate principal amount of the Senior Bonds then Outstanding, or if no Senior Bonds are then Outstanding, then a majority in aggregate principal amount of the Subordinated Bonds then Outstanding, shall waive any default which in its opinion shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions hereof or before the completion of the enforcement of any other remedy hereunder; provided, however, that no such waiver shall extend to or affect any other existing or any subsequent default or defaults or impair any rights or remedies consequent thereon.

Section 10.10 Application of moneys received by Trustee pursuant to Article X. Any moneys received by the Trustee or by any receiver pursuant to this Article X, shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of any fees, charges, expenses and reimbursements owed to the Trustee, any Paying Agent or their agents in connection with services rendered under the Indenture, be applied, together with any other moneys held by the Trustee under the Indenture, in the following order of priority:

(i) To the payment to the Persons entitled thereto of all installments of interest on the Senior Bonds, and all installments of interest on any Parity Repayment Obligations or any Parity

Reimbursement Obligations related to such Senior Bonds which shall become due, and, if the amount available shall not be sufficient to pay in full any particular installment or installments, then to the payment ratably, according to the amounts due on such installment or installments, to the Persons entitled thereto, without any discrimination or preference; and

(ii) To the payment to the Persons entitled thereto of any principal or Redemption Price of any of the Senior Bonds, and any principal or other amount of any Parity Repayment Obligations or any Parity Reimbursement Obligations related to such Senior Bonds, which shall become due (other than Senior Bonds called for redemption or purchase for the payment of which moneys are held pursuant to the provisions of the Indenture) in the order of their due dates, with interest at the rate borne by such Senior Bonds, such Parity Repayment Obligations or such Parity Reimbursement Obligations, as applicable, from the respective dates, upon which they become due and, if the amount available shall not be sufficient to pay such amounts in full, then to the payment ratably, according to the amount of principal due on such date, to the Persons entitled thereto without any discrimination or preference.

(iii) To the payment to the Persons entitled thereto of all installments of interest on the Subordinated Bonds, all installments of interest on any Subordinated Reimbursement Obligations related to such Subordinated Bonds which shall become due, and, if the amount available shall not be sufficient to pay in full any particular installment or installments, then to the payment ratably, according to the amounts due on such installment or installments, to the Persons entitled thereto, without any discrimination or preference;

(iv) To the payment to the Persons entitled thereto of any principal or Redemption Price of any of the Subordinated Bonds, and any principal or other amount of any Subordinated Reimbursement Obligations related to such Subordinated Bonds, which shall become due (other than Subordinated Bonds called for redemption or purchase for the payment of which moneys are held pursuant to the provisions of the Indenture) in the order of their due dates, with interest at the rate borne by such Subordinated Bonds or such Subordinated Reimbursement Obligations, as applicable, from the respective dates, upon which they become due and, if the amount available shall not be sufficient to pay such amounts in full, then to the payment ratably, according to the amount of principal due on such date, to the Persons entitled thereto without any discrimination or preference;

(v) To the I-Bank to the extent of any amounts owed to it under the Loan Agreements pledged to the Trustee pursuant to this Master Indenture or a Supplemental Indenture, which amounts shall be set forth in an Officer's Certificate; and

(vi) The balance released to the I-Bank, free and clear of the lien of the Indenture, to be applied for any lawful purpose of the I-Bank.

Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply

such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date any interest on the amounts of principal to be paid on such dates shall cease to accrue. The Trustee shall give notice to the I-Bank and all Holders, in the manner required by Section 15.06 of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Holder of any Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 10.11 Notice of Certain Defaults; Opportunity of I-Bank to Cure Defaults.

Anything herein to the contrary notwithstanding, no Default under Section 10.01(c) hereof shall constitute an Event of Default until actual notice of such Default shall be given to the I-Bank by registered or certified mail by the Trustee or by the Holders of a majority in aggregate principal amount of all Senior Bonds in default then Outstanding, or if no Senior Bonds are then Outstanding, then not less than a majority in aggregate principal amount of the Subordinated Bonds in default then Outstanding, and the I-Bank shall not have corrected the Default or caused the Default to be corrected within thirty (30) days following the giving of such notice; provided, however, that if the Default be such that it is correctable but cannot be corrected within the applicable period, it shall not constitute an Event of Default if corrective action is instituted by the I-Bank within the applicable period and diligently pursued until the Default is corrected.

The I-Bank hereby grants to the Trustee full authority for the account of the I-Bank to observe or perform any duty, covenant, obligation or agreement alleged in any alleged Default concerning which notice is given to the I-Bank under the provisions of this Section in the name and stead of the I-Bank with full power to do any and all things and acts to the same extent that the I-Bank could do and perform any such things and acts and with power of substitution.

ARTICLE XI. CONCERNING THE FIDUCIARIES

Section 11.01 Appointment of Trustee. The I-Bank hereby appoints Zions Bancorporation, National Association d/b/a Zions Bank as Trustee and, by its execution and delivery of this Master Indenture, Zions Bancorporation, National Association d/b/a Zions Bank signifies its acceptance of the Trust Estate and of the duties and obligations of the Trustee created by this Master Indenture. Subject to the provisions of Section 11.15, the Trustee undertakes to perform such duties as are specifically set forth in this Master Indenture and no implied covenants or obligations shall be read into this Master Indenture or the Loan Agreements against the Trustee. The permissive right of the Trustee to take the actions permitted by this Master Indenture shall not be construed as an obligation or duty to do so. The Trustee shall not be required to give any bond or surety with respect to the performance of its duties or the exercise of its powers under this Master Indenture.

Provided that no Event of Default exists hereunder, and pursuant to Section 11.09 hereof, the I-Bank shall have the right, but not the obligation, to appoint a replacement Trustee every five (5) years, commencing on the fifth anniversary date of the execution and delivery of this Master Indenture, or at such other time as the I-Bank, in its sole discretion, shall determine. Such Trustee shall be appointed pursuant to Sections 11.10 and 11.11 hereof and, in accepting its role as Trustee, shall adhere to the provisions of Section 11.13 hereof.

Section 11.02 Responsibility of Fiduciaries.

(a) The recitals of fact contained herein and in the Bonds shall be taken as the statements of the I-Bank and no Fiduciary assumes any responsibility for the correctness of the same. No Fiduciary makes any representation as to the validity or sufficiency of this Indenture or of any Bonds issued thereunder or as to the security afforded by this Indenture, and no Fiduciary shall incur any liability in respect thereof. The Trustee shall, however, be responsible for its representation contained in its authentication certificate on the Bonds. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys paid to the I-Bank or to any other Fiduciary. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect thereof, or to advance any of its own moneys, unless properly indemnified to its satisfaction by the Holders of the Outstanding Bonds. Subject to the provisions of paragraph (b) of this Section 11.02, no Fiduciary shall be liable in connection with the observance and performance of its duties and obligations hereunder except for its own negligence, gross negligence or misconduct.

(b) The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and obligations and only such duties and obligations as are specifically set forth in this Indenture. In case an Event of Default has occurred (which has not been cured) the Trustee shall exercise such of the rights and powers invested in it by this Indenture and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of their own affairs. Any provision of this Indenture relating to action taken or to be taken by the Trustee or to evidence upon which the Trustee may rely shall be subject to the provisions of this Section 11.02.

Section 11.03 Evidence Upon Which Fiduciaries May Act.

(a) Each Fiduciary, upon receipt of any notice, Supplemental Indenture, request, consent, order, certificate, report, opinion, bond or other paper or document furnished to it pursuant to any provision of this Indenture, shall examine such instrument to determine whether it conforms to the requirements of this Indenture and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. Each Fiduciary may consult with Counsel, who may or may not be counsel to the I-Bank, and the opinion of such Counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it pursuant to this Indenture in good faith and in accordance therewith.

(b) Whenever any Fiduciary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action pursuant to this Indenture, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a Certificate of an Authorized Officer of the I-Bank, and such Certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Indenture upon the faith thereof; but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may seem reasonable.

(c) Except as otherwise expressly provided in this Indenture, any request, order, notice, or other direction required or permitted to be furnished pursuant to any provision thereof by the I-Bank to any Fiduciary shall be sufficiently executed in the name of the I-Bank by an Authorized Officer of the I-Bank.

Section 11.04 No Duty to Take Enforcement Action Unless so Requested. Unless and until an Event of Default shall have occurred, the Trustee shall be under no obligation to take any action in respect of any default or otherwise, or toward the execution or enforcement of any of the trusts hereby created, or to institute, appear in or defend any suit or other proceeding in connection therewith, unless requested in writing to do so by Holders of not less than a majority in aggregate principal amount of the Senior Bonds then Outstanding, or if no Senior Bonds are then Outstanding, then not less than a majority in aggregate principal amount of the Subordinated Bonds then Outstanding, and if in its opinion such action may involve it in expense or liability, unless furnished, from time to time as often as it may require, with security and indemnity satisfactory to it; but the foregoing provisions are intended only for the protection of the Trustee, and shall not affect any discretion or power given by any provisions of the Indenture to the Trustee to take action in respect of any default without such notice or request from the Bondholders, or without such security or indemnity. The Trustee shall not be required to take any action at the request or direction of a Provider made or given pursuant to Article X unless and until such Provider shall have indemnified and saved the Trustee harmless against any liabilities and all reasonable expenses, charges, counsel fees and expenses and other disbursements, including those of the Trustee's attorneys, agents and employees, incurred in connection with or as a result of taking the action requested or directed by the Provider to be taken.

Section 11.05 Right to Rely.

(a) Each Fiduciary, upon receipt of any notice, Supplemental Indenture, request, consent, order, certificate, report, opinion, bond or other paper or document furnished to it pursuant to any provision of this Indenture, shall examine such instrument to determine whether it conforms to the requirements of this Indenture and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. Each Fiduciary may consult with Counsel, who may or may not be counsel to the I-Bank, and the opinion of such Counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it pursuant to this Indenture in good faith and in accordance therewith.

(b) Whenever any Fiduciary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action pursuant to this Indenture, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a Certificate of an Authorized Officer of the I-Bank, and such Certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Indenture upon the faith thereof; but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may seem reasonable.

(c) Except as otherwise expressly provided in this Indenture, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision thereof by the I-Bank to any Fiduciary shall be sufficiently executed in the name of the I-Bank by an Authorized Officer of the I-Bank.

Section 11.06 Certain Permitted Acts. Any Fiduciary may become the Holder of any Bonds, with the same rights it would have if it were not a Fiduciary. To the extent permitted by law, any Fiduciary may act as depositary for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Indenture, whether or not any such committee shall represent the Holders of a majority in principal amount of the Bonds then Outstanding.

Section 11.07 [Reserved]

Section 11.08 Right to Resign Trust. The Trustee, or any successor thereof, may at any time resign and be discharged of its duties and obligations hereunder and under each Supplemental Indenture by giving not less than one hundred and twenty (120) days written notice to the I-Bank and each Provider. Written notice of such resignation shall be given by the Trustee to the Registered Holders of the Bonds within ten (10) days after notice is given to the I-Bank. Such notice shall be sent by first class mail, postage prepaid, to the Registered Holders of the Bonds, at their last known addresses, if any, appearing on the registration books. Such resignation shall take effect upon the date specified in such notice; provided, however, that such resignation shall not take effect until a successor Trustee has been appointed and has accepted such appointment pursuant to Section 11.10.

Section 11.09 Removal of Trustee. The Trustee, or any successor thereof, may be removed at any time by the Holders of a majority in aggregate principal amount of the Senior Bonds then Outstanding, or if no Senior Bonds are then Outstanding, of Subordinated Bonds then Outstanding, excluding any Bonds held by or for the account of the I-Bank, by an instrument or concurrent instruments in writing signed and acknowledged by such Bondholders or by their attorneys-in-fact duly authorized and delivered to the I-Bank. The Trustee, or any successor thereof, may also be removed at any time for cause or any breach of trust or for acting or proceeding in violation of, or failing to act or proceed in accordance with, any provisions hereof or of any Supplemental Indenture with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon application by the Holders of not less than twenty-five percent (25%) in aggregate principal amount of the Senior Bonds then Outstanding, or if no Senior Bonds are then Outstanding, then not less than twenty-five percent (25%) in aggregate principal amount of the Subordinated Bonds then Outstanding. The Trustee may also be removed by a resolution of the I-Bank at any time, with or without cause, so long as no Event of Default, or an event which, with notice or passage of time, or both, would become an Event of Default, shall have occurred, and be continuing. No removal hereunder shall take effect until a successor Trustee has been appointed and has accepted such appointment pursuant to Section 11.10. A copy of each resolution providing for the removal of the Trustee, or any successor thereof, shall be delivered by the I-Bank to the predecessor Trustee and each Provider.

Section 11.10 Successor Trustee. In case the Trustee, or any successor thereof, shall resign or shall be removed or replaced by the I-Bank or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs, the I-Bank shall forthwith appoint a successor Trustee to act as Trustee. Copies of any resolution of the I-Bank providing for any such appointment shall be delivered by the I-Bank to the successor Trustee so appointed and the predecessor Trustee. The I-Bank shall give notice of any such appointment to each Holder of a Bond not later than thirty (30) days after such appointment, or such earlier time as required by a continuing disclosure agreement entered into in connection with the issuance of Bonds, by posting such notice on the MSRB EMMA portal.

Section 11.11 Qualifications of Successor or Replacement Trustee. Every successor or replacement Trustee hereunder appointed pursuant to the foregoing provision shall be a bank or trust company with trust powers, organized and doing business under the laws of the United States or any state or territory thereof which has a combined capital and surplus of at least \$75,000,000, in good standing, qualified to do business in the State of New Jersey (to the extent such requirement is applicable to such Trustee), and willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Indenture.

Section 11.12 Court Appointment of Successor Trustee. In case at any time the Trustee shall resign and no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Article XI within forty-five (45) days of the giving of written notice of resignation in accordance with Section 11.08 or after the occurrence of any other event requiring or authorizing such appointment, each Borrower, the Holder of any Senior Bond, or if no Senior Bonds are then Outstanding, the Holder of any Subordinated Bond, or the retiring Trustee may apply, at the expense of the I-Bank, to any court of competent jurisdiction for the appointment of

a successor Trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor Trustee.

Section 11.13 Acceptance of Appointment by, and Transfer of Trust Estate to, Successor or Replacement Trustee. Any successor or replacement Trustee appointed under the provisions of this Article XI shall execute, acknowledge and deliver to its predecessor, and also to the I-Bank, an instrument accepting such appointment, and thereupon such successor, without any further act, deed or conveyance shall become fully vested with all money, estates, properties, rights, powers, duties and obligations of its predecessor hereunder and under each Supplemental Indenture, with like effect as if originally appointed as Trustee. However, the Trustee then ceasing to act shall nevertheless, on request by the I-Bank or of such successor, and upon payment of all amounts owed to it hereunder, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the right, title and interest of such Trustee in and to any property held by it hereunder, and shall pay over, assign and deliver to such successor any moneys or other properties subject to the trusts and conditions set forth herein.

Should any deed, conveyance or instrument in writing from the I-Bank be required by such successor for more fully and certainly vesting in and confirming to it any such money, estates, properties, rights, powers, duties or obligations, any and all such deeds, conveyances and instruments in writing shall, upon request, and so far as may be authorized by law, be executed, acknowledged and delivered by the I-Bank.

Section 11.14 Successor Trustee by Merger or Consolidation. Any corporation into which any Trustee hereunder may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which any Trustee hereunder shall be a party, or any corporation to which any Trustee hereunder may transfer substantially all of its corporate trust business, shall be the successor under the Indenture, without the execution or filing of any paper or any further act on the part of the parties to the Indenture anything herein to the contrary notwithstanding.

Section 11.15 Exercise of Rights and Powers during Event of Default. Notwithstanding any other provisions of this Article XI, the Trustee shall, during the existence of an Event of Default actually known to the Trustee, exercise such of the rights and powers vested in it by this Master Indenture and use the same degree of skill and care in their exercise as a prudent person would use and exercise under the circumstances in the conduct of its own affairs.

Section 11.16 [Reserved]

Section 11.17 Paying Agents. The I-Bank hereby appoints Zions Bancorporation, National Association d/b/a Zions Bank as the initial Paying Agent and, by its execution and delivery of this Master Indenture as Trustee, Zions Bancorporation, National Association d/b/a Zions Bank signifies its acceptance of the duties and obligations of the Paying Agent created by this Master Indenture. The I-Bank may at any time or from time to time appoint one or more additional or successor Paying Agents in the manner and subject to the conditions set forth in this Section 11.17. Each additional or successor Paying Agent shall signify its acceptance of the duties

and obligations imposed upon it by this Master Indenture by written instrument of acceptance deposited with the I-Bank and the Trustee.

Each Paying Agent shall be a bank or trust company duly organized under the laws of the United States of America or any state or territory thereof, having a capital stock and surplus aggregating at least \$75,000,000, and willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Master Indenture.

Any Paying Agent may at any time resign and be discharged of the duties and obligations created by this Master Indenture by giving at least sixty (60) days' prior written notice to the I-Bank and the Trustee. Any Paying Agent may be removed at any time by a resolution of the I-Bank filed with such Paying Agent and the Trustee and signed by an Authorized Officer of the I-Bank.

Provided that no Event of Default exists hereunder, and pursuant to this Section 11.17 hereof, the I-Bank shall have the right, but not the obligation, to appoint a replacement Paying Agent every five (5) years, commencing on the fifth anniversary date of the execution and delivery of this Master Indenture, or at such other time as the I-Bank, in its sole discretion, shall determine.

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

Section 11.18 Exclusion of Bonds. Bonds owned or held by or for the account of the I-Bank shall not be deemed Outstanding for the purpose of Bondholder Action and the I-Bank shall not be entitled to take Bondholder Action with respect to such Bonds. At the time of any Bondholder Action taken hereunder, the I-Bank shall furnish to the Trustee a Certificate of an Authorized Officer of the I-Bank, upon which the Trustee may rely, describing all Bonds so to be excluded. Bonds owned or held by or for the account of the I-Bank shall be deemed Outstanding for all other purposes of the Indenture.

Section 11.19 Payments Received by the Trustee. The Trustee shall notify the I-Bank (i) promptly upon receipt, of all amounts received by the Trustee directly from any Borrower with respect to Borrower Loan Repayments and (ii) within one (1) Business Day of the failure of a Borrower to make any Borrower Loan Repayment on time and in full.

Section 11.20 Assignment of Loan Agreements or Borrower Bonds. Except during the continuance of a default under a Loan Agreement or an Event of Default under this Master Indenture, the Trustee shall not sell, assign, transfer, convey or otherwise dispose of its interest, if any, in any such Loan Agreement or in any Borrower Bonds during the term of the applicable Loan Agreement without the express written consent of the I-Bank and the Defaulting Borrower.

Section 11.21 Inconsistent or Conflicting Requests from Bondholders. In the event the Trustee receives inconsistent or conflicting requests to take action and indemnity from two or more groups of Holders, each representing less than a majority in aggregate principal amount of the

Bonds Outstanding, the Trustee, in its sole discretion, may determine what action, if any, shall be taken.

Section 11.22 Compensation; Reimbursement. The I-Bank shall pay each Fiduciary from time to time reasonable compensation for all services rendered pursuant to this Indenture, including in that limitation the services rendered pursuant to Section 14.01, and also all reasonable expenses incurred in and about the performance of their powers and duties pursuant to this Indenture, and each Fiduciary shall have a lien therefor on any and all funds and accounts at any time held by it pursuant to this Indenture, other than the Project Fund, the Rebate Fund and the C-I Receiving Account within the Cross Investment Fund. Subject to the provisions of this Section 11.22, the I-Bank further agrees to reimburse each Fiduciary to the extent permitted by law for any losses, liabilities and expenses (including reasonable legal fees) which it may incur in the exercise and performance of its powers, duties and obligations hereunder, other than losses, liabilities and expenses (including reasonable legal fees) attributable to the negligence, gross negligence, bad faith, breach of contract or misconduct of the Fiduciary, arising out of or as a result of the Fiduciary performing its obligations pursuant to the Indenture or undertaking any transaction contemplated by the Indenture; provided, however, that the foregoing is subject to the limitations of the provisions of the New Jersey Tort Claims Act, N.J.S.A. 59:2-1 et seq. and the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq.

While the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq., is not applicable by its terms to claims arising under contracts with the I-Bank, each Fiduciary agrees that such statute (except N.J.S.A. 59:13-9) shall be applicable to all claims against the I-Bank arising under this Section 11.22.

Each Fiduciary agrees as follows:

1. The Fiduciary shall give the I-Bank prompt notice in writing of any actual or potential claim described above and the institution of any suit or action;
2. The Fiduciary shall not adjust, settle or compromise any such claim, suit or action without the approval of I-Bank; and
3. The Fiduciary shall permit the I-Bank, if the I-Bank so chooses, to assume full control of the adjustment, settlement, compromise or defense of each such claim, suit or action.

The reimbursement obligations provided in this Section 11.22 do not apply or extend to any indemnification given by a Fiduciary to any other person.

ARTICLE XII.
EXECUTION OF INSTRUMENTS BY BONDHOLDERS AND PROOF OF
OWNERSHIP OF BONDS

Section 12.01 Execution of Instruments; Proof of Ownership of Bonds. Any request, consent or other instrument which the Indenture may require or permit to be signed and executed by a Holder or Holders of Bonds may be in one or more instruments of similar tenor, and shall be signed or executed by such Holder or Holders of Bonds in person or by its or their attorneys duly appointed in writing. Proof of the execution of any such instrument, or of an instrument appointing any such attorney, or the holding or owning by any person of such Bonds, shall be sufficient for any purpose hereof (except as otherwise herein expressly provided) if made in the manner set forth below:

(a) The fact and date of the execution by any Bondholder or its attorney of such instrument may be proved by the certificate, which need not be acknowledged or verified, of any officer of a bank or trust company satisfactory to the Trustee or of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which such notary public or other officer purports to act, that the person signing such request or other instrument acknowledged to such notary public or other officer the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. The corporation or the person or persons executing any such instrument on behalf of a corporate Bondholder may be established without further proof if such instrument is signed by a person purporting to be the president or a vice president of such corporation with a corporate seal affixed and attested by a person purporting to be its secretary or an assistant secretary.

(b) The ownership of Bonds shall be proved by the Bond Register.

Nothing contained in this Article XII shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which to it may seem sufficient. Any request or consent of the Holder of any Bond shall bind every future Holder of the same Bond, or any Bond issued in exchange or substitution therefor or on registration of transfer thereof, in respect of anything done by the Trustee in accordance therewith.

ARTICLE XIII. INDENTURES SUPPLEMENTAL HERETO

Section 13.01 Supplemental Indentures Effective upon Filing with the Trustee. For any one or more of the following purposes, and at any time or from time to time, the I-Bank may, without the consent of the Trustee or Bondholders, execute and deliver a Supplemental Indenture modifying, amending, and supplementing this Indenture which (i) upon the filing with the Trustee of a copy thereof certified by an Authorized Officer and (ii) the delivery of the opinion of Bond Counsel required pursuant to Section 13.06, shall be fully effective in accordance with its terms:

(i) to close this Master Indenture against, or provide limitations and restrictions in addition to the limitations and restrictions contained in this Master Indenture on, the authentication and delivery of Bonds or the issuance of other evidences of indebtedness;

(ii) to add to the duties, covenants and agreements of the I-Bank in this Master Indenture other duties, covenants and agreements to be observed by the I-Bank which are not contrary to or inconsistent with this Master Indenture as theretofore in effect;

(iii) to add to the limitations and restrictions in this Master Indenture other limitations and restrictions to be observed by the I-Bank which are not contrary to or inconsistent with this Master Indenture as theretofore in effect;

(iv) to surrender any right, power or privilege reserved to or conferred upon the I-Bank by the terms of this Master Indenture, but only if the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the I-Bank contained in this Master Indenture;

(v) to authorize Bonds of a Series pursuant to the provisions hereof, including, without limitation, any modifications or amendments to grant to or otherwise secure for the Holders of such Bonds a parity interest in the security granted to the Holders of any then Outstanding Senior Bonds or Subordinated Bonds, as applicable, in accordance with Section 2.03 or Section 2.04 hereof, and to prescribe the terms and conditions pursuant to which such Series of Bonds may be issued, paid or redeemed;

(vi) to subject to the provisions of this Master Indenture additional revenues, properties or collateral or to confirm, as further assurance, any pledge under and the subjection to any lien or pledge created or to be created by, this Master Indenture of any moneys, securities or funds;

(vii) to establish one or more additional Funds, Accounts or Subaccounts, including, without limitation, (A) the establishment of Funds, Accounts or Subaccounts relating to one or more Additional Programs, and any modifications to the flow of funds to the existing Funds, Accounts and Subaccounts hereunder, as the I-Bank determines to be necessary or convenient in connection therewith; (B) the establishment of such Funds, Accounts or Subaccounts for the purpose of providing loans or other financial assistance to Borrowers under any Program other

than Loans; or (C) the establishment of such Accounts or Subaccounts of the Debt Service Reserve Fund as the I-Bank determines to be necessary or convenient for securing a Series of Senior Bonds under the Common Reserve Account or an applicable Series Reserve Account, and any modifications to this Master Indenture in order to fund such Accounts or Subaccounts in the amount of the Reserve Requirement;

(viii) to modify any of the provisions of this Master Indenture in order to obtain or maintain any ratings on any Bonds from any Credit Rating Agency;

(ix) to modify any of the provisions of this Master Indenture to permit compliance with any amendment to Section 103 or Sections 141 through 150 of the Code if, in the opinion of Bond Counsel, failure to so modify this Master Indenture would adversely affect the ability of the I-Bank to issue Bonds the interest on which is exempt from federal income taxation; or

(x) to modify any of the provisions of this Master Indenture in any respect whatsoever, provided that (i) such modification shall be, and be expressed to be effective only after all Bonds of any Series Outstanding at the date of the adoption of such Supplemental Indenture shall cease to be Outstanding, and (ii) such modification shall be specifically referred to in the text of all Bonds of any Series authenticated and delivered after the date of the adoption of such Supplemental Indenture and of Bonds issued in exchange therefor or in place thereof.

Section 13.02 Supplemental Indentures Effective upon Consent of Trustee.

(a) For any one or more of the following purposes, and at any time or from time to time, the I-Bank may, with the written consent of the Trustee, execute and deliver a Supplemental Indenture which, upon (i) the filing with the Trustee of a copy thereof certified by an Authorized Officer and (ii) the delivery of the opinion of Bond Counsel required pursuant to Section 13.06, shall be fully effective in accordance with its terms:

(i) to cure any ambiguity, supply any omission or cure or correct any defect or inconsistent provision in this Master Indenture;

(ii) to insert such provisions clarifying matters or questions arising under this Master Indenture as are necessary or desirable and are not contrary to or inconsistent with this Master Indenture as theretofore in effect;

(iii) to provide for additional duties of the Trustee; or

(iv) to modify any of the provisions hereof in any other respect, provided that such modification shall not adversely affect the interests of the Bondholders in any material respect; provided that in making such determination the Trustee shall be entitled to rely on an opinion of Bond Counsel in accordance with Section 13.03.

(b) Any such Supplemental Indenture may also contain one or more of the purposes specified in Section 13.01 and in that event the consent of the Trustee required by this Section

shall be applicable only to those provisions of such Supplemental Indenture as shall contain one or more of the purposes set forth in subsection (a) of this Section.

Section 13.03 Supplemental Indentures Requiring Rating Confirmation. No Supplemental Indenture executed and delivered pursuant to Section 5.11(b)(2), Section 5.11(c)(2), or Section 5.12(a) shall be effective without the delivery of either a Rating Confirmation or an indicative rating conclusion, or similar determination, from each Credit Rating Agency then maintaining a rating on Bonds issued and Outstanding hereunder to the effect that, should the I-Bank execute and deliver such Supplemental Indenture, and assuming no other significant rating factor changed, such action would likely not result in an adverse change in the then-existing rating on such Bonds.

Section 13.04 Powers of Amendment by Supplemental Indenture; Consent of Bondholders.

(a) Unless otherwise permitted under Section 13.01 or Section 13.02, any modification or amendment of this Master Indenture and of the rights and obligations of the I-Bank and of the Holders of the Bonds thereunder, in any particular, may be made only by a Supplemental Indenture with the written consent (i) of the Holders of not less than two-thirds (2/3) in principal amount of the Senior Bonds Outstanding at the time such consent is given, (ii) in case less than all of the several Series of Senior Bonds then Outstanding are affected by the modification or amendment, of the Holders of not less than two-thirds (2/3) in principal amount of the Senior Bonds of each Series so affected and Outstanding at the time such consent is given, and (iii) in case the modification or amendment changes the terms of any sinking fund installment, of the Holders of not less than two-thirds (2/3) in principal amount of the Senior Bonds of the particular Series and maturity entitled to such Sinking Fund Installment, and Outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Senior Bonds of any specified like Series and maturity remain Outstanding the consent of the Holders of such Senior Bonds shall not be required and such Senior Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section; and provided further that, if no Senior Bonds are Outstanding, then each reference to Senior Bonds in clauses (i)-(iii) of this Section 13.04(a) shall be deemed to refer to Subordinated Bonds. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Holder of such obligation, or shall reduce the percentages or otherwise affect the classes of Bonds, the consent of the Holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of any Trustee without their written assent thereto. For the purposes of this Section, a Series shall be deemed to be affected by a modification or amendment of this Master Indenture if the same adversely affects or diminishes the rights of the Holders of Bonds of such Series. The Trustee may in its discretion determine whether or not in accordance with the foregoing powers of amendment Bonds of any particular Series or maturity would be affected by any modification or amendment of this Indenture and any such determination shall be binding and conclusive on the I-Bank and all Holders of Bonds. In taking such action, the Trustee may rely upon the opinion of Bond Counsel.

For purposes of this Section, the Holders of any Bonds may include the initial Holders thereof, regardless of whether such Bonds are being held for resale.

(b) The I-Bank may at any time adopt a Supplemental Indenture making a modification or amendment permitted by the provisions of this Section 13.04(a) to take effect when and as provided in this Section. A copy of such Supplemental Indenture (or brief summary thereof or reference thereto in form approved by the Trustee), together with a request to Holders of Bonds for their consent thereto in form satisfactory to the Trustee, shall be mailed by the I-Bank to Holders of Bonds (but failure to mail such copy and request shall not affect the validity of the Supplemental Indenture when consented to as in this Section provided). Such Supplemental Indenture shall not be effective unless and until there shall have been filed with the Trustee (i) the written consents of the Holders of the percentages of Outstanding Bonds specified in this Section 13.04, and (ii) the opinion of Bond Counsel required pursuant to Section 13.06. It shall not be necessary that the consents of Holders of Bonds approve the particular form of wording of the proposed modification or amendment or of the proposed Supplemental Indenture effecting such modification or amendment, but it shall be sufficient if such consents approve the substance of the proposed amendment or modification. Each such consent shall be effective only if accompanied by proof of the holding, at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be such as is permitted by Section 12.01. A Certificate or Certificates executed by the Trustee and filed with the I-Bank stating that it has examined such proof and that such proof is sufficient in accordance with Section 14.02 shall be conclusive that the consents have been given by the Holders of the Bonds described in such Certificate or Certificates of the Trustee. Any such consent shall be binding upon the Holder of the Bonds giving such consent and, anything in Section 14.02 to the contrary notwithstanding, upon any subsequent Holder of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof) unless such consent is revoked in writing by the Holder of such Bonds giving such consent or a subsequent Holder thereof by filing with the Trustee, prior to the time when the written statement of the Trustee hereinafter in this Section 13.04 provided for is filed, such revocation and proof that such Bonds are held by the signer of such revocation in the manner permitted by Section 14.02. The fact that a consent has not been revoked may likewise be proved by a Certificate of the Trustee filed with the I-Bank to the effect that no revocation thereof is on file with the Trustee.

At any time after the Holders of the required percentages of Bonds shall have filed their consents to the Supplemental Indenture, the Trustee shall make and file with the I-Bank a written statement that the Holders of such required percentages of such Bonds have filed such consents. Such written statements shall be conclusive that such consents have been so filed. At any time thereafter, notice stating in substance that the Supplemental Indenture (which may be referred to as a Supplemental Indenture adopted by the I-Bank on a stated date, a copy of which is on file with the Trustee) has been consented to by the Holders of the required percentages of Bonds and will be effective as provided in this Section 13.04, may be given to Bondholders by the I-Bank by mailing such notice to Bondholders (but failure to mail such notice shall not prevent such Supplemental Indenture from becoming effective and binding as in this Section 13.04 provided). The I-Bank shall file with the Trustee proof of the mailing thereof. A record, consisting of the certificates or statements required or permitted by this Section 13.04 to be made by the Trustee, shall be proof of the matters therein stated. Such Supplemental Indenture making such amendment

or modification shall be deemed conclusively binding upon the I-Bank, the Fiduciaries and the Holders of all Bonds at the expiration of forty (40) days after the filing with the Trustee of the proof of the mailings of such last-mentioned notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Indenture in a legal action or equitable proceeding for such purpose commenced within such forty (40) day period; provided, however, that any Fiduciary and the I-Bank during such forty (40) day period and any such further period during which any such action or proceeding may be pending shall be entitled in its sole discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Indenture as it may deem expedient.

Section 13.05 Consent of Provider. Whenever by the terms of this Article XIII the consent of any of the Holders of the Bonds to a modification or amendment hereof made by a Supplemental Indenture is required, such modification or amendment shall not become effective until the written consent of each Provider has been obtained; provided, however, that the consent of a Provider which has provided a Credit Facility or a Liquidity Facility shall not be required unless the modification or amendment requires the consent of the Holders of any percentage in principal amount of Outstanding Bonds of a Series in connection with which such Credit Facility or Liquidity Facility was provided. No modification or amendment hereof which adversely affects a Provider shall be made without the written consent thereto of the Provider affected thereby. Notice of the adoption of any such Supplemental Indenture and of the effectiveness of the modification or amendment made thereby shall be given to each Provider by mail at the times and in the manner provided herein with respect to notices thereof required to be given to the Holders of the Bonds.

Section 13.06 Execution by Trustee; Delivery of Opinion of Bond Counsel. Each Supplemental Indenture authorized pursuant to this Article, when filed with the Trustee, shall be accompanied by an opinion of Bond Counsel that such Supplemental Indenture has been duly and lawfully adopted in accordance with the provisions of this Indenture, is authorized or permitted by this Indenture and is valid and binding upon the I-Bank and enforceable in accordance with its terms; provided that such opinion of Bond Counsel may take exception as to the effect of, or for restrictions or limitations imposed by or resulting from bankruptcy, insolvency, debt adjustment, moratorium, reorganization or other similar laws or legal principles affecting creditors' rights generally and general principles of equity and judicial discretion and the valid exercise of the sovereign police powers of the State and of the constitutional power of the United States of America and may state that no opinion is being rendered as to the availability of any particular remedy. The Trustee shall execute any Supplemental Indenture executed and delivered in accordance with this Article; provided that no Supplemental Indenture shall change or modify any of the rights or obligations of any Fiduciary without their written consent thereto.

Section 13.07 Notation on Bonds. Bonds delivered after the effective date of any action taken as provided in Article XIII may, and if the Trustee so determines, shall, bear a notation by endorsement or otherwise in form approved by the I-Bank and the Trustee as to such action, and in that case upon demand of the Holder of any Bond Outstanding at such effective date and upon presentation of its Bond for such purpose at the Corporate Trust Office of the Trustee suitable notation shall be made on such Bond by the Trustee as to any such action. If the I-Bank or the Trustee shall so determine, new Bonds so modified as, in the opinion of the Trustee and the I-

Bank, conform to such action shall be prepared and delivered, and upon demand of the Holder of any Bond then Outstanding shall be exchanged, without cost to such Bondholder, for Bonds of the same Series and maturity then Outstanding, upon surrender of such Bonds.

Section 13.08 Amendments to Master Indenture Prior to Issuance of Initial Bonds.

Notwithstanding anything to the contrary contained herein, prior to the issuance of the Initial Bonds hereunder, the I-Bank, at any time or from time to time, may, without having to obtain the consent of any other party, amend any provision of this Master Indenture. Such amendments shall be fully effective upon the filing with the Trustee of a copy thereof certified by an Authorized Officer; provided, however, that no amendment shall be made to the duties and obligations of the Trustee without the Trustee's consent thereto.

Section 13.09 Mailing. Any provision in this Article that requires the mailing of a notice or other paper to Holders of Bonds shall be fully complied with if it is mailed, postage prepaid only, to each registered owner of Bonds then Outstanding at their address, if any, appearing upon the registry books of the I-Bank.

ARTICLE XIV. DEFEASANCE

Section 14.01 Defeasance.

(a) If the I-Bank shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of all Bonds of any Series the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated in the Bonds and in this Master Indenture, then the pledge of the Trust Estate, and all duties, covenants, agreements and other obligations of the I-Bank to the Bondholders of such Series, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall cause an accounting for such period or periods as shall be requested by the I-Bank to be prepared and filed with the I-Bank and, upon the request of the I-Bank, shall execute and deliver to the I-Bank all such instruments as may be desirable to evidence such discharge and satisfaction, and the Trustee shall pay over or deliver to the I-Bank all moneys or securities held by it pursuant to this Indenture which are not required for the payment of principal or Redemption Price, if applicable, and interest due or to become due on Bonds of any Series not theretofore surrendered for such payment or redemption and any amounts owed to any Fiduciary. If the I-Bank shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of any Outstanding Bonds of any Series the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Indenture, such Bonds shall cease to be entitled to any lien, benefit or security pursuant to this Indenture, and all duties, covenants, agreements and obligations of the I-Bank to the Holders of such Bonds shall thereupon cease, terminate and become void and be discharged and satisfied. Notwithstanding any other provision in this Article XIV, all duties, covenants, agreements and obligations of the I-Bank to the Holders relating to the exclusion of interest from gross income of the Holders of such Bonds for federal income tax purposes shall survive the defeasance of the Bonds.

(b) Bonds (which can be an entire series or portion thereof) or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Paying Agents (through deposit by the I-Bank of funds for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section. Subject to the provisions of subsections (c) through (e) of this Section, Outstanding Bonds of any Series shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section if (1) in case any of said Bonds are to be redeemed on any date prior to their stated maturities, the I-Bank shall have given to the Trustee instructions in writing accepted by the Trustee to mail notice of redemption of such Bonds (other than Bonds of a Series which have been purchased by the Trustee at the written direction of the I-Bank or purchased or otherwise acquired by the I-Bank and delivered to the Trustee as hereinafter provided prior to the mailing of such notice of redemption) on said date, (2) there shall have been deposited with the Trustee (i) either moneys in an amount which shall be sufficient, or Defeasance Securities (including any Defeasance Securities issued or held in book-entry form on the books of the Department of the Treasury of the United States) the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at

the same time, shall be sufficient to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on such Series of Bonds on or prior to the redemption date or maturity date thereof, as the case may be, (ii) a defeasance opinion of Bond Counsel, and (iii) a verification report of an independent nationally recognized verification agent as to the matters set forth in clause (i), and (3) in the event such Series of Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the I-Bank shall have given the Trustee in form satisfactory to it instructions to mail, as soon as practicable, a notice to the Holders of such Bonds at their last addresses appearing upon the registry books at the close of business on the last Business Day of the month preceding the month for which notice is mailed that the deposit required by (2) above has been made with the Trustee and that such Series of Bonds are deemed to have been paid in accordance with this Section 14.01 and stating such maturity or redemption date upon which moneys are expected to be available for the payment of the principal or Redemption Price, if applicable, of such Series of Bonds (other than Bonds which have been purchased by the Trustee at the direction of the I-Bank or purchased or otherwise acquired by the I-Bank and delivered to the Trustee as hereinafter provided prior to the mailing of the notice of redemption referred to in clause (1) hereof). Any notice of redemption mailed pursuant to the preceding sentence with respect to any Series of Bonds which constitutes less than all of the Outstanding Bonds of any maturity within a Series shall specify the letter and number or other distinguishing mark of each such Bond. The Trustee shall, as and to the extent necessary, apply moneys held by it pursuant to this Section 14.01 to the retirement of said Bonds in amounts equal to the unsatisfied balances of any Sinking Fund Installments with respect to such Bonds, all in the manner provided in this Master Indenture.

The Trustee shall, if so directed by the I-Bank (i) prior to the maturity date of Bonds deemed to have been paid in accordance with this Section 14.01 which are not to be redeemed prior to their maturity date or (ii) prior to the mailing of the notice of redemption referred to in clause (1) above with respect to any Bonds deemed to have paid in accordance with this Section 14.01 which are to be redeemed on any date prior to their maturity, apply moneys deposited with the Trustee in respect of such Bonds and redeem or sell Defeasance Securities so deposited with the Trustee and apply the proceeds thereof to the purchase of such Bonds and the Trustee shall immediately thereafter cancel all such Bonds so purchased; provided, however, that the moneys and Defeasance Securities remaining on deposit with the Trustee after the purchase and cancellation of such Bonds shall be sufficient to pay when due the principal or Redemption Price, if applicable, and interest due or to become due on all Bonds in respect of which such moneys and Defeasance Securities are being held by the Trustee on or prior to the redemption date or maturity date thereof, as the case may be. If, at any time (i) prior to the maturity date of Bonds deemed to have been paid in accordance with Section 14.01 which are not to be redeemed prior to their maturity date or (ii) prior to the mailing of the notice of redemption referred to in clause (a) with respect to any Bonds deemed to have been paid in accordance with this Section 14.01 which are to be redeemed on any date prior to their maturity, the I-Bank shall purchase or otherwise acquire any such Bonds and deliver such Bonds to the Trustee prior to their maturity date or redemption date, as the case may be, the Trustee shall immediately cancel all such Bonds so delivered; such delivery of Bonds to the Trustee shall be accompanied by directions from the I-Bank to the Trustee as to the manner in which such Bonds are to be applied against the obligation of the Trustee to pay or redeem Bonds deemed paid in accordance with this Section 14.01. The directions given by the I-Bank to the Trustee referred to in the preceding sentence shall also specify the portion, if any, of

such Bonds so purchased or delivered and canceled to be applied against the obligation of the Trustee to pay Bonds deemed paid in accordance with this Section 14.01 upon their maturity date or dates and the portion, if any, of such Bonds so purchased or delivered and canceled to be applied against the obligation of the Trustee to redeem Bonds deemed paid in accordance with this Section 14.01 on any date or dates prior to their maturity. In the event that on any date as a result of any purchases, acquisitions and cancellations of Bonds as provided in this Section 14.01 the total amount of moneys and Defeasance Securities remaining on deposit with the Trustee under this Section 14.01 is in excess of the total amount which would have been required to be deposited with the Trustee on such date in respect of the remaining Bonds of such Series in order to satisfy clause (2) of this subsection (b) of Section 14.01, the Trustee shall, if requested by the I-Bank, pay the amount of such excess to the I-Bank free and clear of any trust, lien, security interest, pledge or assignment securing said Bonds or otherwise existing pursuant to this Indenture. Except as otherwise provided in this subsection (b) of this Section 14.01, neither Defeasance Securities nor moneys deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if applicable, and interest on said Bonds; provided that any cash received from such principal or interest payments on such Defeasance Securities deposited with the Trustee, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the I-Bank as received by the Trustee, free and clear of any trust, lien or pledge securing said Bonds or otherwise existing pursuant to this Indenture, and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested at the direction of the I-Bank in Defeasance Securities maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if applicable, and interest to become due on said Bonds on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the I-Bank, as received by the Trustee, free and clear of any trust, lien, security interest, pledge or assignment securing said Bonds or otherwise existing pursuant to this Indenture.

(c) For purposes of determining whether Variable Interest Rate Bonds shall be deemed to have been paid prior to the maturity or redemption date thereof, as the case may be, by the deposit of moneys and/or Defeasance Securities in accordance with clause (2) of subsection (b) of this Section 14.01, the interest to come due on such Variable Interest Rate Bonds on or prior to the maturity date or redemption date thereof, as the case may be, shall be calculated at the Maximum Interest Rate permitted by the terms thereof; provided, however, that if on any date, as a result of such Variable Interest Rate Bonds having borne interest at less than such Maximum Interest Rate for any period, the total amount of moneys and Defeasance Securities on deposit with the Trustee for the payment of interest on such Variable Interest Rate Bonds is in excess of the total amount which would have been required to be deposited with the Trustee on such date in respect of such Variable Interest Rate Bonds in order to satisfy clause (2) of subsection (b) of this Section 14.01, the Trustee shall pay the amount of such excess as follows: first, to each Provider to pay the Provider Payments then unpaid, on a Pro Rata Basis, and second, to the I-Bank. The moneys so paid by the Trustee shall be released of any trust, pledge, lien, encumbrance or security interest created hereby.

(d) Option Bonds shall be deemed to have been paid in accordance with clause (2) of subsection (b) of this Section 14.01 only if, there shall have been deposited with the Trustee

moneys in an amount which shall be sufficient to pay when due the maximum amount of principal and Redemption Price of, and interest on, such Bonds which could become payable to the Holders of such Bonds upon the exercise of any options provided to the Holders of such Bonds; provided, however, that if, at the time a deposit is made with the Trustee pursuant to clause (2) of subsection (b) of this Section 14.01, the options originally exercisable by the Holder of an Option Bond are no longer exercisable, such Bond shall not be considered an Option Bond for purposes of this subsection (d). If any portion of the moneys deposited with the Trustee for the payment of the principal and Redemption Price of, and interest on, Option Bonds is not required for such purpose, the Trustee shall, if requested by the I-Bank, pay the amount of such excess as follows: first, to each Provider to pay the Provider Payments then unpaid, on a Pro Rata Basis, and second, to the I-Bank. The moneys so paid by the Trustee shall be released of any trust, pledge, lien, encumbrance or security interest created hereby or by an applicable Supplemental Indenture.

(e) Anything in the Indenture to the contrary notwithstanding, any moneys held by a Fiduciary in trust for the payment and discharge of any of the Bonds which remain unclaimed after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Fiduciary at such date, or after the date of deposit of such moneys if deposited with the Fiduciary after the said date when such Bonds became due and payable, shall, be applied when and as provided in the Uniform Unclaimed Property Act, N.J.S.A. 46:30B-1 et seq., and the Fiduciary shall thereupon be released and discharged with respect thereto and the Bondholders shall have such rights as are provided in said Uniform Unclaimed Property Act. In the event that any other monies remain on deposit in any of the Funds and Accounts in the Indenture one year after the final maturity, defeasance or payment at prior redemption of all Bonds issued under the Indenture, the Trustee shall notify the I-Bank that such monies so remain. The Trustee shall release all such monies to the I-Bank free and clear of the lien of the Indenture; provided, however, that, notwithstanding the foregoing, the Trustee shall not release any such funds to the I-Bank until it shall have received an opinion of Bond Counsel to the effect that such funds may be transferred to the I-Bank without adversely affecting the exclusion of interest on the Bonds from gross income for federal income tax purposes..

Section 14.02 Evidence of Signatures and Ownership of Bonds.

(a) Any request, consent, revocation of consent or other instrument which this Indenture or any Supplemental Indenture may require or permit to be signed and executed by the Holders of Bonds of any Series may be in one or more instruments of similar tenor and shall be signed or executed by such Holders of Bonds in person or by their attorneys appointed in writing. Proof of the execution of any such instrument, or of any instrument appointing any such attorney, shall be sufficient for any purpose of this Indenture or any Supplemental Indenture (except as otherwise therein expressly provided) if made in the following manner, or in any other manner satisfactory to the Trustee, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable. The fact and date of the execution by any Holder of any Bond or their attorney of such instruments may be proved by a guarantee of the signature thereon by a bank or trust company or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that the person signing such request or other instrument acknowledged to such notary public or other officer the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such signature guarantee, certificate or affidavit shall also constitute sufficient proof of their authority.

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

(c) Any request or consent by the Holder of any Bond shall bind all future owners of such Bond in respect of anything done or suffered to be done by the I-Bank or any Trustee in accordance therewith.

ARTICLE XV. MISCELLANEOUS

Section 15.01 Liability of I-Bank Limited to Trust Estate. Notwithstanding anything contained in this Master Indenture or in the Bonds, the I-Bank shall not be required to advance any moneys derived from any source other than the Trust Estate for any of the purposes in this Master Indenture, whether for the payment of the principal or Redemption Price of, or interest on, the Bonds or for any other purpose of this Indenture. Nevertheless, the I-Bank may, but shall not be required to, advance for any of the purposes hereof any funds of the I-Bank that may be made available to it for such purposes.

Section 15.02 Successor Is Deemed Included in All References to Predecessor. Whenever in this Indenture either the I-Bank or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the duties, covenants, obligations, and agreements contained in this Indenture by or on behalf of the I-Bank or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof, whether so expressed or not.

Section 15.03 Limitation of Rights to Parties. Nothing expressed or implied in this Indenture or in the Bonds is intended or shall be construed to give to any person other than the I-Bank, the Trustee, the Paying Agents and the Holders of Bonds any legal or equitable right, remedy or claims under or in respect of this Indenture or any duty, covenant, obligation, agreement, condition or provision therein or herein contained; and all such duties, covenants, obligations, agreements, conditions and provisions are and shall be for the sole and exclusive benefit of the I-Bank, the Trustee, the Paying Agents and the Holders of Bonds.

Section 15.04 Waiver of Notice. Whenever in this Indenture the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 15.05 Destruction of Bonds. Whenever in this Indenture provision is made for the cancellation by the Trustee and the delivery to the I-Bank of any Bonds, unless otherwise requested in writing the I-Bank, in lieu of such cancellation and delivery, the Trustee shall destroy such Bonds (in the presence of an officer of the I-Bank, if the I-Bank shall so require), and deliver a Certificate of such destruction to the I-Bank.

Section 15.05 Severability of Invalid Provisions. If any one or more of the provisions contained in this Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Indenture or in the Bonds and such invalidity, illegality or unenforceability shall not affect any other provision of this Indenture, and this Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The I-Bank hereby declares that it would have entered into this Indenture and each and every section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant thereto irrespective of the fact that any one or more sections, paragraphs, sentences, clauses or phrases of this Indenture may be held illegal, invalid or unenforceable.

Section 15.06 Notices. Any notices, certificates or other communications required or permitted to be given herein shall be in writing (unless otherwise specifically required or permitted herein) and shall be sufficiently given and shall be deemed given by hand delivery, Electronic Means, or mailed by registered or certified mail, postage prepaid (unless otherwise specifically required or permitted herein) to the I-Bank, the Trustee, and the Paying Agent at the addresses set forth below:

I-Bank:	New Jersey Infrastructure Bank 3131 Princeton Pike Building 4, Suite 216 Lawrenceville, New Jersey 08648 Attention: Executive Director executivedirector@njib.gov
Trustee:	Zions Bancorporation, National Association d/b/a Zions Bank 401 Liberty Avenue, Suite 1729 Pittsburgh, Pennsylvania 15222 Attention: Corporate Trust Department Natalie.Alviani@zionsbancorp.com
Paying Agent:	Zions Bancorporation, National Association d/b/a Zions Bank 401 Liberty Avenue, Suite 1729 Pittsburgh, Pennsylvania 15222 Attention: Corporate Trust Department Natalie.Alviani@zionsbancorp.com

The I-Bank, the Trustee, and the Paying Agent may designate any further or different address to which subsequent notices and communications shall be sent by giving notice thereof to the other parties hereto.

Section 15.07 Disqualified Bonds. In determining whether the Holders of the requisite aggregate principal amount of Bonds have concurred in any Bondholder Action pursuant to this Indenture, Bonds that are owned or held by or for the account of the I-Bank or any Borrower, or by any other primary or secondary obligor on any Loan Agreement, or by any person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the I-Bank or any Borrower or any other primary or secondary obligor on any Loan Agreement, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. Bonds so owned that have been pledged in good faith may be regarded as Outstanding for the purpose of this Section if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such Bonds and that the pledgee is not a person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the I-Bank or any Borrower or any other primary or secondary obligor on any Loan Agreement. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of Counsel shall be full protection to the Trustee.

The determination to be made hereunder by the Trustee with respect to Bonds to be disregarded and deemed not to be Outstanding shall be based upon information that has been

brought to the attention of the Trustee. There is no affirmative duty on the part of the Trustee to undertake any investigation in determining Bonds to be disregarded and deemed not to be Outstanding.

Section 15.08 Funds and Accounts. Any fund, account or subaccount required by this Indenture to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee, either as a fund, an account or a subaccount, and, for the purposes of such records, any audits thereof and any reports or statements with respect thereto, may be treated either as a fund, an account or a subaccount; but all such records with respect to all such funds, accounts or subaccounts shall at all times be maintained in accordance with generally accepted accounting principles, to the extent practicable, or some other accounting standard recognized by the State or acceptable to the I-Bank.

Section 15.09 Waiver of Personal Liability. No member, officer, agent or employee of the I-Bank shall be individually or personally liable for the payment of the principal or Redemption Price of, or interest on, the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof, all such liability, if any, being expressly waived and released by each Holder of Bonds by the acceptance of such Bonds, but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law or by this Indenture.

Section 15.10 I-Bank Protected in Acting in Good Faith. In the exercise of the powers of the I-Bank and its members, officers, employees and agents pursuant to this Indenture, the Loan Agreements or any other document executed in connection with the Bonds, the I-Bank shall not be accountable to any Borrower, the Trustee, the Paying Agent, or any Holder for any action taken or omitted by it or its members, officers, employees and agents in good faith and believed by it or them to be authorized or within the discretion or rights or powers conferred.

Section 15.11 Business Days. Except as otherwise specifically provided herein, if any date specified herein for the payment of any Bond or the performance of any act shall not be a Business Day at the place of payment or performance, such payment or performance shall be made on the next succeeding Business Day with the same effect as if made on such date, and in case any payment of the principal or Redemption Price of or interest on any Bond shall be due on a date that is not a Business Day, interest on such principal amount shall cease to accrue on the date on which such payment was due if such payment is made on the immediately succeeding Business Day.

Section 15.12 Counterparts. This Indenture 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. Both parties hereto may sign the same counterpart or each party hereto may sign a separate counterpart.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the New Jersey Infrastructure Bank has caused this Indenture to be signed in its name by its Authorized Officers, and Zions Bancorporation, National Association d/b/a Zions Bank, in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed in its corporate name by its duly authorized officer all as of the day and year first above written.

ATTEST:

NEW JERSEY INFRASTRUCTURE BANK

David E. Zimmer
Assistant Secretary

By: _____
Robert A. Briant, Jr.
Chairperson

ATTEST:

**ZIONS BANCORPORATION, NATIONAL
ASSOCIATION d/b/a ZIONS BANK, as
Trustee**

Name:
Title:

By: _____
Name:
Title:

EXHIBIT A

**FORM OF
OFFICER'S CERTIFICATE
OF THE
NEW JERSEY INFRASTRUCTURE BANK**

Dated as of: _____, 20__

I, _____, [Chairperson][Vice-Chairperson][Secretary][Executive Director] of the New Jersey Infrastructure Bank (the "I-Bank"), **DO HEREBY CERTIFY**, as follows:

1. This Officer's Certificate is made pursuant to the provisions of the "Master Indenture of Trust between New Jersey Infrastructure Bank and Zions Bancorporation, National Association, d/b/a Zions Bank, as Trustee, for the Transportation Program" dated as of June 1, 2022 (the "Master Indenture"), as the same may be amended and supplemented from time to time.

Choose and check applicable paragraph(s):

**Check if
Applicable**

a. This Officer's Certificate is being delivered pursuant to Sections 2.03 (Issuance of Bonds) and 5.01 (Creation and Custody of Funds and Accounts) of the Master Indenture, in connection with the issuance and delivery of the I-Bank's [name of Series of Bonds] (the "Bonds") and the establishment of Funds and Accounts in connection therewith. []

b. This Officer's Certificate is being delivered pursuant to Sections 2.04 (Issuance of Refunding Bonds) and 5.01 (Creation and Custody of Funds and Accounts) of the Master Indenture, in connection with the issuance and delivery of the I-Bank's [name of Series of Refunding Bonds] (the "Refunding Bonds") and the establishment of Funds and Accounts in connection therewith. []

c. This Officer's Certificate is being delivered pursuant to Section 4.01 (Release of Loan Agreements from Trust Estate) of the Master Indenture, in connection with the release of the following Loan Agreement[s], and the Revenues related thereto, from the Trust Estate: _____. []

d. This Officer's Certificate is being delivered pursuant to Section 4.02 (Disposition of the Proceeds of Sale, Redemption or Prepayment of Borrower Bonds) of the Master Indenture, in connection with the disposition of the proceeds of the [sale][redemption][prepayment] of the following Borrower Bond[s]: _____ []

e. This Officer's Certificate is being delivered pursuant to Section 5.04(b) []
(Project Fund – Application of Excess Loan Proceeds in Borrower Subaccount) of the
Master Indenture, in connection with the application of excess Loan Proceeds in the
following Borrower Project Subaccount: _____.

f. This Officer's Certificate is being delivered pursuant to Section 5.06 []
(Revenues; Revenue Fund) of the Master Indenture, in connection with the deposit into
the Revenue Fund of amounts, other than Loan Repayments, that constitute Revenues.

g. This Officer's Certificate is being delivered pursuant to Section 5.09(i) []
(Debt Service Reserve Fund) of the Master Indenture, in connection with the
application of excess amounts on deposit in the Common Reserve Account.

h. This Officer's Certificate is being delivered pursuant to Section 5.09(j) []
(Debt Service Reserve Fund) of the Master Indenture, in connection with the
application of excess amounts on deposit in a Series Reserve Account.

i. This Officer's Certificate is being delivered pursuant to Section 5.10(f) []
(Subordinated Debt Service Fund) of the Master Indenture, in connection with the
application of excess amounts on deposit in the Subordinated Debt Service Fund.

j. This Officer's Certificate is being delivered pursuant to Section 5.12 []
(Issuance of Cross-Investment Obligations) of the Master Indenture, in connection with
the issuance of Cross-Investment Obligations.

k. This Officer's Certificate is being delivered pursuant to Section 5.11(a) []
(Cross-Investment Fund) of the Master Indenture, in connection with repaying a Cross-
Investment.

l. This Officer's Certificate is being delivered pursuant to Section 5.11(b) []
(Cross-Investment Fund) of the Master Indenture, in connection with making a Cross-
Investment.

m. This Officer's Certificate is being delivered pursuant to Section []
5.11(b)(4) (Cross-Investment Fund) of the Master Indenture, in connection with the
application of amounts on deposit in the C-I Sending Account within the Cross-
Investment Fund.

2. [Insert provisions necessary to effectuate the requirements of the relevant
Sections above.]

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, I have set my hand as of the date first set forth above.

NEW JERSEY INFRASTRUCTURE BANK

By: _____

Name:

Title:

[Signature Page to Officer's Certificate]