



**CENTRAL TEXAS  
Regional Mobility Authority**

June 15, 2016  
**AGENDA ITEM #15**

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Authorize the Issuance, Sale and Delivery of Central Texas  
Regional Mobility Authority Subordinate Lien Revenue  
Refunding Bonds, Series 2016, in Accordance with  
Specified Parameters.

Department: Finance  
Contact: Bill Chapman, Chief Financial Officer  
Action Requested: Consider and act on draft resolution

Summary:

Authorize the issuance, sale and delivery of Central Texas Regional Mobility Authority Subordinate Lien Revenue Refunding Bonds, Series 2016, in accordance with specified parameters; and authorize the execution and delivery of any and all documents, certificates, agreements and instruments necessary or desirable to be executed and delivered in connection with the foregoing; and enacting other provisions relating to the subject.

The Mobility Authority is assessing the current opportunities in the financial markets to refund all or a portion of its Subordinate Lien Revenue Bonds, Series 2011. Typically, in a refunding transaction the authority to execute the transaction is delegated to an authorized representative of the governing body, subject to certain transaction parameters, to optimize the timing of market conditions to best suit the agency's objectives. This resolution delegates to the Board Chairman, the Executive Director and the Chief Financial Officer the authority to approve the refunding transaction under the parameters set forth in the resolution.

Backup provided: Draft Resolution

**GENERAL MEETING OF THE BOARD OF DIRECTORS  
OF THE  
CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

**RESOLUTION NO. 16-\_\_\_\_\_**

**RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF ONE OR MORE SERIES OF CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY SUBORDINATE LIEN REVENUE REFUNDING BONDS, SERIES 2016 (THE “SERIES 2016 BONDS”), IN ACCORDANCE WITH SPECIFIED PARAMETERS; APPROVING THE FORM OF, AND AUTHORIZING THE EXECUTION AND DELIVERY OF, THE SEVENTEENTH SUPPLEMENTAL TRUST INDENTURE; APPOINTING AUTHORIZED OFFICERS TO AUTHORIZE, APPROVE AND DETERMINE CERTAIN TERMS AND PROVISIONS OF THE SERIES 2016 BONDS AND THE FORM OF THE SERIES 2016 BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTRACT OF PURCHASE FOR THE SERIES 2016 BONDS; APPROVING THE PREPARATION OF AN OFFICIAL STATEMENT IN CONNECTION WITH THE OFFERING AND SALE OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW AGREEMENT RELATING TO THE OBLIGATIONS TO BE REFUNDED WITH THE PROCEEDS OF THE SERIES 2016 BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS AND INSTRUMENTS IN CONNECTION WITH THE FOREGOING; AND ENACTING OTHER PROVISIONS RELATING TO THE SUBJECT**

WHEREAS, the Central Texas Regional Mobility Authority (the “Authority”) has been created and organized pursuant to and in accordance with the provisions of Chapter 361, Texas Transportation Code, and operates pursuant to the Constitution and laws of the State of Texas, including, particularly, Chapter 370, Texas Transportation Code (the “Act”), for the purposes of constructing, maintaining and operating transportation projects, including turnpike projects, in Travis and Williamson Counties, Texas; and

WHEREAS, pursuant to the Act, the Authority is authorized to: (i) study, evaluate, design, finance, acquire, construct, maintain, repair and operate transportation projects (as defined in the Act), individually or as a system (as defined in the Act); (ii) issue bonds, certificates, notes or other obligations payable from the revenues of a transportation project or system, including tolls, fees, fares or other charges, to pay all or part of the cost of a transportation project and to refund any bonds previously issued for a transportation project; and

(iii) impose tolls, fees, fares or other charges for the use of each of its transportation projects and the different parts or sections of each of its transportation projects; and

WHEREAS, pursuant to the Act and other applicable laws, the Authority is authorized to issue revenue bonds, notes, certificates or other obligations for the purposes of (i) financing all or a portion of the cost of the acquisition, construction, improvement, extension or expansion of one or more turnpike projects (as defined in the Act), (ii) refunding, defeasing and redeeming any of such outstanding obligations previously issued by the Authority, and (iii) paying the expenses of issuing such revenue bonds, notes, certificates or other obligations; and

WHEREAS, the Authority has previously executed and delivered that certain Master Trust Indenture (the "Master Indenture"), between the Authority and Regions Bank, as successor in trust to JPMorgan Chase Bank, National Association, as trustee (the "Trustee"), providing for the issuance from time to time by the Authority of one or more series of its revenue obligations (collectively, the "Obligations"), as supplemented by that certain (i) First Supplemental Trust Indenture (the "First Supplement"), Second Supplemental Trust Indenture (the "Second Supplement"), and Third Supplemental Trust Indenture (the "Third Supplement"), each between the Authority and the Trustee and dated as of February 1, 2005; (ii) Fourth Supplemental Trust Indenture (the "Fourth Supplement"), between the Authority and the Trustee and dated as of May 1, 2009; (iii) Fifth Supplemental Trust Indenture (the "Fifth Supplement") and Sixth Supplemental Trust Indenture (the "Sixth Supplement"), each between the Authority and the Trustee and dated as of March 1, 2010; (iv) Seventh Supplemental Trust Indenture (the "Seventh Supplement"), between the Authority and the Trustee and dated as of August 1, 2010; (v) Eighth Supplemental Trust Indenture (the "Eighth Supplement") and the Ninth Supplemental Trust Indenture (the "Ninth Supplement"), each between the Authority and the Trustee and dated as of June 1, 2011; (vi) Tenth Supplemental Trust Indenture (the "Tenth Supplement") and Eleventh Supplemental Trust Indenture (the "Eleventh Supplement"), each between the Authority and the Trustee and dated as of May 1, 2013; (vii) Twelfth Supplemental Trust Indenture (the "Twelfth Supplement"), Thirteenth Supplemental Trust Indenture (the "Thirteenth Supplement"), Fourteenth Supplemental Trust Indenture (the "Fourteenth Supplement") and Fifteenth Supplemental Trust Indenture (the "Fifteenth Supplement"), each between the Authority and the Trustee and dated as of November 1, 2015; and (viii) Sixteenth Supplemental Trust Indenture (the "Sixteenth Supplement"), between the Authority and the Trustee and dated as of June 1, 2016 (the Master Indenture, as supplemented by the First Supplement, the Second Supplement, the Third Supplement, the Fourth Supplement, the Fifth Supplement, the Sixth Supplement, the Seventh Supplement, the Eighth Supplement, the Ninth Supplement, the Tenth Supplement, the Eleventh Supplement, the Twelfth Supplement, the Thirteenth Supplement, the Fourteenth Supplement, the Fifteenth Supplement and the Sixteenth Supplement, is referred to herein as the "Indenture"); and

WHEREAS, Sections 301, 302, 708 and 1002 of the Master Indenture authorize the Authority and the Trustee to execute and deliver supplemental indentures authorizing the issuance of Obligations, including Additional Subordinate Lien Obligations, and to include in such supplemental indentures the terms of such Additional Subordinate Lien Obligations and any other matters and things relative to the issuance of such Obligations which are not inconsistent with or in conflict with the Indenture, to add to the covenants of the Authority, and to pledge other moneys, securities or funds as part of the Trust Estate; and

WHEREAS, the Board of Directors (the “Board”) of the Authority has determined to refund and redeem all or a portion of its Subordinate Lien Revenue Bonds, Series 2011 (the “Series 2011 Subordinate Lien Bonds”) from the proceeds of all or a portion of Additional Subordinate Lien Obligations; and

WHEREAS, pursuant to Chapter 1207, Texas Government Code, as amended, and Chapter 1371, Texas Government Code, as amended, the Board desires to authorize the issuance of one or more series of its Subordinate Lien Revenue Refunding Bonds, Series 2016 (the “Series 2016 Bonds”), pursuant to the Master Indenture and a seventeenth supplemental trust indenture for the purpose of refunding all or a portion of the Series 2011 Subordinate Lien Bonds, making deposits to reserve funds, and paying the costs of issuing the Series 2016 Bonds, all under and in accordance with the Constitution and the laws of the State; and

WHEREAS, the Board has been presented with and examined a proposed form of a seventeenth supplemental trust indenture and the Board finds that the form and substance thereof is satisfactory and the recitals and findings contained therein are true, correct and complete, and hereby adopts and incorporates by reference such recitals and findings as if set forth in full in this Resolution, and finds that it is in the best interest of the public and the Authority to authorize the execution and delivery thereof; and

WHEREAS, the Board now desires to appoint one or more officers of the Authority to act on behalf of the Authority to determine the final terms and conditions of the Series 2016 Bonds, as provided herein, and to make such determinations as may be required by the seventeenth supplemental trust indenture to carry out the purposes of this Resolution and to execute an Award Certificate (as defined herein) setting forth such determinations and authorizing and approving all other matters relating to the issuance, sale and delivery of the Series 2016 Bonds; and

WHEREAS, the Board desires to provide for the issuance of the Series 2016 Bonds in accordance with the requirements of the Master Indenture and the seventeenth supplemental trust indenture and to authorize the execution and delivery of such supplemental trust indentures, escrow agreements, contracts of purchase, certificates, agreements, instruction letters and other instruments as may be necessary or desirable in connection therewith;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY THAT:

1. FINDINGS AND DETERMINATIONS

1.1 Findings and Determinations. (a) The findings and determinations set forth in the preamble hereof are hereby incorporated herein for all purposes as though such findings and determinations were set forth in full herein. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned thereto in the Master Indenture and the seventeenth supplemental trust indenture.

(b) The Board has found and determined that the Series 2016 Bonds may be issued as one or more series of Additional Subordinate Lien Obligations and as Current Interest Bonds, Long-Term Obligations and Refunding Obligations in accordance with the Master Indenture.

(c) It is officially found, determined and declared that the meeting at which this Resolution has been adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Resolution was given, all as required by the applicable provisions of Chapter 551, Texas Government Code, as amended.

(d) The Board hereby finds and determines that the issuance of the Series 2016 Bonds is in the best interest of the Authority. The Authorized Officer is hereby authorized to make any findings and determinations required by Section 1207.008, Texas Government Code, as amended in the Award Certificate.

## 2. ISSUANCE OF SERIES 2016 BONDS; APPROVAL OF DOCUMENTS

2.1 Authorization of Issuance of Series 2016 Bonds; Approval of Seventeenth Supplemental Trust Indenture. The Authority hereby authorizes, approves and directs the issuance of the Series 2016 Bonds in accordance with the terms of this Resolution, the Master Indenture and a seventeenth supplemental trust indenture substantially in the form of the Seventeenth Supplemental Trust Indenture relating to the issuance of the Series 2016 Bonds (the "Seventeenth Supplement"), dated as of the date to be specified in an Award Certificate, between the Authority and the Trustee, a draft of which was presented to the Authority and its counsel, the form, terms and provisions of the Seventeenth Supplement being hereby authorized and approved with such changes as may be approved by the Authorized Officer, such approval to be evidenced by the execution thereof. The Chairman of the Board is hereby authorized to execute the Seventeenth Supplement and the Secretary is hereby authorized to attest the signature of the Chairman.

2.2 The Issuance of Series 2016 Bonds. The issuance, execution and delivery of the Series 2016 Bonds, which shall be issued in the aggregate principal amount, in one or more series and bearing interest in accordance with the terms of the Seventeenth Supplement, all as determined by the Authorized Officer and set forth in an Award Certificate, to provide funds to (i) refund all or a portion of the Series 2011 Subordinate Lien Bonds, (ii) make deposits, if any, to a reserve fund, and (iii) pay costs of issuance for the Series 2016 Bonds, all pursuant to and in accordance with the Master Indenture and the Seventeenth Supplement, are hereby authorized and approved.

2.3 Execution and Delivery of Series 2016 Bonds. The Chairman of the Board is hereby authorized and directed to execute and the Secretary of the Board is hereby authorized and directed to attest the signature of the Chairman of the Board and to affix the Authority's seal to the Series 2016 Bonds and to cause the Trustee to authenticate and deliver the Series 2016 Bonds to the Representative (as defined herein) or its designee against payment therefor in accordance with and subject to the terms and provisions of the Master Indenture and the Seventeenth Supplement.

## 3. APPOINTMENT OF AUTHORIZED OFFICER; DELEGATION OF AUTHORITY

3.1 Appointment of Authorized Officer. The Board hereby appoints the Chairman of the Board, the Executive Director and the Chief Financial Officer, severally and each of them, to

act as an authorized officer (the “Authorized Officer”) on behalf of the Board and to perform all acts authorized and required of an Authorized Officer set forth in this Resolution and the Seventeenth Supplement, respectively. The Authorized Officer is hereby authorized and directed to execute an Award Certificate setting forth the information authorized to be stated therein pursuant to this Resolution and required to be stated therein pursuant to the Seventeenth Supplement.

3.2 Delegation of Authority. The Board hereby authorizes and directs that the Authorized Officer act on behalf of the Authority to determine all final terms and conditions of the Series 2016 Bonds, the aggregate principal amount of Series 2016 Bonds to be issued, the prices at which the Series 2016 Bonds will be sold, any different or additional designation or title of each series of the Series 2016 Bonds, the principal amounts and maturity dates therefor, the per annum interest rates for the Series 2016 Bonds, the redemption provisions and dates for the Series 2016 Bonds, the final forms of the Series 2016 Bonds, the selection of the Series 2011 Subordinate Lien Bonds to be refunded (the “Refunded Bonds”), and such other terms and provisions that shall be applicable to the Series 2016 Bonds, to designate an escrow agent in connection with the Refunded Bonds, to approve the form and substance of an escrow agreement in connection with the Refunded Bonds, to approve the form and substance of one or more contracts of purchase providing for the sale of the Series 2016 Bonds, to authorize and approve the forms of a preliminary official statement and a final official statement and to make such findings and determinations as are otherwise authorized herein or as may be required by the Seventeenth Supplement to carry out the purposes of this Resolution and to execute an award certificate (an “Award Certificate”) setting forth such determinations, such other matters as authorized herein, and authorizing and approving all other matters relating to the issuance, sale and delivery of the Series 2016 Bonds and the refunding of the Refunded Bonds; provided, that the following conditions can be satisfied:

- (i) the aggregate principal amount of the Series 2016 Bonds to be issued shall not exceed \$90,000,000;
- (ii) the Series 2016 Bonds shall not bear interest at a rate greater than the maximum rate allowed by Chapter 1204, Texas Government Code, as amended; and
- (iii) the refunding of the Refunded Bonds shall result in a net present value savings of not less than 6.5% of the principal amount of the Refunded Bonds;

all based on bond market conditions and available rates for the Series 2016 Bonds on the date of sale of the Series 2016 Bonds.

The Series 2016 Bonds may be issued as one or more series as specified in the Award Certificate.

3.3 Limitation on Delegation of Authority. The authority granted to the Authorized Officer under this Resolution shall expire at 5:00 p.m. Central Time on May 30, 2017, unless otherwise extended by the Board by separate official action of the Board. Any Series 2016 Bonds, with respect to which an Award Certificate is executed prior to 5:00 p.m. Central Time on May 30, 2017, may be delivered to the initial purchaser(s) thereof after such date.

#### 4. APPROVAL OF SALE OF SERIES 2016 BONDS

4.1 Approval of Sale of Series 2016 Bonds. The sale of one or more series of Series 2016 Bonds to J.P. Morgan Securities LLC (the “Representative”), acting on behalf of itself and such other entities as may be named in the contract of purchase described herein (collectively, the “Underwriters”), in the aggregate principal amounts and at the prices set forth in such contract of purchase, as determined by the Authorized Officer on the date of sale of the Series 2016 Bonds, is hereby authorized and approved. The Authorized Officer is hereby authorized and directed to execute and deliver on behalf of the Authority a contract of purchase providing for the sale of the Series 2016 Bonds to the Underwriters in such form as determined by the Authorized Officer (the “Contract of Purchase”), to be dated as of the date of its execution and delivery, by and among the Authority and the Underwriters. The Authorized Officer is hereby authorized and directed to approve the final terms and provisions of the Contract of Purchase and to approve and to execute and deliver the Contract of Purchase on behalf of the Authority, such approval to be conclusively evidenced by the execution thereof.

4.2 Sale on Best Terms Available. The Series 2016 Bonds shall be sold to the Underwriters at the prices, bearing interest at the rates and having such other terms and provisions, that, based on then current market conditions, result in the best terms reasonably available and advantageous to the Authority, as is determined by the Authorized Officer on the date of sale of the Series 2016 Bonds. The Authorized Officer is hereby authorized and directed to make such findings in the Award Certificate regarding the terms of the sale of the Series 2016 Bonds and the benefit of such sale of the Series 2016 Bonds to the Authority.

#### 5. APPROVAL OF ESCROW AGREEMENT; NOTICES OF REDEMPTION

5.1 Approval of Escrow Agreement. To provide for the security and investment of a portion of the proceeds of the Series 2016 Bonds until such time as such proceeds are to be paid to the registered owners of the Refunded Bonds, the Authorized Officer is hereby authorized and directed to execute and deliver an Escrow Agreement in the name and on behalf of the Authority, in such form and substance as the Authorized Officer may approve, such approval to be conclusively evidenced by such Authorized Officer’s execution thereof (the “Escrow Agreement”), between the Authority and the escrow agent designated by the Authorized Officer and named therein (the “Escrow Agent”), and dated as of the date set forth in an Award Certificate.

5.2 Purchase of Defeasance Securities. The Authorized Officer is hereby authorized to subscribe for, agree to purchase, and purchase defeasance securities, in such amounts and maturities and bearing interest at such rates as may be provided for in the Escrow Agreement, and to execute any and all subscriptions, purchase agreements, commitments, letters of authorization and other documents necessary to effectuate the foregoing, and any actions heretofore taken for such purpose are hereby ratified and approved.

5.3 Notice of Redemption to Owners of Refunded Bonds. The Board hereby authorizes and calls for redemption the Refunded Bonds on the dates and at the prices determined by the Authorized Officer and set forth in the Award Certificate. The Authorized Officer shall cause notice of redemption to be given to the registered owners of such Refunded

Bonds in accordance with the Master Indenture and the respective supplemental trust indenture pursuant to which such series of Refunded Bonds were issued.

## 6. APPROVAL OF OFFICIAL STATEMENT

6.1 Approval of Official Statement. The Authorized Officer is hereby authorized and directed to authorize and approve the form and substance of the Preliminary Official Statement prepared in connection with the public offering of the Series 2016 Bonds, together with any addenda, supplement or amendment thereto (the “Preliminary Official Statement”), and the preparation, use and distribution of the Preliminary Official Statement in the marketing of the Series 2016 Bonds. The Authorized Officer is authorized to “deem final” the Preliminary Official Statement as of its date (except for the omission of pricing and related information) within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. The Authorized Officer is hereby further authorized and directed to use and distribute or authorize the use and distribution of, a final official statement and any addenda, supplement or amendment thereto (the “Official Statement”). The use thereof by the Underwriters in the public offering and sale of the Series 2016 Bonds is hereby authorized and approved. The Chairman of the Board is hereby authorized and directed to execute and the Authorized Officer to deliver the Official Statement to the Underwriters in number and in accordance with the terms of the Contract of Purchase. The Secretary of the Board is hereby authorized and directed to include and maintain copies of the Preliminary Official Statement and the Official Statement in the permanent records of the Authority.

## 7. USE AND APPLICATION OF PROCEEDS; LETTERS OF INSTRUCTION; POWER TO REVISE DOCUMENTS

7.1 Use and Application of Proceeds; Letters of Instruction. The proceeds from the sale of the Series 2016 Bonds shall be used for the purposes set forth in and in accordance with the terms and provisions of the Seventeenth Supplement and the Award Certificate. The deposit and application of the proceeds from the sale of the Series 2016 Bonds shall be set forth in Letters of Instruction of the Authority executed by the Authorized Officer.

7.2 Execution and Delivery of Other Documents. The Authorized Officer is hereby authorized and directed to execute and deliver such other documents and agreements, including amendments, modifications, supplements or consents to existing agreements (including any agreements with the Texas Department of Transportation and the United States Department of Transportation), assignments, certificates, instruments, releases, financing statements, written requests, filings with the Internal Revenue Service and letters of instruction, whether or not mentioned herein, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution and to comply with the requirements of the Indenture, the Seventeenth Supplement, the Award Certificate, the Escrow Agreement and the Contract of Purchase.

7.3 Power to Revise Form of Documents. Notwithstanding any other provision of this Resolution, the Authorized Officer is hereby authorized to make or approve such nonsubstantive revisions in the form of the documents presented at this meeting and any other document, certificate or agreement pertaining to the issuance and delivery of the Series 2016



Bonds in accordance with the terms of the Master Indenture, the Seventeenth Supplement, as, in the judgment of such person, may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution, such approval to be evidenced by the execution thereof.

## 8. APPROVAL AND RATIFICATION OF CERTAIN ACTIONS

8.1 Approval of Submission to the Attorney General of Texas. The Authority's Bond Counsel is hereby authorized and directed to submit to the Attorney General of the State of Texas, for his approval, transcripts of the legal proceedings relating to the issuance, sale and delivery of the Series 2016 Bonds as required by law, and to the Comptroller of Public Accounts of the State of Texas (the "Comptroller") for registration. In connection with the submission of the record of proceedings for the Series 2016 Bonds to the Attorney General of the State of Texas for examination and approval of such Series 2016 Bonds, the Authorized Officer is hereby authorized and directed to issue one or more checks of the Authority payable to the Attorney General of the State of Texas as a nonrefundable examination fee in the amount required by Chapter 1202, Texas Government Code. The Initial Series 2016 Bonds shall be delivered to the Trustee for delivery to the Representative or its designee against payment therefor and upon satisfaction of the requirements of the Master Indenture, the Seventeenth Supplement and the Contract of Purchase. Upon satisfaction of such requirements, the Trustee shall cancel the Initial Series of 2016 Bonds and authenticate and deliver for the account of the Underwriters definitive Series 2016 Bonds, registered in the name of Cede & Co., as nominee of The Depository Trust Company.

8.2 Certification of the Minutes and Records. The Secretary and any Assistant Secretary of the Board are each hereby severally authorized to certify and authenticate minutes and other records on behalf of the Authority for the issuance of the Series 2016 Bonds and for all other Authority activities.

8.3 Ratifying Other Actions. All other actions taken or to be taken by the Executive Director, the Chief Financial Officer, the Authorized Officer and the Authority's staff in connection with the issuance of the Series 2016 Bonds are hereby approved, ratified and confirmed.

8.4 Authority to Invest Funds. The Executive Director and the Chief Financial Officer are each hereby severally authorized to undertake all appropriate actions and to execute such documents, agreements or instruments as they deem necessary or desirable under the Master Indenture, the Seventeenth Supplement and the Escrow Agreement with respect to the investment of proceeds of the Series 2016 Bonds and other funds of the Authority.

8.5 Federal Tax Considerations. In addition to any other authority provided under this Resolution, the Authorized Officer is hereby further expressly authorized, acting for and on behalf of the Authority, to determine and designate in the Award Certificate for the Series 2016 Bonds whether such bonds will be issued as taxable bonds or tax-exempt bonds for federal income tax purposes and to make all appropriate elections under the Internal Revenue Code of 1986, as amended. The Authorized Officer is hereby further expressly authorized and empowered from time to time and at any time to perform all such acts and things deemed necessary or desirable and to execute and deliver any agreements, certificates, documents or

other instruments, whether or not herein mentioned, to carry out the terms and provisions of this section, including but not limited to, the preparation and making of any filings with the Internal Revenue Service.

## 9. GENERAL PROVISIONS

9.1 Changes to Resolution. The Executive Director, the Chief Financial Officer and the Authorized Officer, and any of them, singly and individually, are hereby authorized to make such changes to the text of this Resolution as may be necessary or desirable to carry out the purposes hereof or to comply with the requirements of the Attorney General of the State of Texas in connection with the issuance of the Series 2016 Bonds herein authorized.

9.2 Effective Date. This Resolution shall be in full force and effect from and upon its adoption.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 15th day of June, 2016.

Submitted and reviewed by:

Approved:

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Geoffrey Petrov, General Counsel

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Ray A. Wilkerson  
Chairman, Board of Directors

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SEVENTEENTH SUPPLEMENTAL TRUST INDENTURE

BETWEEN

CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY

AND

REGIONS BANK, TRUSTEE

AUTHORIZING

SUBORDINATE LIEN REVENUE REFUNDING BONDS,  
SERIES 2016

Dated as of \_\_\_\_\_, 2016

**TABLE OF CONTENTS**

Page

**ARTICLE I**

**DEFINITIONS AND STATUTORY AUTHORITY**

Section 1.1. Supplemental Indenture .....3  
Section 1.2. Definitions.....3  
Section 1.3. Authority for This Supplemental Indenture .....6  
Section 1.4. Rules of Construction.....6  
Section 1.5. Interpretation .....7  
Section 1.6. Indenture to Remain in Force.....7  
Section 1.7. Successors and Assigns.....7  
Section 1.8. Separability Clause.....7  
Section 1.9. Benefits of Supplemental Indenture.....7  
Section 1.10. Governing Law.....7  
Section 1.11. Miscellaneous.....7

**ARTICLE II**

**AUTHORIZATION AND TERMS OF 2016 BONDS**

Section 2.1. Authorization, Principal Amount, Designation of Series, Terms and Provisions to Apply.....7  
Section 2.2. Purposes .....8  
Section 2.3. Pledge; Limited Obligations .....8  
Section 2.4. Date, Denomination, Numbers, and Letters.....9  
Section 2.5. Interest Payment Dates, Interest Rates and Maturity Dates of the 2016 Bonds.....9  
Section 2.6. Paying Agent; Method and Place of Payment.....9  
Section 2.7. Securities Depository; Book-Entry System .....10  
Section 2.8. Redemption Prices and Terms .....11  
Section 2.9. Notice of Redemption .....11

**ARTICLE III**

**ACCOUNTS; APPLICATION OF PROCEEDS**

Section 3.1. Debt Service Account 2016 Subordinate Lien.....12  
Section 3.2. Debt Service Reserve Account 2016 Subordinate Lien .....12  
Section 3.3. Bond Proceeds Clearance Fund; Costs of Issuance Fund; Initial Deposits .....12

**ARTICLE IV**

**FORM OF BONDS**

Section 4.1. Form of 2016 Bonds.....13  
Section 4.2. Initial 2016 Bond.....13  
Section 4.3. Additional Provisions Regarding 2016 Bonds .....13

ARTICLE V

ADDITIONAL COVENANTS OF THE AUTHORITY

Section 5.1. Adjustment to Rate Covenant .....14  
Section 5.2. Additional Bonds Test.....14  
Section 5.3. Swap Payments .....15  
Section 5.4. Confirmation of Funds and Accounts .....15  
Section 5.5. Purpose.....15

ARTICLE VI

TAX MATTERS; REBATE

Section 6.1. Federal Income Tax Exclusion.....15  
Section 6.2. 2016 Subordinate Lien Rebate Account .....18

ARTICLE VII

CONTINUING DISCLOSURE

Section 7.1. Definitions.....20  
Section 7.2. Annual Reports.....20  
Section 7.3. Event Notices .....20  
Section 7.4. Limitations, Disclaimers and Amendments .....22

ARTICLE VIII

OTHER MATTERS

Section 8.1. Execution in Several Counterparts.....23

Annex A – Continuing Disclosure

## SEVENTEENTH SUPPLEMENTAL TRUST INDENTURE

THIS SEVENTEENTH SUPPLEMENTAL TRUST INDENTURE, dated as of \_\_\_\_\_, 2016 (this “Supplemental Indenture” or “Seventeenth Supplemental Indenture”), is made by and between the CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY (together with any successor to its rights, duties, and obligations hereunder, the “Authority”), a body politic and corporate and a political subdivision of the State of Texas (the “State”) duly created, organized and existing under the laws of the State, and REGIONS BANK, an Alabama state banking corporation, as successor in trust to JPMorgan Chase Bank, National Association, as trustee (together with any successor trustee hereunder, the “Trustee”). Capitalized terms used herein and not otherwise defined shall have the meanings provided in Section 1.2 of this Supplemental Indenture.

### RECITALS

WHEREAS, the Authority has been created and organized pursuant to and in accordance with the provisions of Chapter 361, Texas Transportation Code, and operates pursuant to the Constitution and laws of the State, including, particularly, Chapter 370, Texas Transportation Code, as amended (the “Act”), for the purposes of constructing, maintaining and operating transportation projects in Travis and Williamson Counties, Texas; and

WHEREAS, pursuant to the Act, the Authority is authorized to: (i) study, evaluate, design, finance, acquire, construct, maintain, repair and operate transportation projects (as defined in the Act), individually or as a system (as defined in the Act); and (ii) issue bonds, certificates, notes or other obligations payable from the revenues of a transportation project or system, including tolls, fees, fares or other charges, to pay all or part of the cost of a transportation project and to refund any bonds previously issued for a transportation project; and (iii) impose tolls, fees, fares or other charges for the use of each of its transportation projects and the different parts or sections of each of its transportation projects; and

WHEREAS, pursuant to the Act and other applicable laws, the Authority is authorized to issue revenue bonds, notes, certificates or other obligations as hereinafter provided, and to enter into this Supplemental Indenture; and

WHEREAS, the Authority and the Trustee have executed and delivered the Master Indenture, providing for the issuance from time to time by the Authority of one or more series of its revenue obligations (collectively, the “Obligations”); and

WHEREAS, Section 1002 of the Master Indenture authorizes the Authority and the Trustee to execute and deliver a supplemental indenture, authorizing Obligations of a Series, to include any other matters and things relative to such Obligations which are not inconsistent with or contrary to the Master Indenture, to add to the covenants of the Authority, and to pledge other moneys, securities or funds as part of the Trust Estate; and

WHEREAS, pursuant to the authority granted in Chapter 1207, Texas Government Code, as amended, Chapter 1371, Texas Government Code, as amended, and the Act, the Authority has determined to authorize the issuance of its Subordinate Lien Revenue Refunding Bonds, Series 2016 (the “2016 Bonds”), pursuant to the Master Indenture and this Supplemental Indenture for

the purpose of providing funds (i) to refund the Refunded Obligations described in the Award Certificate, and (ii) for the other purposes described herein; and

WHEREAS, the Authority is authorizing the refunding of the Refunded Obligations described in the Award Certificate for the purpose of realizing debt service savings through such refunding; and

WHEREAS, the Board hereby finds and determines that the issuance of the 2016 Bonds is in the best interests of the Authority; and

WHEREAS, pursuant to the Bond Resolution, the Authority has authorized the Authorized Officer to make such findings and determinations as may be required in connection with the issuance of the 2016 Bonds and the refunding of the Refunded Obligations and to set forth such findings and determinations in the Award Certificate; and

WHEREAS, the 2016 Bonds shall be “Current Interest Bonds,” “Long-Term Obligations,” “Refunding Obligations” and “Subordinate Lien Obligations” as such terms are defined in the Master Indenture; and

WHEREAS, the execution and delivery of this Supplemental Indenture and the issuance of the 2016 Bonds have been in all respects duly and validly authorized by the Bond Resolution; and

WHEREAS, the Trustee has accepted the trusts created by the Master Indenture and this Supplemental Indenture and in evidence thereof has joined in the execution and delivery hereof; and

WHEREAS, except as provided herein, all acts and conditions and things required by the laws of the State to happen, exist and be performed precedent to execution and delivery of this Supplemental Indenture have happened, exist and have been performed as so required in order to make the Indenture, as supplemented by this Supplemental Indenture, a valid, binding and legal instrument for the security of the 2016 Bonds and a valid and binding agreement in accordance with its terms;

NOW, THEREFORE, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the purchase and acceptance of the 2016 Bonds by the holders thereof, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and for the further purpose of fixing and declaring the terms and conditions upon which the 2016 Bonds are to be issued, authenticated, delivered and accepted by the holders thereof, the Authority and the Trustee do hereby mutually covenant and agree, for the equal and proportionate benefit of the respective Holders from time to time of the Obligations, including the 2016 Bonds, as follows:



## ARTICLE I

### DEFINITIONS AND STATUTORY AUTHORITY

Section 1.1. Supplemental Indenture. This Supplemental Indenture is supplemental to the Master Indenture and is adopted in accordance with Article III and Article X thereof.

Section 1.2. Definitions.

Unless the context shall require otherwise, all defined terms contained in the Master Indenture shall have the same meanings in this Supplemental Indenture as such defined terms are given in Section 101 of the Master Indenture.

As used in this Supplemental Indenture, unless the context shall otherwise require, the following terms shall have the following respective meanings:

“2016 Bonds” shall mean the Subordinate Lien Revenue Refunding Bonds, Series 2016 authorized pursuant to this Supplemental Indenture and designated as such in the Award Certificate.

“2016 SUB LIEN DSR Requirement” or “DSR Requirement” shall mean the “2016 Bonds Debt Service Reserve Requirement” which shall be an amount equal to the least of (i) the maximum Annual Debt Service on the 2016 Bonds, (ii) 1.25 times the Average Annual Debt Service on the 2016 Bonds, or (iii) ten percent (10%) of the stated principal amount of the 2016 Bonds determined as of the Issuance Date thereof.

“2016 Subordinate Lien Rebate Account” shall mean the account by that name established pursuant to Section 6.2 hereof and such subaccounts as may be established therein pursuant to a Letter of Instructions signed by an Authorized Officer.

“Arbitrage Analyst” shall mean any nationally recognized firm of certified public accountants or any other nationally recognized firm or Person approved by the Authority and expert in the area of verification of arbitrage calculations related to tax-exempt bonds.

“Authorized Denomination” shall mean, with respect to the 2016 Bonds, \$5,000 in principal amount or any integral multiple thereof.

“Authorized Officer” shall mean the Chairman of the Board of Directors of the Authority, the Executive Director of the Authority and the Chief Financial Officer of the Authority, severally and each of them, as provided in the Bond Resolution.

“Award Certificate” shall mean the Award Certificate executed and delivered by an Authorized Officer pursuant to Section 2.1 hereof in connection with initial issuance and delivery of the 2016 Bonds authorized to be issued hereunder.

“Bond Form” shall mean the substantially final form of the 2016 Bond attached to the Award Certificate, with such changes and modifications as shall be appropriate to conform to the terms of the Award Certificate.

“Bond Proceeds Clearance Fund SUB LIEN 2016” shall mean the “Bond Proceeds Clearance Fund Subordinate Lien 2016” established pursuant to Section 3.3(a) hereof, and any Accounts established therein pursuant to a Letter of Instructions signed by an Authorized Officer.

“Bond Resolution” shall mean Resolution No. 16-\_\_\_\_, adopted by the Board of Directors of the Authority on June 15, 2016.

“Bond Year” shall mean each one-year period that ends at the close of business on the day that is each anniversary of the Issuance Date and on the date of final maturity of the 2016 Bonds. The last Bond Year may be a short period.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and, with respect to a specific section thereof, such reference shall be deemed to include (a) the Regulations promulgated under such section, (b) any successor provision of similar import hereafter enacted, (c) any corresponding provision of any subsequent Internal Revenue Code and (d) the regulations promulgated under the provisions described in (b) and (c).

“COI 2016 Fund SUB LIEN” shall mean the “2016 Costs of Issuance Fund Subordinate Lien” established pursuant to Section 3.3(b) hereof.

“Computation Date” shall mean each Installment Computation Date and the Final Computation Date.

“Debt Service Account 2016 SUB LIEN” shall mean the “Debt Service Account 2016 Subordinate Lien” established as part of the Subordinate Lien Debt Service Fund pursuant to Section 3.1 hereof.

“Debt Service Reserve Account 2016 SUB LIEN” shall mean the “Debt Service Reserve Account 2016 Subordinate Lien” established as part of the Subordinate Lien Debt Service Reserve Fund pursuant to Section 3.2 hereof.

“Depository Participant” shall mean a broker, dealer, bank, other financial institution or any other Person for whom from time to time a Securities Depository effects book-entry transfers and pledges of securities deposited with such Securities Depository.

“Designated Payment/Transfer Office” shall mean, initially, the office of the Trustee located in Houston, Texas, or such other office designated by the Trustee from time to time as the place of payment and transfer of registration of ownership of the 2016 Bonds.

“DTC” shall mean The Depository Trust Company, its successors and assigns.

“Final Computation Date” shall mean the date on which the last bond of the 2016 Bonds is discharged.

“Indenture” shall mean the Master Indenture, as amended or supplemented (i) by each Supplemental Indenture (as defined in the Master Indenture) heretofore executed and delivered by the Authority and the Trustee in accordance with the terms of the Master Indenture, prior to

the date of this Seventeenth Supplemental Indenture; (ii) by this Seventeenth Supplemental Indenture; and (iii) hereafter from time to time in accordance with the terms of the Master Indenture.

“Initial 2016 Bond” shall mean the Initial 2016 Bond as described in Section 2.4 hereof.

“Installment Computation Date” shall mean the last day of the fifth Bond Year and each succeeding fifth Bond Year.

“Interest Payment Date” shall mean, with respect to the 2016 Bonds, each July 1 and January 1, commencing on the date specified in the Award Certificate.

“Issuance Date” shall mean the date of initial issuance and delivery of the 2016 Bonds to the Underwriters, or the representative thereof, against payment therefor.

“Letter of Representations” shall mean that certain Blanket Issuer Letter of Representations between the Authority and DTC, as the Securities Depository.

“Master Indenture” shall mean the Master Trust Indenture, dated as of February 1, 2005, between the Authority and the Trustee, without regard to supplements and amendments thereto.

“Official Statement” shall mean the Authority’s final official statement prepared in connection with the public offering and sale of the 2016 Bonds, together with any addenda, supplements and amendments thereto.

“Purchase Agreement” shall mean, collectively, one or more Bond Purchase Agreements between the Authority and the Underwriters providing for the purchase of the 2016 Bonds by the respective Underwriters.

“Rebate Amount” shall mean that amount, as of each respective Computation Date, described in section 1.148-3(b) of the Regulations and generally means the excess, as of any date, of the future value of all receipts on nonpurpose investments over the future value of all payments on nonpurpose investments all as determined in accordance with section 1.148-3 of the Regulations.

“Record Date” shall mean, with respect to the 2016 Bonds, the fifteenth (15<sup>th</sup>) calendar day of the month preceding each Interest Payment Date.

“Refunded Obligations” shall mean the Authority’s presently outstanding Obligations identified in the Award Certificate as being refunded with a portion of the proceeds of the 2016 Bonds.

“Regulations” shall mean the applicable proposed, temporary or final Treasury Regulations promulgated under the Code or, to the extent applicable to the Code, under the Internal Revenue Code of 1954, as such regulations may be amended or supplemented from time to time.

“Securities Depository” shall mean The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and any successor Securities Depository appointed pursuant to Section 913 of the Master Indenture and Section 2.7 of this Supplemental Indenture.

“Special Payment Date” shall mean the date that is fifteen (15) days after the Special Record Date.

“Special Record Date” shall mean the new record date for interest payment established in the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter.

“Stated Maturity” shall mean the date on which a 2016 Bond is scheduled to mature, as set forth in the Award Certificate.

“Supplemental Indenture” or “Seventeenth Supplemental Indenture” shall mean this Seventeenth Supplemental Trust Indenture by and between the Authority and the Trustee, dated as of the date first above written, together with any amendments hereto.

“Treasury” shall mean the United States Department of the Treasury, or any successor department or agency to the obligations thereof.

“Twelfth Supplemental Indenture” shall mean the Twelfth Supplemental Trust Indenture, dated as of November 1, 2015, between the Authority and the Trustee.

“Underwriters” shall mean the underwriters named in the Purchase Agreement.

Section 1.3. Authority for This Supplemental Indenture. This Supplemental Indenture is adopted pursuant to the provisions of the Act and the Master Indenture, particularly Section 1002(a) of the Master Indenture.

Section 1.4. Rules of Construction.

(a) For all purposes of this Supplemental Indenture unless the context requires otherwise, all references to designated Articles, Sections and other subdivisions are to the articles, sections and other subdivisions of this Supplemental Indenture.

(b) Except where the context otherwise requires, terms defined in this Supplemental Indenture to impart the singular number shall be considered to include the plural number and vice versa.

(c) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa.

(d) This Supplemental Indenture and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of this Supplemental Indenture and the Master Indenture which it supplements.

Section 1.5. Interpretation. The Table of Contents, titles and headings of the Articles and Sections of this Supplemental Indenture have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict the terms or provisions hereof.

Section 1.6. Indenture to Remain in Force. Except as amended by this Supplemental Indenture, the Indenture shall remain in full force and effect as to the matters covered therein.

Section 1.7. Successors and Assigns. All covenants and agreements in this Supplemental Indenture by the Authority and the Trustee shall bind their respective successors and assigns, whether so expressed or not.

Section 1.8. Separability Clause. In case any provision in this Supplemental Indenture shall be determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 1.9. Benefits of Supplemental Indenture. Subject to the terms of the Master Indenture and the terms hereof, nothing in this Supplemental Indenture or in the 2016 Bonds, express or implied, shall give to any Person, other than the parties hereto, their successors hereunder, and the Holders of 2016 Bonds, any benefit or any legal or equitable right, remedy or claim under this Supplemental Indenture.

Section 1.10. Governing Law. This Supplemental Indenture shall be construed in accordance with and governed by the laws of the State.

Section 1.11. Miscellaneous. Every “request,” “order,” “demand,” “application,” “notice,” “statement,” “certificate,” “consent,” “instruction,” or similar action hereunder shall, unless the form thereof is specifically provided herein, be in writing, and in the case of the Authority signed by an Authorized Representative or Authorized Officer of the Authority or in the case of any other Person signed by its President or Vice President, or other officer serving in similar capacities specifically authorized to execute such writing on behalf of any other Person, as the case may be.

## ARTICLE II

### AUTHORIZATION AND TERMS OF 2016 BONDS

Section 2.1. Authorization, Principal Amount, Designation of Series, Terms and Provisions to Apply.

(a) In accordance with and subject to the terms, conditions and limitations established in the Indenture and this Supplemental Indenture, the 2016 Bonds are hereby authorized to be issued pursuant to and in accordance with the provisions of the Bond Resolution, the Master Indenture, Chapter 1207, Texas Government Code, as amended, Chapter 1371, Texas Government Code, as amended, and the Act. The Authorized Officer shall determine the aggregate principal amount of the 2016 Bonds to be issued and the amount of 2016 Bonds to be issued for each of the purposes identified in Section 2.2 of this Supplemental Indenture and shall make such findings as required by law, as authorized by the Bond Resolution or as otherwise

deemed appropriate by the Authorized Officer, all of which shall be set forth in the Award Certificate. The terms of the 2016 Bonds shall be as set forth in the Master Indenture, this Supplemental Indenture and the Award Certificate. All terms and provisions of the Award Certificate relating to the 2016 Bonds shall be deemed to be incorporated into and shall become a part of this Seventeenth Supplemental Indenture.

(b) The Authorized Officer shall determine and shall set forth in the Award Certificate the aggregate principal amount of 2016 Bonds to be issued, the series designation thereof, the maturity dates, the per annum interest rates, the redemption provisions and any other terms and provisions determined by the Authorized Officer as necessary or desirable with respect to the terms of the 2016 Bonds.

Section 2.2. Purposes. The 2016 Bonds are issued in accordance with Section 302(b) of the Master Indenture for the purpose of providing funds to (i) refund the Refunded Obligations; (ii) make a deposit to the Debt Service Reserve Account 2016 SUB LIEN; and (iii) pay certain costs of issuance for the 2016 Bonds, all under and in accordance with the Constitution and the laws of the State.

Section 2.3. Pledge; Limited Obligations.

(a) The 2016 Bonds are designated as Current Interest Bonds, as Long-Term Obligations, as Refunding Obligations and as Subordinate Lien Obligations under the Master Indenture.

(b) The 2016 Bonds shall be limited obligations of the Authority constituting Subordinate Lien Obligations payable from and secured solely by a lien on, pledge of and security interest in the Trust Estate, which lien and pledge are junior and subordinate to the Senior Lien Obligations and the Junior Lien Obligations; provided, that the pledge of certain funds and accounts to the 2016 Bonds shall be as provided in this Supplemental Indenture. The 2016 Bonds, as Subordinate Lien Obligations, shall constitute a valid claim of the Holder thereof against the Trust Estate, which is pledged to secure the payment of the principal of, redemption premium, if any, and interest on the 2016 Bonds. The 2016 Bonds shall not constitute a general obligation of the Authority and under no circumstances shall the 2016 Bonds be payable from, nor shall the Holder thereof have any rightful claim to, any income, revenues, funds or assets of the Authority other than those pledged hereunder and under the Master Indenture as security for the payment of the Subordinate Lien Obligations.

(c) Any and all amounts deposited to the Debt Service Reserve Account 2016 SUB LIEN are pledged to the payment of the 2016 Bonds. Under no circumstances shall any Obligations issued pursuant to Section 706(c) of the Master Indenture, any previously issued Subordinate Lien Obligations, or any other Subordinate Lien Obligations issued hereafter be payable from or secured by amounts on deposit in the Debt Service Reserve Account 2016 SUB LIEN unless otherwise expressly provided by the Authority in a Supplemental Indenture with the consent of the Holders of 100% of the aggregate principal amount of the 2016 Bonds.

NONE OF THE STATE OF TEXAS OR ANY OTHER AGENCY OR POLITICAL SUBDIVISION OF THE STATE OF TEXAS OTHER THAN THE AUTHORITY IS

OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE 2016 BONDS. THE 2016 BONDS ARE PAYABLE SOLELY FROM THE TRUST ESTATE AND CERTAIN FUNDS CREATED UNDER THE INDENTURE, WHICH LIEN AND PLEDGE ARE JUNIOR AND SUBORDINATE TO THE SENIOR LIEN OBLIGATIONS AND THE JUNIOR LIEN OBLIGATIONS. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE 2016 BONDS. THE AUTHORITY HAS NO TAXING POWER.

NO RECOURSE UNDER THE 2016 BONDS SHALL BE HAD AGAINST ANY PAST, PRESENT OR FUTURE OFFICER OF THE AUTHORITY. THE 2016 BONDS SHALL NEVER BE PAID IN WHOLE OR IN PART OUT OF ANY FUNDS RAISED OR TO BE RAISED BY TAXATION OR OUT OF ANY OTHER REVENUES OF THE AUTHORITY, EXCEPT THOSE REVENUES ASSIGNED BY THE INDENTURE.

Section 2.4. Date, Denomination, Numbers, and Letters.

- (a) The 2016 Bonds shall be dated as provided in the Award Certificate.
- (b) The 2016 Bonds shall be issued in Authorized Denominations.
- (c) Unless the Authority shall direct otherwise, the 2016 Bonds shall be lettered and numbered separately from A-1 upward. The initial 2016 Bond registered by the Comptroller of Public Accounts of the State of Texas (the "Initial 2016 Bond") shall be lettered and numbered AT-1.

Section 2.5. Interest Payment Dates, Interest Rates and Maturity Dates of the 2016 Bonds.

- (a) The 2016 Bonds shall bear interest from the later of the Issuance Date or the most recent Interest Payment Date to which interest has been paid or provided for until the principal of such 2016 Bonds has been paid or provided for either at Stated Maturity or the prior redemption thereof. Interest on the 2016 Bonds shall be calculated on the basis of a 360-day year composed of twelve 30-day months and shall be payable on each Interest Payment Date.
- (b) The 2016 Bonds shall mature on January 1 in the years, in the respective principal amounts and shall bear interest at the per annum rates set forth in the Award Certificate.

Section 2.6. Paying Agent; Method and Place of Payment.

- (a) The Trustee is hereby appointed as Paying Agent for the 2016 Bonds.
- (b) The principal of the 2016 Bonds shall be payable on the due date thereof (whether at Stated Maturity or, if applicable, prior redemption date) upon the presentation and surrender thereof at the Designated Payment/Transfer Office.

(c) Interest payable on each 2016 Bond shall be paid by check dated as of the Interest Payment Date and mailed by the Trustee to the Holder in whose name such 2016 Bond is registered at the close of business on the Record Date, by mail, first class postage prepaid, to the address of the Holder as it appears in the registration books kept by the Trustee, or such other customary banking arrangements acceptable to the Trustee and the Person to whom interest is to be paid; provided, however, that such Person shall bear all risk and expenses of such other customary banking arrangements. In the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (defined in Section 1.2 hereof as a “Special Record Date”) will be established by the Trustee, if and when funds for the payment of such interest have been received from the Authority. Notice of the Special Record Date and of the scheduled payment date of the past due interest (defined in Section 1.2 hereof as the “Special Payment Date,” which shall be 15 days after the Special Record Date) shall be sent at least five Business Days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Holder of a 2016 Bond appearing on the books of the Trustee at the close business on the last Business Day preceding the date of mailing of such notice.

#### Section 2.7. Securities Depository; Book-Entry System.

(a) Pursuant to Section 913 of the Master Indenture, the Authority hereby appoints The Depository Trust Company (“DTC”) as Securities Depository for the 2016 Bonds. In accordance with the Letter of Representations, the Authority shall cause the 2016 Bonds to be registered in the name of Cede & Co., as nominee for DTC, and to be delivered by the Underwriters to DTC on the Issuance Date.

(b) With respect to 2016 Bonds registered in the registration books maintained by the Trustee in the name of Cede & Co., or a nominee of any successor Securities Depository, pursuant to Section 913 of the Master Indenture, the Authority and the Trustee shall have no responsibility or obligation to any Depository Participant or to any Person on behalf of whom such Depository Participant holds an interest in 2016 Bonds. The Authority and the Trustee may treat and consider the Holder of any 2016 Bond as the absolute owner of such 2016 Bond for the purpose of payment of the principal of, premium, if any, and interest on such 2016 Bond, for the purpose of giving notices of redemption and other matters with respect to such 2016 Bond, for the purpose of registering transfers and exchanges with respect to such 2016 Bond, and for all other purposes whatsoever. The Trustee shall pay all the principal of, premium, if any, and interest on the 2016 Bonds only to or upon the order of the respective Holders of the 2016 Bonds and all such payments shall be valid and effective with respect to such payments to the extent of the sum or sums so paid. The Authority and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, any successor Securities Depository or any Depository Participant with respect to any ownership interest in 2016 Bonds, (ii) the delivery to any Depository Participant or any other Person, other than a Holder of a 2016 Bond as shown in the registration books for Obligations required to be kept and maintained pursuant to the Master Indenture, of any notice with respect to the 2016 Bonds, including any notice of redemption, or (iii) the payment to any Depository Participant or any other Person, other than a Holder of a 2016 Bond, of any amount with respect to any 2016 Bond. The rights of Depository Participants and Persons on behalf of whom any Depository Participant holds a beneficial interest in 2016 Bonds shall be limited to those established by law and agreements



between such Depository Participants and other Persons and the applicable Securities Depository.

(c) In the event that either (i) the Securities Depository that is, directly or through a nominee, the Holder of all of the Outstanding 2016 Bonds notifies the Trustee and the Authority that it is no longer willing or able to discharge its responsibilities as a Securities Depository or (ii) the Authority determines that continuance of the existing book-entry system for ownership of interests in the 2016 Bonds is not in the best interest of such owners of beneficial interests in the 2016 Bonds, then the Authority shall direct the Securities Depository to terminate the existing book-entry system for ownership of interests in the 2016 Bonds. Upon such termination, the Authority shall promptly select a substitute Securities Depository (and shall notify the Trustee in writing of such selection) to provide a system of book-entry ownership of beneficial interests in the 2016 Bonds, if one is available satisfactory to the Authority, and the ownership of all 2016 Bonds shall be transferred on the registration books for the 2016 Bonds to such successor Securities Depository, or its nominee. In the alternative, the Authority may direct the Trustee to, and if the Authority fails to promptly designate a successor Securities Depository the Trustee, without further direction, shall, notify the Depository Participants, through the Securities Depository for the 2016 Bonds, of the availability of 2016 Bonds registered in the names of such Persons as are owners of beneficial interests in the 2016 Bonds and, upon surrender to the Trustee of the Outstanding 2016 Bonds held by the Securities Depository, accompanied by registration instructions from the Securities Depository, the Trustee shall, at the expense of the transferees, cause to be printed and authenticated 2016 Bonds, in Authorized Denominations, to the owners of beneficial interests in the 2016 Bonds as of the date of the termination of the existing book-entry ownership system for the 2016 Bonds. Neither the Authority nor the Trustee shall be liable for any delay in delivery of such instructions and may conclusively rely on, and shall be protected in relying upon, such instructions. So long as the Authority has designated a Securities Depository to provide a system of book-entry ownership of the 2016 Bonds, all of the 2016 Bonds must be held under such book-entry system.

(d) Notwithstanding any other provisions in Article II hereof, the Authority and the Trustee may, but shall not be required to, enter into separate agreements with one or more Securities Depositories which may provide for alternative or additional provisions with respect to the delivery of notices, payment of interest and/or principal, or any other matters.

Section 2.8. Redemption Prices and Terms. The 2016 Bonds shall be subject to redemption prior to Stated Maturity only as provided in the Award Certificate for the 2016 Bonds and in this Supplemental Indenture.

Section 2.9. Notice of Redemption.

(a) Unless otherwise specified herein or in the Award Certificate, the terms and provisions of Article IV of the Master Indenture relating to the selection of Obligations for redemption and the giving of notice therefor shall apply to the 2016 Bonds. In addition, if the 2016 Bonds are registered in the name of the nominee of the Securities Depository, the Trustee shall deliver notice of such redemption to the Securities Depository at the times and in the manner required by the operational procedures of such Securities Depository in order to timely effect the redemption of such 2016 Bonds.

(b) Any notice mailed or transmitted as provided in this Section shall be conclusively presumed to have been duly given, whether or not the registered owner of such 2016 Bonds receives the notice.

### **ARTICLE III**

#### **ACCOUNTS; APPLICATION OF PROCEEDS**

Section 3.1. Debt Service Account 2016 Subordinate Lien. There is hereby established within the Subordinate Lien Debt Service Fund an account designated “Debt Service Account 2016 Subordinate Lien” (“Debt Service Account 2016 SUB LIEN”). Moneys on deposit in the Debt Service Account 2016 SUB LIEN shall be used to pay debt service on the 2016 Bonds when due.

Section 3.2. Debt Service Reserve Account 2016 Subordinate Lien.

(a) There is hereby established within the Subordinate Lien Debt Service Reserve Fund an account designated “Debt Service Reserve Account 2016 Subordinate Lien” (“Debt Service Reserve Account 2016 SUB LIEN”).

(b) On the Issuance Date, from the proceeds of the sale of the 2016 Bonds, an amount equal to the 2016 SUB LIEN DSR Requirement shall be deposited to the Debt Service Reserve Account 2016 SUB LIEN, as directed in a Letter of Instructions of the Authority.

(c) Amounts on deposit in the Debt Service Reserve Account 2016 SUB LIEN are hereby pledged to the payment of the 2016 Bonds. Under no circumstances shall any previously issued Subordinate Lien Obligations have any rights to monies on deposit in the Debt Service Reserve Account 2016 SUB LIEN. Any Additional Subordinate Lien Obligations issued after the Issuance Date shall only have such rights to monies on deposit in the Subordinate Lien Debt Service Reserve Fund, including amounts on deposit in the Debt Service Reserve Account 2016 SUB LIEN, as is specifically set forth in the Supplemental Indenture relating to such Additional Subordinate Lien Obligations and, with respect to the Debt Service Reserve Account 2016 SUB LIEN, with the consent of the Holders of 100% of the aggregate principal amount of the 2016 Bonds.

(d) Notwithstanding Section 513 of the Master Indenture, the Authority will not utilize a Subordinate Lien DSRF Security with respect to the Debt Service Reserve Account 2016 SUB LIEN without the prior written consent of Holders of 100% of the principal amount of the then Outstanding 2016 Bonds.

Section 3.3. Bond Proceeds Clearance Fund; Costs of Issuance Fund; Initial Deposits.

(a) The Trustee is hereby authorized and directed to establish a special temporary Fund designated “Bond Proceeds Clearance Fund Subordinate Lien 2016” (the “Bond Proceeds Clearance Fund SUB LIEN 2016”). On the Issuance Date, the proceeds from the sale of the 2016 Bonds shall be deposited to the Bond Proceeds Clearance Fund SUB LIEN 2016 and shall be applied and disbursed as set forth in a Letter of Instructions signed by an Authorized Officer. The Trustee shall create within the Bond Proceeds Clearance Fund SUB LIEN 2016 such

Accounts as shall be authorized in a Letter of Instructions signed by an Authorized Officer and deposit the proceeds of the 2016 Bonds as shall be directed in such Letter of Instructions. The Bond Proceeds Clearance Fund SUB LIEN 2016 shall be closed upon disbursement of all amounts deposited thereto.

(b) There is hereby established with the Trustee the “2016 Costs of Issuance Fund Subordinate Lien” (“COI 2016 Fund SUB LIEN”), relating to the 2016 Bonds. There shall be deposited to the COI 2016 Fund SUB LIEN from the proceeds of the 2016 Bonds deposited to the Bond Proceeds Clearance Fund SUB LIEN 2016, together with other lawfully available funds of the Authority, if any, the amounts set forth in a Letter of Instructions from the Authority. Such amounts shall be disbursed as set forth in a Letter of Instructions from the Authority. Amounts remaining in the COI 2016 Fund SUB LIEN on the date which is 90 days after the Issuance Date shall be transferred to the Debt Service Account 2016 SUB LIEN. Following such transfer, the COI 2016 Fund SUB LIEN shall be closed.

## **ARTICLE IV**

### **FORM OF BONDS**

Section 4.1. Form of 2016 Bonds. The form of the 2016 Bonds, including any 2016 Bonds issued in exchange or replacement for any other 2016 Bond or portion thereof, including the form of the Trustee’s Authentication Certificate, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas with respect to the Initial 2016 Bond and the Form of Assignment shall be substantially as set forth in or attached to the Award Certificate, with such omissions, insertions, and variations as permitted or required by the Master Indenture, this Supplemental Indenture or the Award Certificate.

Section 4.2. Initial 2016 Bond. The Award Certificate may provide for the use of an Initial 2016 Bond, as described in Section 2.4 hereof, representing the entire principal amount of the 2016 Bonds, payable in stated installments to the order of the representative of the Underwriters or its designee, executed by the manual or facsimile signature of the Chairman of the Board of Directors of the Authority and attested by manual or facsimile signature of the Secretary of the Board of Directors of the Authority, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas.

Section 4.3. Additional Provisions Regarding 2016 Bonds.

(a) The 2016 Bonds may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of bond counsel) thereon as, consistent herewith, may be determined by the officers executing the 2016 Bonds, as evidenced by their execution thereof.

(b) The definitive 2016 Bonds shall be typewritten, printed, lithographed, or engraved and may be produced by any combination of such methods or produced in any other similar manner, all as determined by the officers executing such 2016 Bonds, as evidenced by their execution thereof.

(c) The Initial 2016 Bond submitted to the Attorney General of the State of Texas may be typewritten or photocopied or otherwise produced or reproduced.

## ARTICLE V

### ADDITIONAL COVENANTS OF THE AUTHORITY

Section 5.1. Adjustment to Rate Covenant. Notwithstanding the provisions of Section 502(a) of the Master Indenture, so long as the 2016 Bonds are Outstanding, the Authority covenants that it shall at all times establish, levy, maintain and collect such Tolls in connection with the System and establish such charges for use of the property constituting part of the System, including, without limitation, leasehold payments, concession payments, rents and other charges, as shall be sufficient, collectively, to produce Revenues in each Fiscal Year, after the payment of all Operating Expenses and Maintenance Expenses for such Fiscal Year paid or to be paid from Revenues, in an amount at least equal to the greater of (1), (2), (3) or (4) below:

(1) one hundred twenty-five percent (125%) of the Annual Debt Service in such Fiscal Year on all Outstanding Senior Lien Obligations; or

(2) one hundred twenty percent (120%) of the Annual Debt Service in such Fiscal Year on all Outstanding Senior Lien Obligations and Junior Lien Obligations; or

(3) one hundred twenty percent (120%) of the Annual Debt Service in such Fiscal Year on all Outstanding Senior Lien Obligations, Junior Lien Obligations and Subordinate Lien Obligations; or

(4) one hundred percent (100%) of the Annual Debt Service in such Fiscal Year on all Obligations, plus the amounts required to be deposited into the Senior Lien Debt Service Reserve Fund, the Junior Lien Debt Service Reserve Fund, the Subordinate Lien Debt Service Reserve Fund, the Renewal and Replacement Fund and any other fund established by a Supplemental Indenture to be funded by Revenues.

In making the calculations in (1), (2), (3) and (4) above, the Authority may take into consideration as a credit against Annual Debt Service any amounts received, or reasonably expected to be received, in the Fiscal Year from or as a result of any Supplemental Security the Authority has pledged for the benefit of Obligations; provided, that if the pledge is not for the benefit of all obligations, the amounts expected to be received may only be taken into account when making the calculation for the affected Obligations.

The remaining provisions of Section 502(a) of the Master Indenture shall remain in full force and effect as provided in the Master Indenture.

Section 5.2. Additional Bonds Test. Notwithstanding the provisions of Section 708(a)(1)(B) of the Master Indenture, so long as the 2016 Bonds are Outstanding, the following provision shall apply to the issuance of Additional Subordinate Lien Obligations under Section 708(a)(1) of the Master Indenture:

“the Projected Revenues for each Fiscal Year over the term of the proposed Additional Subordinate Lien Obligations, less the projected Operating Expenses and Maintenance Expenses for each such Fiscal Year to be paid from Revenues, plus any amount representing Supplemental Security pledged to the payment of one or more series of Subordinate Lien Obligations, is expected to produce a Projected Debt Service Coverage Ratio of at least (i) 1.20 with respect to the Senior Lien Obligations, Junior Lien Obligations and Subordinate Lien Obligations and (ii) 1.00 with respect to all Obligations; or”

The remaining provisions of Section 708(a) of the Master Indenture shall remain in full force and effect as provided in the Master Indenture.

Section 5.3. Swap Payments. The Authority covenants to comply with the following requirements: (1) all swap termination payments owed by the Authority under Swap Agreements shall be subordinated to the 2016 Bonds and all swap termination payments owed to the Authority by a counterparty shall be deposited in the appropriate debt service fund held under the Indenture; (2) counterparties shall be rated in the double A Rating Category or better by at least two Rating Agencies; (3) counterparties shall be required to post collateral if their credit rating falls below the double A Rating Category required by (2) above and the aggregate amount of the collateral posted shall equal the positive termination value of the Swap Agreement as determined and updated on at least a monthly basis; (4) the collateral posted shall consist of cash, United States Treasury obligations and United States agency securities whose value shall be determined and updated on at least a weekly basis; (5) the collateral posted shall be deposited with a third party custodian; (6) all Swap Agreements proposed shall be discussed by the Authority with the Rating Agencies rating the Obligations of the Authority prior to their execution and shall not be executed if their execution, by itself, would negatively impact the ratings on any of the Authority’s Obligations; and (7) copies of all Swap Agreements shall be provided to the Trustee upon their execution along with a certificate from the Authority that the Swap Agreements comply with all of the provisions of the Indenture.

Section 5.4. Confirmation of Funds and Accounts. The establishment of all Funds and Accounts heretofore established in the Indenture is hereby confirmed and ratified.

Section 5.5. Purpose. The provisions of this Article V are for the sole benefit of the Holders of the 2016 Bonds and may be modified or amended at any time with the consent of, or may be waived in whole or in part by, the Holders of 100% in principal amount of the 2016 Bonds and may not be relied upon or enforced by the Holders of any other Obligations.

## ARTICLE VI

### TAX MATTERS; REBATE

Section 6.1. Federal Income Tax Exclusion.

(a) General. The Authority intends that the interest on the 2016 Bonds be excludable from gross income for federal income tax purposes pursuant to sections 103 and 141 through 150 of the Code and the applicable Regulations. The Authority covenants and agrees not to take any

action, or knowingly omit to take any action within its control, that if taken or omitted, respectively, would (i) cause the interest on the 2016 Bonds to be includable in gross income, as defined in section 61 of the Code, for federal income tax purposes or (ii) result in the violation of or failure to satisfy any provision of section 103 and 141 through 150 of the Code and the applicable Regulations. In particular, the Authority covenants and agrees to comply with each requirement of this Section 6.1; provided, however, that the Authority shall not be required to comply with any particular requirement of this Section 6.1 if the Authority has received a Counsel's Opinion that (i) such noncompliance will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the 2016 Bonds or (ii) that compliance with some other requirement will satisfy the applicable requirements of the Code and the Regulations, in which case compliance with such other requirement specified in such Counsel's Opinion shall constitute compliance with the corresponding requirement specified in this Section 6.1.

(b) No Private Use or Payment and No Private Loan Financing. The Authority covenants and agrees that it will make such use of the proceeds of the 2016 Bonds including interest or other investment income derived from 2016 Bond proceeds, regulate the use of property financed, directly or indirectly, with such proceeds, and take such other and further action as may be required so that the 2016 Bonds will not be "private activity bonds" within the meaning of section 141 of the Code and the Regulations promulgated thereunder. Moreover, the Authority will certify, through an authorized officer, employee or agent, that, based upon all facts and estimates known or reasonably expected to be in existence on the date the 2016 Bonds are delivered, the proceeds of the Refunded Obligations have not been and the proceeds of the 2016 Bonds will not be used in a manner that would cause the 2016 Bonds to be "private activity bonds" within the meaning of section 141 of the Code and the Regulations promulgated thereunder.

(c) No Federal Guarantee. The Authority covenants and agrees not to take any action, or knowingly omit to take any action, within its control, that, if taken or omitted, respectively, would cause the 2016 Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Code and the Regulations promulgated thereunder, except as permitted by section 149(b)(3) of the Code and such Regulations.

(d) No Hedge Bonds. The Authority covenants and agrees not to take any action or knowingly omit to take any action, within its control, that, if taken or omitted, respectively, would cause the 2016 Bonds to be "hedge bonds" within the meaning of section 149(g) of the Code and the Regulations promulgated thereunder. Moreover, the Authority will certify, through an authorized officer, employee or agent, that, based on all facts and estimates known or reasonably expected to be in existence on the date the 2016 Bonds are delivered, the proceeds of the Refunded Obligations have not been used in a manner that would cause the Refunded Obligations or the 2016 Bonds to be "hedge bonds" within the meaning of section 149(g) of the Code and the Regulations promulgated thereunder.

(e) No Arbitrage. The Authority covenants and agrees that it will make such use of the proceeds of the 2016 Bonds including interest or other investment income derived from 2016 Bond proceeds, regulate investments of proceeds of the 2016 Bonds, and take such other and further action as may be required so that the 2016 Bonds will not be "arbitrage bonds" within the

meaning of section 148(a) of the Code and the applicable Regulations promulgated thereunder. Moreover, the Authority will certify, through an authorized officer, employee or agent, that, based upon all facts and estimates known or reasonably expected to be in existence on the date the 2016 Bonds are delivered, the proceeds of the Refunded Obligations have not been and the proceeds of the 2016 Bonds will not be used in a manner that would cause the 2016 Bonds to be “arbitrage bonds” within the meaning of section 148(a) of the Code and the applicable Regulations.

(f) Arbitrage Rebate. If the Authority does not qualify for an exception to the requirements of section 148(f) of the Code relating to the required rebate to the United States, the Authority will take all necessary steps to comply with the requirement that certain amounts earned by the Authority on the investment of the “gross proceeds” of the 2016 Bonds (within the meaning of section 148(f)(6)(B) of the Code) be rebated to the federal government. Specifically, the Authority will (i) maintain records regarding the investment of the gross proceeds of the 2016 Bonds as may be required to calculate the amount earned on the investment of the gross proceeds of the 2016 Bonds separately from records of amounts on deposit in the funds and accounts of the Authority allocable to other bond issues of the Authority or moneys that do not represent gross proceeds of any bonds of the Authority, (ii) determine at such times as are required by applicable Regulations, the amount earned from the investment of the gross proceeds of the 2016 Bonds that is required to be rebated to the federal government, and (iii) pay, not less often than every fifth anniversary date of the delivery of the 2016 Bonds or on such other dates as may be permitted under applicable Regulations, all amounts required to be rebated to the federal government. Further, the Authority will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the 2016 Bonds that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or a larger loss than would have resulted if the arrangement had been at arm’s length and had the yield on the issue not been relevant to either party.

(g) Information Reporting. The Authority covenants and agrees to file or cause to be filed with the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the 2016 Bonds are issued, an information statement concerning the 2016 Bonds, all under and in accordance with section 149(e) of the Code and the applicable Regulations.

(h) Registration. The 2016 Bonds will be issued in registered form.

(i) Record Retention. The Authority will retain all pertinent and material records relating to the use and expenditure of the proceeds of the Refunded Obligations and the 2016 Bonds until three years after the last 2016 Bond is redeemed, or such shorter period as authorized by subsequent guidance issued by the Department of the Treasury, if applicable. All records will be kept in a manner that ensures their complete access throughout the retention period. For this purpose, it is acceptable that such records are kept either as hardcopy books and records or in an electronic storage and retrieval system, provided that such electronic system includes reasonable controls and quality assurance programs that assure the ability of the Authority to retrieve and

reproduce such books and records in the event of an examination of the 2016 Bonds by the Internal Revenue Service.

(j) Deliberate Actions. The Authority will not take a deliberate action (as defined in section 1.141-2(a)(3) of the Regulations) that causes the 2016 Bonds to fail to meet any requirement of section 141 of the Code after the issue date of the 2016 Bonds unless an appropriate remedial action is permitted by section 1.141-12 of the Regulations, the Authority takes such action, and a Counsel's Opinion is obtained that such remedial action cures any failure to meet the requirements of section 141 of the Code.

(k) Continuing Obligation. Notwithstanding any other provision of this Supplemental Indenture, the Authority's obligations under the covenants and provisions of this Section 6.1 shall survive the defeasance and discharge of the 2016 Bonds for as long as such matters are relevant to the exclusion from gross income of interest on the 2016 Bonds for federal income tax purposes.

#### Section 6.2. 2016 Subordinate Lien Rebate Account.

(a) There is hereby established within the Rebate Fund, but not as part of the Trust Estate, a special account designated "2016 Subordinate Lien Rebate Account." Amounts deposited to the 2016 Subordinate Lien Rebate Account shall be applied to the payment of the Rebate Amount pursuant to a Letter of Instructions from the Authority. The 2016 Subordinate Lien Rebate Account and amounts on deposit therein are not security for the 2016 Bonds and are not part of the Trust Estate.

(b) The Authority will deliver to the Trustee, within fifty-five days after each Computation Date:

(i) a statement, signed by an officer of the Authority, stating the Rebate Amount as of such Computation Date; and

(ii) (1) if such Computation Date is an Installment Computation Date, an amount that, together with any amount then held for the credit of the 2016 Subordinate Lien Rebate Account, is equal to at least ninety percent (90%) of the Rebate Amount as of such Installment Computation Date, less any "previous rebate payments" (determined in accordance with section 1.148-3(f)(1) of the Regulations), made to the United States of America or (2) if such Computation Date is the Final Computation Date, an amount that, together with any amount then held for the credit of the 2016 Subordinate Lien Rebate Account, is equal to the Rebate Amount as of such Final Computation Date, less any "previous rebate payments" (determined in accordance with section 1.148-3(f)(1) of the Regulations) made to the United States of America; and

(iii) an Internal Revenue Service Form 8038-T properly signed and completed as of such Computation Date.

(c) Not later than 60 days after each Computation Date, the Trustee shall withdraw from the 2016 Subordinate Lien Rebate Account and remit to the United States of America the Rebate Amount required to be paid on such respective dates to the United States of America in



accordance with written instructions from the Authority, which shall be in compliance with sections 1.148-1 through 1.148-8 of the Regulations or any successor regulation. Each payment required to be made to the United States of America pursuant to this Section shall be submitted to the Internal Revenue Service Center, Ogden, Utah 84201-0027 or such other address as provided by law or regulation and shall be accompanied by Internal Revenue Service Form 8038-T properly completed by the Authority with respect to the 2016 Bonds.

(d) If the Authority discovers or is notified as of any date that any amount required to be paid to the United States of America pursuant to this Section 6.2 has not been paid as required or that any payment paid to the United States of America pursuant to this Section 6.2 will have failed to satisfy any requirement of section 148(f) of the Code or 1.148-3 of the Regulations (whether or not such failure will be due to any default by the Authority or the Trustee), the Authority will (1) deliver to the Trustee (for deposit to the 2016 Subordinate Lien Rebate Account) and cause the Trustee to pay to the United States of America from the 2016 Subordinate Lien Rebate Account (A) the Rebate Amount that the Authority failed to pay, plus any interest specified in section 1.148-3(h)(2) of the Regulations, if such correction payment is delivered to and received by the Trustee within 175 days after such discovery or notice, or (B) if such correction payment is not delivered to and received by the Trustee within 175 days after such discovery or notice, the amount determined in accordance with clause (A) of this subparagraph plus the fifty percent penalty required by section 1.148-3(h)(1) of the Regulations, and (2) deliver to the Trustee an Internal Revenue Service Form 8038-T completed as of such date. If such Rebate Amount, together with any penalty and/or interest due, is not paid to the United States of America in the amount and manner and by the time specified in the Regulations the Authority will take such steps as are necessary to prevent the 2016 Bonds from becoming “arbitrage bonds,” within the meaning of section 148 of the Code.

(e) The Authority will retain calculations made in preparing the statements described in this Section 6.2, whether prepared by the Authority or the Arbitrage Analyst, for at least three years after the later of the final maturity of the 2016 Bonds or the first date on which no 2016 Bonds are outstanding.

(f) The Authority will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the 2016 Bonds that is not purchased at fair market value or includes terms that the Authority would not have included if the 2016 Bonds were not subject to section 148(f) of the Code.

(g) Notwithstanding the foregoing, the Authority will not be required to perform the obligations set forth in this Section 6.2 (except for the obligation to retain accounting records as described in Section 6.2) if the Authority has not earned any rebatable arbitrage and, therefore, is not subject to the rebate obligation set forth in section 148(f) of the Code. To the extent that the Authority will not be required to perform such obligations, the Authority will send written notice to the Trustee within fifty-five (55) days after the applicable Computation Date.

## ARTICLE VII

### CONTINUING DISCLOSURE

Section 7.1. Definitions. As used in this Article, the following terms have the meanings assigned to such terms below:

“MSRB” means the Municipal Securities Rulemaking Board.

“Rule” means SEC Rule 15c2-12, as amended from time to time.

“SEC” means the United States Securities and Exchange Commission.

Section 7.2. Annual Reports.

(a) The Authority shall provide annually to the MSRB, in an electronic format as prescribed by the MSRB, within six (6) months after the end of each fiscal year, financial information and operating data with respect to the Authority and the System of the general type included in the final Official Statement, being the information described in Annex A hereto. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles described in Annex A hereto, and (ii) audited, if the Authority commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the Authority shall provide notice that audited financial statements are not available and shall provide unaudited financial statements for the applicable fiscal year to the MSRB. Thereafter, when and if audited financial statements become available, the Authority shall provide such audited financial statements as required to the MSRB. In addition to the annual information described above, the Authority will provide certain information on a quarterly basis, as described in Annex A hereto.

(b) If the Authority changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the Authority otherwise would be required to provide financial information and operating data pursuant to this Section.

(c) The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the MSRB or filed with the SEC.

Section 7.3. Event Notices.

(a) As used in this Section, the term “obligated person” shall mean any person, including the Authority, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all or part of the obligations on the 2016 Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities). The Authority shall provide notice of any of the following

events with respect to the 2016 Bonds to the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner and not more than 10 business days after the occurrence of the event:

- (i) principal and interest payment delinquencies;
- (ii) nonpayment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the 2016 Bonds, or other material events affecting the tax status of the 2016 Bonds;
- (vii) modifications to rights of Owners, if material;
- (viii) bond calls, if material and tender offers;
- (ix) defeasances;
- (x) release, substitution, or sale of property securing repayment of the 2016 Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership, or similar event of any obligated person, which shall occur as described below;
- (xiii) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (xiv) appointment of a successor or additional Trustee or the change of name of a Trustee, if material.

For these purposes, any event described in the immediately preceding clause (xii) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for an obligated person in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or

governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

The Authority shall notify the MSRB, in a timely manner, of any failure by the Authority to provide financial information or operating data in accordance with Section 7.2 of this Supplemental Indenture by the time required by such Section.

All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

Section 7.4. Limitations, Disclaimers and Amendments. The Authority shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the Authority remains an “obligated person” with respect to the 2016 Bonds within the meaning of the Rule, except that the Authority in any event will give notice of any deposit of funds that causes 2016 Bonds no longer to be Outstanding.

(a) The provisions of this Article are for the sole benefit of the Holders and beneficial owners of the 2016 Bonds, and nothing in this Article, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Authority undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Authority’s financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except as expressly provided herein. The Authority does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell 2016 Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE AUTHORITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY 2016 BONDS OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE AUTHORITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

(b) No default by the Authority in observing or performing its obligations under this Article shall comprise a breach of or default under the Indenture for purposes of any other provisions of this Supplemental Indenture.

(c) Nothing in this Article is intended or shall act to disclaim, waive, or otherwise limit the duties of the Authority under federal and state securities laws.

(d) The provisions of this Article may be amended by the Authority from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Authority, or type of business or

operations conducted by the Authority, but only if (1) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell 2016 Bonds in the primary offering of the 2016 Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provisions of this Supplemental Indenture that authorizes such an amendment) of the Outstanding 2016 Bonds consent to such amendment or (b) a person that is unaffiliated with the Authority (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the 2016 Bonds. If the Authority so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 7.2 an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

## **ARTICLE VIII**

### **OTHER MATTERS**

Section 8.1. Execution in Several Counterparts. This Supplemental Indenture may be simultaneously executed in several counterparts, all of which shall constitute one and the same instrument and each of which shall be, and shall be deemed to be, an original.

IN WITNESS WHEREOF, the Authority and the Trustee have caused this Supplemental Indenture to be signed and attested on their behalf by their duly authorized representatives, all as of the date first hereinabove written.

CENTRAL TEXAS REGIONAL MOBILITY  
AUTHORITY

By \_\_\_\_\_  
Chairman

Attest:

\_\_\_\_\_  
Secretary

REGIONS BANK, as Trustee

By \_\_\_\_\_  
Authorized Officer

## ANNEX A

### CONTINUING DISCLOSURE

#### DESCRIPTION OF ANNUAL DISCLOSURE OF FINANCIAL INFORMATION

The following information is referred to in Article VII of this Supplemental Indenture.

##### **Annual Financial Information and Operating Data**

The financial information and operating data with respect to the Authority and the System to be provided in accordance with such Article are as specified below:

1. All quantitative financial information and operating data with respect to the Authority and the System of the general type included in the Official Statement under the headings “AUTHORITY FINANCIAL INFORMATION – System Historical Cash Flow and Debt Service Coverage,” “– Toll Rates,” and “SCHEDULE II – DEBT SERVICE REQUIREMENTS,” and APPENDIX A – AUDITED FINANCIAL STATEMENTS OF THE AUTHORITY.”

2. In the annual filing for each Fiscal Year through the Substantial Completion (as defined in the Master Indenture) of the 183 South Project (as defined in the Twelfth Supplemental Indenture), the Authority will furnish a copy of the General Engineering Consultant’s construction progress report relating to the 183 South Project for the last quarter of the Fiscal Year.

3. In the annual filing, the Authority will also furnish a copy of each General Engineering Consultant’s annual report relating to its inspection of the System, which reports may be provided as one report prepared jointly by more than one General Engineering Consultant.

The Authority will update and provide the foregoing information within six (6) months after the end of each Fiscal Year. In addition to the annual information described above, the Authority will furnish on a quarterly basis, within 60 days after the end of each quarter of the Fiscal Year, (i) through the Substantial Completion (as defined in the Master Indenture) of the 183 South Project, a copy of the General Engineering Consultant’s construction progress report relating to the 183 South Project for the previous quarter of the Fiscal Year, and (ii) unaudited information regarding the number of toll transactions for the System and the Revenues generated by such toll transactions for the previous quarter of the Fiscal Year.

##### **Accounting Principles**

The accounting principles referred to in such Article are the accounting principles described in the notes to the financial statements referred to in Paragraph 1 above.