



CENTRAL TEXAS REGIONAL  
**MOBILITY AUTHORITY**

July 25, 2018  
**AGENDA ITEM #14**

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Authorize the Issuance, Sale and Delivery of  
Central Texas Regional Mobility Authority  
Senior Lien Revenue Bonds, Series 2018, and  
Subordinate Lien Revenue Bond Anticipation  
Notes, Series 2018, in accordance  
with specified parameters for the Manor  
Expressway (290E) Phase III Project

Strategic Plan Relevance: Regional Mobility  
Department: Finance  
Contact: Bill Chapman, Chief Financial Officer  
Associated Costs: N/A  
Funding Source: Operating Fund  
Action Requested: Consider and act on draft resolution

Summary:

Board authorization to issue System revenue obligations to finance the design and construction of two 290E direct connectors to SH 130, including the issuance, sale and delivery of Central Texas Regional Mobility Authority Senior Lien Revenue Bonds, Series 2018, and Subordinate Lien Revenue Bond Anticipation Notes, Series 2018 in accordance with specified parameters; and authorizing 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 resolution delegates to the Board Chairman, the Executive Director and the Chief Financial Officer the authority to approve the financing transaction under the parameters set forth in the resolution. It is expected that the Subordinate Lien Bond Anticipation Notes will be refunded by long-term revenue bonds upon substantial completion of the project.

In addition to the two direct connectors financed by the Mobility Authority, one additional direct connector will be constructed by the Mobility Authority as a part of the construction project with funds provided by TxDOT under a separate agreement. The direct connector funded by TxDOT will not be part of the Mobility Authority's System.

Backup Provided: Draft Resolution  
Draft Supplemental Indentures

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

**RESOLUTION NO. 18-0XX**

RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY (I) SENIOR LIEN REVENUE BONDS, SERIES 2018, AND (II) SUBORDINATE LIEN REVENUE BOND ANTICIPATION NOTES, SERIES 2018 (COLLECTIVELY, THE “2018 OBLIGATIONS”), IN ACCORDANCE WITH SPECIFIED PARAMETERS; APPROVING THE FORM OF, AND AUTHORIZING THE EXECUTION AND DELIVERY OF, THE EIGHTEENTH SUPPLEMENTAL TRUST INDENTURE AND THE NINETEENTH SUPPLEMENTAL TRUST INDENTURE; APPOINTING AN AUTHORIZED OFFICER TO AUTHORIZE, APPROVE AND DETERMINE CERTAIN TERMS AND PROVISIONS OF THE 2018 OBLIGATIONS AND THE FORM OF EACH OF THE 2018 OBLIGATIONS; APPROVE AND AUTHORIZE THE TERMS AND CONDITIONS OF ONE OR MORE BOND PURCHASE CONTRACTS PERTAINING TO THE 2018 OBLIGATIONS AND TO EXECUTE AND DELIVER SUCH BOND PURCHASE CONTRACTS; APPROVING THE PREPARATION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT IN CONNECTION WITH THE OFFERING AND SALE OF THE 2018 OBLIGATIONS; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS AND INSTRUMENTS IN CONNECTION WITH THE FOREGOING; AUTHORIZING THE EXECUTION AND DELIVERY OF ANY AND ALL DOCUMENTS, CERTIFICATES, AGREEMENTS, CLOSING INSTRUCTIONS, AND INSTRUMENTS NECESSARY OR DESIRABLE TO BE EXECUTED AND DELIVERED 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, 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 such 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; (viii) Sixteenth Supplemental Trust Indenture (the “Sixteenth Supplement”), between the Authority and the Trustee and dated as of June 1, 2016; and (ix) Seventeenth Supplemental Trust Indenture (the “Seventeenth Supplement”) between the Authority and the Trustee and dated as of August 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, the Sixteenth Supplement and the Seventeenth Supplement is referred to herein as the “Indenture”); and

WHEREAS, Sections 301, 302, 706, 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 Senior Lien Obligations and Additional Subordinate Lien Obligations, and to include in such supplemental indentures the terms of such Additional Senior Lien Obligations and Additional Subordinate Lien Obligations, respectively, and any other matters and things relative to the issuance of such Obligations that 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, pursuant to the Act, the Board of Directors (the “Board”) of the Authority has determined to issue (1) its Additional Senior Lien Obligations designated as its Senior Lien Revenue Bonds, Series 2018 (the “2018 Senior Lien Bonds”), pursuant to the Master Indenture

and an Eighteenth Supplemental Trust Indenture (the “Eighteenth Supplement”) for the purposes specified herein and (2) its Additional Subordinate Lien Obligations designated as the Authority’s Subordinate Lien Bond Anticipation Notes, Series 2018 (the “2018 Subordinate Lien BANs”) pursuant to the Master Indenture and a Nineteenth Supplemental Trust Indenture (the “Nineteenth Supplement” and together with the Eighteenth Supplement, the “2018 Supplements” and each a “2018 Supplement”), each dated as of the date specified in one or more Award Certificates (as hereinafter defined), and each 2018 Supplement being between the Trustee and the Authority, for the purposes specified herein, all under and in accordance with the Constitution and the laws of the State; and

WHEREAS, the Board has been presented with and examined proposed forms of the 2018 Supplements and the Board finds that the form and substance of such documents are 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 issue the 2018 Senior Lien Bonds and the 2018 Subordinate Lien BANs (collectively, the “2018 Obligations”) and to authorize the execution and delivery of such documents; 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 2018 Obligations, as provided herein, and to make such determinations and findings as may be required by the 2018 Supplements and to carry out the purposes of this Resolution and execute one or more Award Certificates setting forth such determinations and authorizing and approving all other matters relating to the issuance, sale and delivery of the 2018 Obligations; and

WHEREAS, the Board desires to authorize the execution and delivery of the Eighteenth Supplement providing for the issuance of and setting forth the terms and provisions relating to the 2018 Senior Lien Bonds to be issued as Additional Senior Lien Obligations, and the pledge and security therefor, in the substantially final form of the Eighteenth Supplement; and

WHEREAS, the 2018 Senior Lien Bonds shall be issued as Additional Senior Obligations and Long-Term Obligations pursuant to and in accordance with the provisions of the Master Indenture and the Eighteenth Supplement; and

WHEREAS, the Board desires to authorize the execution and delivery of the Nineteenth Supplement, providing for the issuance of and setting forth the terms and provisions relating to the 2018 Subordinate Lien BANs, to be issued as an Additional Subordinate Lien Obligation, and the pledge and security therefor, in the substantially final form of the Nineteenth Supplement; and

WHEREAS, the 2018 Subordinate Lien BANs shall be issued as Additional Subordinate Lien Obligations and Long-Term Obligations pursuant to and in accordance with the provisions of the Master Indenture and the Nineteenth Supplement; and

WHEREAS, the Authority currently intends to refinance the 2018 Subordinate Lien BANs with refunding bonds issued pursuant to Chapter 1207, Texas Government Code; and

WHEREAS, the Board desires to approve, ratify and confirm the preparation and distribution of a preliminary official statement and an official statement relating to the offering and sale of the 2018 Obligations; and

WHEREAS, the Board desires to provide for the issuance of the 2018 Senior Lien Bonds in accordance with the requirements of the Master Indenture and the Eighteenth Supplement, and to provide for the issuance of the 2018 Subordinate Lien BANs in accordance with the Master Indenture and the Nineteenth Supplement, and to authorize the execution and delivery of the 2018 Supplements and such certificates, agreements, instruction letters and other instruments as may be necessary or desirable in connection therewith; and

WHEREAS, the Board desires to authorize the execution and delivery of one or more Bond Purchase Contracts (the "Purchase Contracts" or "Purchase Contract" as applicable), between the Authority and Jeffries LLC (the "Underwriters' Representative"), acting for and on behalf of itself and the syndicate of underwriters named therein (collectively, the "Underwriters") relating to the 2018 Obligations;

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

## ARTICLE I

### FINDINGS AND DETERMINATIONS

Section 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 2018 Supplements.

(b) The Board has found and determined that the 2018 Obligations may be issued in part as one or more series of Additional Senior Lien Obligations and in part as one or more series of Additional Subordinate Lien Obligations, respectively, as designated by the Authorized Officer (as defined herein) in one or more Award Certificates (the "Award Certificates" or "Award Certificate," as applicable), and as Long-Term Obligations.

(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 2018 Obligations is in the best interest of the Authority.

## ARTICLE II

### ISSUANCE OF 2018 SENIOR LIEN BONDS; APPROVAL OF DOCUMENTS

Section 2.1. Issuance, Execution and Delivery of 2018 Senior Lien Bonds; Approval of Eighteenth Supplement. The Authority hereby authorizes, approves and directs the issuance of the 2018 Senior Lien Bonds in accordance with the terms of this Resolution, the Master Indenture and the Eighteenth Supplement, a draft of which was presented to the Authority and its counsel, the form, terms and provisions of such Eighteenth 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 Authorized Officer is hereby authorized to execute the Eighteenth Supplement and the Secretary is hereby authorized to attest the signature of the Authorized Officer.

Section 2.2. The Issuance of the 2018 Senior Lien Bonds. The issuance, execution and delivery of the 2018 Senior Lien Bonds, which shall be issued in the aggregate principal amounts, in one or more series and bearing interest in accordance with the terms of the Eighteenth Supplement, all as determined by the Authorized Officer and set forth in one or more Award Certificates, to provide funds to (i) make deposits to a reserve fund, (ii) pay the Costs of improvements and extensions to the 290 East Project (as defined in the Eighth Supplement), including, without limitation, the design and construction of two tolled direct connectors at the State Highway 130 interchange, (iii) pay capitalized interest with respect to the 2018 Senior Lien Bonds, and (iv) pay the costs of issuance for the 2018 Senior Lien Bonds, all pursuant to and in accordance with the Master Indenture and the Eighteenth Supplement, are hereby authorized and approved.

## ARTICLE III

### ISSUANCE OF 2018 SUBORDINATE LIEN BANS; APPROVAL OF DOCUMENTS

Section 3.1. Issuance, Execution and Delivery of 2018 Subordinate Lien BANs; Approval of the Nineteenth Supplement. The Authority hereby authorizes, approves and directs the issuance of the 2018 Subordinate Lien BANs in accordance with the terms of this Resolution, the Master Indenture and the Nineteenth Supplement, a draft of which was presented to the Authority and its counsel, the form, terms and provisions of such Nineteenth 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 Authorized Officer is hereby authorized to execute the Nineteenth Supplement and the Secretary is hereby authorized to attest the signature of the Authorized Officer.

Section 3.2. The Issuance of the 2018 Subordinate Lien BANs. The issuance, execution and delivery of the 2018 Subordinate Lien BANs, which shall be issued in the aggregate principal amount and bearing interest in accordance with the terms of the Nineteenth Supplement, all as determined by the Authorized Officer and set forth in one or more Award Certificates, to (i) pay the Costs of improvements and extensions to the 290 East Project, including, without limitation, the design and construction of two tolled direct connectors at the State Highway 130 interchange, and (ii) pay the costs of issuance for the 2018 Subordinate Lien BANs, all pursuant to and in

accordance with the Master Indenture and the Nineteenth Supplement, are hereby authorized and approved.

#### ARTICLE IV

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

Section 4.1. 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 2018 Supplements. The Authorized Officer is hereby authorized and directed to execute one or more Award Certificates setting forth the information authorized to be stated therein pursuant to this Resolution and required to be stated therein pursuant to the 2018 Supplements.

Section 4.2. Delegation of Authority. (a) The Board hereby authorizes and directs that the Authorized Officer act on behalf of the Authority to determine the final terms and conditions of the 2018 Obligations, the dated date for the 2018 Supplements, the dated dates for the 2018 Obligations, the prices at which the 2018 Obligations will be sold, any different or additional designation or title of each series of the 2018 Obligations, the principal amounts and maturity dates therefor, the per annum interest rates for the 2018 Obligations, the aggregate principal amount of 2018 Obligations to be issued as Senior Lien Obligations, the aggregate principal amount of the 2018 Obligations to be issued as Subordinate Lien Obligations, the respective aggregate principal amounts of the 2018 Senior Lien Bonds and the 2018 Subordinate Lien BANs, the redemption provisions, dates and prices for the 2018 Obligations, the final forms of the 2018 Obligations and such other terms and provisions that shall be applicable to the 2018 Obligations, to approve the form and substance of one or more Purchase Contracts providing for the sale of the 2018 Obligations, 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 2018 Supplements to carry out the purposes of this Resolution and to execute one or more Award Certificates 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 2018 Obligations; provided, that the following conditions can be satisfied:

- (i) the aggregate principal amount of the 2018 Senior Lien Bonds to be issued shall not exceed \$70,000,000; and
- (ii) the 2018 Senior Lien Bonds shall not bear interest at an initial true interest rate greater than 6.00%; and
- (iii) the 2018 Senior Lien Bonds shall mature not later than January 1, 2048; and
- (iv) the aggregate principal amount of the 2018 Subordinate Lien BANs to be issued shall not exceed \$55,000,000; and
- (v) the 2018 Subordinate Lien BANs shall not bear interest at an initial rate greater than 4.00%; and

(vi) the 2018 Subordinate Lien BANs shall mature not later than January 1, 2022;

all based on bond market conditions and available rates for the 2018 Obligations on the date of sale of the 2018 Obligations and on the terms, conditions and provisions negotiated by the Authority for the 2018 Obligations.

(b) The 2018 Senior Lien Bonds may be issued as one or more series of 2018 Senior Lien Bonds and the 2018 Subordinate Lien BANs may be issued as one or more series of 2018 Subordinate Lien BANs, all as specified in the Award Certificates.

Section 4.3. Limitation on Delegation of Authority. The authority granted to the Authorized Officer under Article IV of this Resolution shall expire at 5:00 p.m. Central Time on July 15, 2019, unless otherwise extended by the Board by separate Resolution. Any 2018 Obligations, with respect to which an Award Certificate is executed prior to 5:00 p.m. Central Time on July 15, 2019, may be delivered to the initial purchaser thereof after such date.

## ARTICLE V

### APPROVAL OF SALE OF 2018 SENIOR LIEN BONDS AND 2018 SUBORDINATE LIEN BANS

Section 5.1. Approval of Sale of 2018 Obligations. The sale of the 2018 Obligations to Jeffries LLC, as the Underwriters' Representative, acting on behalf of itself and the other Underwriters, in the aggregate principal amounts, bearing interest at the rates and at the prices set forth in one or more Purchase Contracts, as determined by the Authorized Officer on the date of sale of the 2018 Obligations, is hereby authorized and approved. The Authorized Officer is hereby authorized and directed to execute and deliver such Purchase Contracts on behalf of the Authority providing for the sale of the 2018 Obligations to the Underwriters in such form as determined by the Authorized Officer, 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 such Purchase Contracts and to approve and to execute and deliver such Purchase Contracts on behalf of the Authority, such approval to be conclusively evidenced by the execution thereof.

Section 5.2. Sale on Best Terms Available. The 2018 Obligations 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 each series of the 2018 Obligations. The Authorized Officer is hereby authorized and directed to make such findings in the Award Certificates regarding the terms of the sale of the 2018 Obligations and the benefit of such sale to the Authority.



## ARTICLE VI

### APPROVAL OF OFFICIAL STATEMENT

Section 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 2018 Obligations, 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 2018 Obligations. 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 2018 Obligations 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 Purchase Contract. 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.

## ARTICLE VII

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

Section 7.1. Use and Application of Proceeds; Letters of Instruction. The proceeds from the sale of the 2018 Obligations shall be used for the respective purposes set forth in and in accordance with the terms and provisions of all respective 2018 Supplements and the related Award Certificates. The deposit and application of the proceeds from the sale of the 2018 Obligations shall be set forth in Letters of Instruction of the Authority executed by the Authorized Officer.

Section 7.2. Execution and Delivery of Other Documents. The Authorized Officer is hereby authorized and directed to execute and deliver from time to time and on an ongoing basis 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 2018 Supplements, the Award Certificates and the Purchase Contracts.

Section 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 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 2018 Obligations in accordance with the terms of the Master Indenture and the 2018 Supplements 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.

## ARTICLE VIII

### APPROVAL AND RATIFICATION OF CERTAIN ACTIONS

Section 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, for his approval, transcripts of the legal proceedings relating to the issuance, sale and delivery of the 2018 Obligations as required by law, and to the Comptroller of Public Accounts of the State of Texas for registration. In connection with the submission of the record of proceedings for the 2018 Obligations to the Attorney General of the State of Texas for examination and approval of such 2018 Obligations, 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 2018 Obligations shall be delivered to the Trustee for delivery to the Underwriters' Representative against payment therefor and upon satisfaction of the requirements of the Indenture, the 2018 Supplements and the Purchase Contracts.

Section 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 2018 Obligations and for all other Authority activities.

Section 8.3. Ratifying Other Actions. All other actions taken or to be taken by the Executive Director, the Chief Financial Officer, the Authorized Officer, the Controller and the Authority's staff in connection with the issuance of the 2018 Obligations are hereby approved, ratified and confirmed.

Section 8.4. Authority to Invest Funds. The Executive Director, the Chief Financial Officer and the Controller are each hereby severally authorized on an ongoing basis to undertake all appropriate actions and to execute such documents, agreements or instruments as they deem necessary or desirable under the Indenture, the 2018 Supplements with respect to the investment of proceeds of the 2018 Obligations and other funds of the Authority.

Section 8.5. Federal Tax Considerations. In addition to any other authority provided under this Resolution, each Authorized Officer is hereby further expressly authorized, acting for and on behalf of the Authority, to determine and designate in the Award Certificate for each series of 2018 Obligations 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. Each 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.

## ARTICLE IX

### GENERAL PROVISIONS

Section 9.1. Changes to Resolution. The Executive Director, the Chief Financial Officer and the Authorized Officer, and either 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 Texas in connection with the issuance of the 2018 Obligations herein authorized.

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

Adopted, passed and approved by the Board of Directors of the Central Texas Regional Mobility Authority on the \_\_\_\_\_ day of \_\_\_\_\_, 2018.

Submitted and reviewed by:

Approved:

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Geoff S. Petrov  
General Counsel

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Ray Wilkerson  
Chairman, Board of Directors

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EIGHTEENTH SUPPLEMENTAL TRUST INDENTURE

BETWEEN

CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY

AND

REGIONS BANK, TRUSTEE

AUTHORIZING

SENIOR LIEN REVENUE BONDS, SERIES 2018

Dated as of \_\_\_\_\_ 1, 2018

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EXHIBIT B – Continuing Disclosure

## **EIGHTEENTH SUPPLEMENTAL TRUST INDENTURE**

THIS EIGHTEENTH SUPPLEMENTAL TRUST INDENTURE, dated as of \_\_\_\_\_ 1, 2018 (this “Supplemental Indenture” or “Eighteenth 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 meaning as 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 the Act and Chapter 1371, Texas Government Code, as amended, the Authority has determined to authorize the issuance of its Senior Lien Revenue Bonds, Series 2018 (the “Series 2018 Bonds”), pursuant to the Master Indenture and this Supplemental Indenture for the purpose of providing funds (i) to pay a portion



of the Costs of improvements and extensions to the 290 East Project, including without limitation, the design and construction of two tolled direct connectors at the State Highway 130 interchange, and (ii) for the other purposes specified herein; and

WHEREAS, the Board hereby finds and determines that the issuance of the Series 2018 Bonds is in the best interest 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 Series 2018 Bonds and to set forth such findings and determinations in the Award Certificate; and

WHEREAS, the execution and delivery of this Supplemental Indenture and the issuance of the Series 2018 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 Series 2018 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 Series 2018 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 Series 2018 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 Series 2018 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 (other than in the Bond Form) as such defined terms are given in Section 101 of the Master Indenture.

As used in this Supplemental Indenture (other than in the Bond Form), unless the context shall otherwise require, the following terms shall have the following respective meanings:

“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 Series 2018 Bonds, \$5,000 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 Series 2018 Bonds authorized to be issued hereunder.

“Bond Form” shall mean the Form of Series 2018 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 SR LIEN 2018” shall mean the “Bond Proceeds Clearance Fund Senior Lien 2018” established pursuant to Section 3.5(a) hereof, and any Accounts established therein pursuant to a Letter of Instructions signed by an Authorized Officer.

“Bond Proceeds Funded Account” shall mean the Account by that name established pursuant to the Twelfth Supplemental Indenture as part of the Senior Lien Debt Service Reserve Fund.

“Bond Resolution” shall mean Resolution No. 18-\_\_\_, adopted by the Board of Directors of the Authority on July \_\_\_, 2018.

“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 Series 2018 Bonds. The last Bond Year may be a short period.

“CAP I Subaccount SR LIEN 2018 DSA” shall mean the “Capitalized Interest Subaccount 2018 Senior Lien Debt Service Account” established in Section 3.4 hereof as part of the Debt Service Account 2018 SR LIEN.

“CAP I Subaccount SR LIEN 2018 Project” shall mean the “Capitalized Interest Subaccount 290 East 2018 Senior Lien Project” established in Section 3.3 hereof as part of the 290 East Project 2018 SR LIEN Project Subaccount.

“Capitalized Interest Period” shall mean, for each portion of the improvements and extensions to the 290 East Project financed with the proceeds of the Series 2018 Bonds with a separate placed-in-service date, the period commencing on the Issuance Date and ending on the

date that is the later of (i) three years from the Issuance Date and (ii) one year after the applicable portion of the improvements and extensions to the 290 East Project financed with the proceeds of the Series 2018 Bonds (A) has reached a degree of completion which would permit its operation at substantially its design level and (B) is, in fact, in operation at such level.

“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 2018 Fund SR LIEN” shall mean the “2018 Costs of Issuance Fund Senior Lien” established pursuant to Section 3.5(b) hereof.

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

“Debt Service Account 2018 SR LIEN” shall mean the “Debt Service Account 2018 Senior Lien” established in Section 3.4 hereof as part of the Senior Lien Debt Service Fund and any subaccounts established therein pursuant to this Supplemental Indenture or a Letter of Instructions signed by an Authorized Officer.

“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 Series 2018 Bonds.

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

“Eighth Supplemental Indenture” shall mean the Eighth Supplemental Trust Indenture, dated June 1, 2011, between the Authority and the Trustee.

“Final Computation Date” shall mean the date on which the last bond of the Series 2018 Bonds is discharged.

“First Supplemental Indenture” shall mean the First Supplemental Trust Indenture, dated as of February 1, 2005, between the Authority and the Trustee.

“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 Eighteenth Supplemental Indenture; (ii) by this Eighteenth Supplemental Indenture; (iii) by the Nineteenth Supplemental Trust Indenture dated as of the date first written above, between the Authority and the Trustee; and (iv) hereafter from time to time in accordance with the terms of the Master Indenture.

“Initial Series 2018 Bonds” shall mean the Initial Series 2018 Bonds, 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 Series 2018 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 Series 2018 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 Series 2018 Bonds, together with any addenda, supplements and amendments thereto.

“Purchase Contract” shall mean the Bond Purchase Contract between the Authority and the respective Underwriters providing for the purchase of the Series 2018 Bonds by the 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 Series 2018 Bonds, the fifteenth (15th) calendar day of the month preceding each Interest Payment Date.

“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.

“Revenue Funded Account” shall mean the Account by that name established pursuant to the Twelfth Supplemental Indenture as part of the Senior Lien Debt Service Reserve Fund.

“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.

“Senior Lien Debt Service Reserve Requirement” shall mean an amount equal to the least of (i) the maximum Annual Debt Service on all Outstanding Senior Lien Obligations, (ii) 1.25 times the Average Annual Debt Service on all Outstanding Senior Lien Obligations, or (iii) ten percent (10%) of the aggregate amount of the Outstanding Senior Lien Obligations, as determined on the date each Series of Senior Lien Obligations is issued.

“Series 2018 Bonds” shall mean the Authority’s Senior Lien Revenue Bonds, Series 2018, authorized pursuant to this Supplemental Indenture and designated as such in the Award Certificate.

“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.

“Springing Lien Account” shall have the meaning given to such term in the Twelfth Supplemental Indenture.

“Springing Lien Obligation” shall have the meaning given to such term in the Twelfth Supplemental Indenture.

“Stated Maturity” shall mean the date on which a Series 2018 Bond is scheduled to mature, as set forth in the Award Certificate.

“Supplemental Indenture” or “Eighteenth Supplemental Indenture” shall mean this Eighteenth 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.

“290 East Project” shall have the meaning given to such term in the Eighth Supplemental Indenture.

“290 East 2018 Project Account” shall mean the account by that name established pursuant to Section 3.1 hereof as part of the Construction Fund.

“290 East 2018 SR LIEN Project Subaccount” shall mean the “290 East 2018 Senior Lien Project Subaccount” established pursuant to Section 3.2 hereof as part of the 290 East 2018 Project Account.

“2018 Senior Lien Rebate Account” shall mean the account by that name established pursuant to Section 5.2 hereof and such subaccounts as may be established therein pursuant to a Letter of Instructions signed by an Authorized Officer.

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

“Yield Reduction Payments” shall mean amounts paid in accordance with section 1.148-5(c) of the Regulations that are treated as payments that reduce the yield on an investment.

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 Series 2018

Bonds, express or implied, shall give to any Person, other than the parties hereto, their successors hereunder, and the Holders of Series 2018 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 SERIES 2018 BONDS

Section 2.1. Authorization, Principal Amounts, 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 Series 2018 Bonds are hereby authorized to be issued pursuant to and in accordance with the provisions of the Bond Resolution, the Master Indenture, Chapter 1371, Texas Government Code, as amended, and the Act. The Authorized Officer shall determine the aggregate principal amount of Series 2018 Bonds to be issued for 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 Series 2018 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 Series 2018 Bonds shall be deemed to be incorporated into and shall become a part of this Eighteenth Supplemental Indenture.

(b) The Authorized Officer shall determine and shall set forth in the Award Certificate the aggregate principal amount of Series 2018 Bonds to be issued, 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 Series 2018 Bonds.

Section 2.2. Purposes. The Series 2018 Bonds are issued in accordance with Section 302(a) of the Master Indenture for the purpose of providing funds to: (i) pay a portion of the Costs of the improvements and extensions to the 290 East Project, including, without limitation, the design and construction of two tolled direct connectors at the State Highway 130 interchange; (ii) pay capitalized interest on the Series 2018 Bonds; (iii) make a deposit to the Senior Lien Debt Service Reserve Fund; and (iv) pay certain costs of issuance for the Series 2018 Bonds, all under and in accordance with the Constitution and the laws of the State.

Section 2.3. Pledge; Limited Obligations.

(a) The Series 2018 Bonds are designated as Senior Lien Obligations, Current Interest Bonds and as Long-Term Obligations under the Master Indenture.

(b) The Series 2018 Bonds shall be limited obligations of the Authority constituting Senior Lien Obligations payable from and secured solely by a first lien on, pledge of and security interest in the Trust Estate; provided, that the interest of the Series 2018 Bonds in the Construction Fund shall be limited to amounts on deposit in the 290 East 2018 SR LIEN Project Subaccount. The Series 2018 Bonds, as Senior 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 Series 2018 Bonds. The Series 2018 Bonds shall not constitute a general obligation of the Authority and under no circumstances shall the Series 2018 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 Senior Lien Obligations.

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 SERIES 2018 BONDS. THE SERIES 2018 BONDS ARE PAYABLE SOLELY FROM THE TRUST ESTATE AND CERTAIN FUNDS CREATED UNDER THE INDENTURE. 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 SERIES 2018 BONDS. THE AUTHORITY HAS NO TAXING POWER.

NO RECOURSE UNDER THE SERIES 2018 BONDS SHALL BE HAD AGAINST ANY PAST, PRESENT OR FUTURE OFFICER OF THE AUTHORITY. THE SERIES 2018 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.

By its purchase and acceptance of the Series 2018 Bonds, each holder thereof acknowledges that, the Authority has previously issued and there is currently outstanding, and the Authority has reserved the right pursuant to the Master Indenture to issue in the future, one or more series of Subordinate Lien Obligations that, upon the occurrence of an Event of Default described in Section 801(d) of the Master Indenture, will be deemed to be and will automatically become a Senior Lien Obligation in accordance with the provisions of the Supplemental Indenture (as defined in the Master Indenture) authorizing such Subordinate Lien Obligations.

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

(a) The Series 2018 Bonds shall be dated as provided in the Award Certificate and shall be issued in Authorized Denominations.

(b) Unless the Authority shall direct otherwise, each Series 2018 Bond shall be lettered and numbered separately from 1 upward. The Series 2018 Bonds registered by the Comptroller



of Public Accounts of the State of Texas (the “Initial Series 2018 Bonds”) shall be lettered and numbered separately from T-1 upward.

Section 2.5. Interest Payment Dates, Interest Rates and Maturity Dates of the Series 2018 Bonds.

(a) The Series 2018 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 Series 2018 Bonds has been paid or provided for either at Stated Maturity or the prior redemption thereof. Interest on the Series 2018 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 Series 2018 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 Series 2018 Bonds.

(b) The principal of the Series 2018 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 Series 2018 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 Series 2018 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 Series 2018 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 Series 2018 Bonds. In accordance with the Letter of Representations, the Authority shall cause the Series 2018 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 Series 2018 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 Series 2018 Bonds. The Authority and the Trustee may treat and consider the Holder of any Series 2018 Bond as the absolute owner of such Series 2018 Bond for the purpose of payment of the principal of, premium, if any, and interest on such Series 2018 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2018 Bond, for the purpose of registering transfers and exchanges with respect to such Series 2018 Bond, and for all other purposes whatsoever. The Trustee shall pay the principal of, premium, if any, and interest on the Series 2018 Bonds only to or upon the order of the respective Holders of the Series 2018 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 Series 2018 Bonds, (ii) the delivery to any Depository Participant or any other Person, other than a Holder of a Series 2018 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 Series 2018 Bonds, including any notice of redemption, or (iii) the payment to any Depository Participant or any other Person, other than a Holder of a Series 2018 Bond, of any amount with respect to any Series 2018 Bond. The rights of Depository Participants and Persons on behalf of whom any Depository Participant holds a beneficial interest in Series 2018 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 Series 2018 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 Series 2018 Bonds is not in the best interest of such owners of beneficial interests in the Series 2018 Bonds, then the Authority shall direct the Securities Depository to terminate the existing book-entry system for ownership of interests in the Series 2018 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 Series 2018 Bonds, if one is available satisfactory to the Authority, and the ownership of all Series 2018 Bonds shall be transferred on the registration books for the Series 2018 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 Series 2018 Bonds, of the availability of Series 2018 Bonds registered in the names of such Persons as are owners of beneficial interests in the Series 2018 Bonds and, upon surrender to the Trustee of the Outstanding Series 2018 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 Series 2018 Bonds, in Authorized Denominations, to the owners of beneficial interests in the Series 2018 Bonds as of the date of the termination of the existing book-entry ownership system for the Series 2018 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 Series 2018 Bonds, all of the Series 2018 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 Series 2018 Bonds shall be subject to redemption prior to Stated Maturity only as provided in the Award Certificate for the Series 2018 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 Series 2018 Bonds. In addition, if the Series 2018 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 Series 2018 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 Series 2018 Bonds receives the notice.

### **ARTICLE III.**

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

Section 3.1. Establishment of 290 East 2018 Project Account.

(a) Pursuant to the provisions of Section 504(c) of the Master Indenture, there is hereby established within the Construction Fund the “290 East 2018 Project Account.”

(b) All amounts on deposit in the 290 East 2018 Project Account shall be applied to the payment of the Costs of improvements and extensions to the 290 East Project, including, without limitation, the design and construction of two tolled direct connectors at the State Highway 130 interchange, in accordance with and subject to the provisions of Section 519 of the Master Indenture and this Eighteenth Supplemental Indenture.

Section 3.2. 290 East 2018 SR LIEN Project Subaccount.

(a) There is hereby established within the 290 East 2018 Project Account a subaccount designated “290 East 2018 Senior Lien Project Subaccount” (“290 East 2018 SR LIEN Project Subaccount”).

(b) On the Issuance Date, a portion of the proceeds of the Series 2018 Bonds shall be deposited to the 290 East 2018 SR LIEN Project Subaccount, as directed in a Letter of Instructions of the Authority.

(c) Amounts on deposit in the 290 East 2018 SR LIEN Project Subaccount (other than amounts on deposit in the CAP I Subaccount SR LIEN 2018 Project) shall be used for the purpose of paying a portion of the Costs of improvements and extensions to the 290 East Project, including, without limitation, the design and construction of two tolled direct connectors at the State Highway 130 interchange, in accordance with and subject to the provisions of Section 519 of the Master Indenture and this Eighteenth Supplemental Indenture.

(d) The Authority shall submit written requisition requests in the form of Exhibit A to this Supplemental Indenture to request disbursements from the 290 East 2018 SR LIEN Project Subaccount in accordance with Section 519 of the Master Indenture.

Section 3.3. Capitalized Interest Subaccount 290 East 2018 Senior Lien Project.

(a) There is hereby established within the 290 East 2018 SR LIEN Project Subaccount the “Capitalized Interest Subaccount 290 East 2018 Senior Lien Project” (“CAP I Subaccount SR LIEN 2018 Project”). On the Issuance Date, a portion of the proceeds of the Series 2018 Bonds shall be deposited to the CAP I Subaccount SR LIEN 2018 Project, as directed in a Letter of Instructions of the Authority.

(b) Amounts on deposit in the CAP I Subaccount SR LIEN 2018 Project shall be used to pay interest accrued during each Capitalized Interest Period on the Series 2018 Bonds. On or prior to each Interest Payment Date for the Series 2018 Bonds, the Trustee shall transfer to the CAP I Subaccount SR LIEN 2018 DSA, after giving effect to the amount, if any, on deposit therein, the amount required to pay accrued but unpaid interest accrued during each Capitalized Interest Period on the Series 2018 Bonds on such Interest Payment Date.

(c) Any amount remaining in the CAP I Subaccount SR 2018 LIEN Project after the Interest Payment Date occurring immediately after the end of the final Capitalized Interest Period shall be transferred to the 290 East 2018 SR LIEN Project Subaccount.

Section 3.4. Debt Service Account 2018 Senior Lien.

(a) There is hereby established within the Senior Lien Debt Service Fund an account designated “Debt Service Account 2018 Senior Lien” (“Debt Service Account 2018 SR LIEN”). Moneys on deposit in the Debt Service Account 2018 SR LIEN shall be used to pay debt service on the Series 2018 Bonds when due.

(b) There is hereby established within the Debt Service Account 2018 SR LIEN a subaccount designated “Capitalized Interest Subaccount 2018 Senior Lien Debt Service Account” (“CAP I Subaccount SR LIEN 2018 DSA”). Amounts on deposit in the CAP I Subaccount SR LIEN 2018 DSA shall be used to pay interest on the Series 2018 Bonds during the applicable Capitalized Interest Period.

(c) On or prior to each Interest Payment Date with respect to the Series 2018 Bonds, the Trustee shall deposit to the Debt Service Account 2018 SR LIEN from Revenues, after giving effect to the any amounts on deposit in the CAP I Subaccount SR LIEN 2018 DSA, an amount sufficient to pay debt service then due on the Series 2018 Bonds.

Section 3.5. 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 “Bonds Proceeds Clearance Fund Senior Lien 2018” (the “Bond Proceeds Clearance Fund SR LIEN 2018”). On the Issuance Date, the proceeds from the sale of the Series 2018 Bonds shall be deposited to the Bond Proceeds Clearance Fund SR LIEN 2018 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 SR LIEN 2018 such accounts as shall be authorized in a Letter of Instructions signed by an Authorized Officer and deposit the proceeds of the Series 2018 Bonds as shall be directed in such Letter of Instructions. The Bond Proceeds Clearance Fund SR LIEN 2018 shall be closed upon disbursement of all amounts deposited thereto.

(b) There is hereby established with the Trustee the “2018 Costs of Issuance Fund Senior Lien” (“COI 2018 Fund SR LIEN”), relating to the Series 2018 Bonds. There shall be deposited to the COI 2018 Fund SR LIEN from the proceeds of the Series 2018 Bonds deposited to the Bond Proceeds Clearance Fund SR LIEN 2018, 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 2018 Fund SR LIEN on the date which is 90 days after the Issuance Date of the Series 2018 Bonds shall be transferred to the Debt Service Account 2018 SR LIEN. Following such transfer, the COI 2018 Fund SR LIEN shall be closed.

Section 3.6. Senior Lien Debt Service Reserve Requirement. The Senior Lien Debt Service Reserve Requirement established in the First Supplemental Indenture is hereby confirmed and reestablished with respect to the Series 2018 Bonds as if set forth in full in this Supplemental Indenture. The provisions of Sections 3.9 and 3.10 of the Twelfth Supplemental Indenture relating to the establishment and operation of certain Accounts within the Senior Lien Debt Service Reserve Fund (including, but not limited to, the Bond Proceeds Funded Account, the Revenue Funded Account and the Springing Lien Account) are hereby ratified and affirmed, shall apply to and benefit the Series 2018 Bonds and Springing Lien Obligations generally, and shall survive the payment or defeasance of any Senior Lien Obligations issued pursuant to the Twelfth Supplemental Indenture.

Section 3.7. 2005 TxDOT Grant Fund. The 2005 TxDOT Grant Fund, established and created pursuant to the First Supplemental Indenture, is hereby reestablished, recreated and affirmed. The 2005 TxDOT Grant Fund shall be established with, and held and maintained by, the Trustee in accordance with the provisions of the Indenture and this Section 3.7. Until transferred in accordance with this Section 3.7, amounts on deposit in the 2005 TxDOT Grant Fund shall be invested by the Trustee in accordance with the provisions of the Indenture. Interest earned from the investment of any amounts in the 2005 TxDOT Grant Fund or any profits realized from any Permitted Investment of amounts in the 2005 TxDOT Grant Fund shall remain in such Fund. Amounts on deposit in the 2005 TxDOT Grant Fund shall be transferred by the Trustee

from time to time in accordance with a Letter of Instruction from the Authority to the Operating Fund or the Senior Lien Debt Service Fund.

## **ARTICLE IV.**

### **FORM OF BONDS**

Section 4.1. Form of Series 2018 Bonds. The form of the Series 2018 Bonds, including any Series 2018 Bonds issued in exchange or replacement for any other Series 2018 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 Initial Series 2018 Bonds and the Form of Assignment, shall be substantially as set forth in or attached to the Award Certificate, with such omissions, insertions, modifications and variations as permitted or required by the Master Indenture, this Supplemental Indenture and the Award Certificate.

Section 4.2. Initial Series 2018 Bonds. The Initial Series 2018 Bonds, as described in Section 2.4, may be in the form of a single Series 2018 Bond representing the entire principal amount of Series 2018 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 Bonds.

(a) The Series 2018 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 Series 2018 Bonds, as evidenced by their execution thereof.

(b) The definitive Series 2018 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 Series 2018 Bonds, as evidenced by their execution thereof.

(c) The Initial Series 2018 Bonds submitted to the Attorney General of the State of Texas may be typewritten or photocopied or otherwise produced or reproduced.

## **ARTICLE V.**

### **TAX MATTERS; REBATE**

Section 5.1. Federal Income Tax Exclusion.

(a) General. The Authority intends that the interest on the Series 2018 Bonds be excludable from gross income for federal income tax purposes pursuant to sections 103 and 141

through 150, inclusive, of the Code. 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 Series 2018 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, inclusive, of the Code. In particular, the Authority covenants and agrees to comply with each requirement of this Section 5.1; provided, however, that the Authority will not be required to comply with any particular requirement of this Section 5.1 if the Authority has received a Counsel's Opinion that (i) such noncompliance will not adversely affect the excludability of interest on the Series 2018 Bonds from gross income for federal income tax purposes or (ii) that compliance with some other requirement set forth in such Counsel's Opinion will satisfy the applicable requirements of the Code, in which case compliance with such other requirement shall constitute compliance with the corresponding requirement specified in this Section 5.1.

(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 Series 2018 Bonds including interest or other investment income derived from Series 2018 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 Series 2018 Bonds will not be "private activity bonds" within the meaning of section 141 of the Code. 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 Series 2018 Bonds are delivered, the proceeds of the Series 2018 Bonds will not be used in a manner that would cause the Series 2018 Bonds to be "private activity bonds" within the meaning of section 141 of the Code.

(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 Series 2018 Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Code, except as permitted by section 149(b)(3) of the Code.

(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 Series 2018 Bonds to be "hedge bonds" within the meaning of section 149(g) of the Code.

(e) No Arbitrage. The Authority covenants and agrees that it will make such use of the proceeds of the Series 2018 Bonds including interest or other investment income derived from Series 2018 Bond proceeds, regulate investments of proceeds of the Series 2018 Bonds, and take such other and further action as may be required so that the Series 2018 Bonds will not be "arbitrage bonds" within the meaning of section 148(a) of the Code. 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 Series 2018 Bonds are delivered, the proceeds of the Series 2018 Bonds will not be used in a manner that would cause the Series 2018 Bonds to be "arbitrage bonds" within the meaning of section 148(a) of the Code. To the extent permitted by section 1.148-5(c)(3) of the Regulations, the yield restriction requirements may be satisfied by making Yield Reduction Payments to the federal government.

(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 Series 2018 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 Series 2018 Bonds as may be required to calculate the amount earned on the investment of the gross proceeds of the Series 2018 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 Series 2018 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 Series 2018 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 Series 2018 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 Series 2018 Bonds are issued, an information statement concerning the Series 2018 Bonds, all under and in accordance with section 149(e) of the Code.

(h) Registration. The Series 2018 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 Series 2018 Bonds until three years after the last Series 2018 Bond is redeemed or paid at maturity, 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 Series 2018 Bonds by the Internal Revenue Service.

(j) Deliberate Actions. The Authority will not take a deliberate action (as defined in section 1.141-2(d)(3) of the Regulations) that causes the Series 2018 Bonds to fail to meet any requirement of section 141 of the Code after the issue date of the Series 2018 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 5.1 shall survive the defeasance and discharge of the Series 2018 Bonds for as long as such matters are relevant to the excludability of interest on the Series 2018 Bonds from gross income for federal income tax purposes.

Section 5.2. 2018 Senior Lien Rebate Account.

(a) There is hereby established within the Rebate Fund, but not as part of the Trust Estate, a special account designated "2018 Senior Lien Rebate Account." Amounts deposited to the 2018 Senior Lien Rebate Account shall be applied to the payment of Yield Reduction Payments and/or the Rebate Amount, as set forth in a Letter of Instructions from the Authority. The 2018 Senior Lien Rebate Account and amounts on deposit therein are not security for the Series 2018 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 the amount of any Yield Reduction Payments due; 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 2018 Senior Lien Rebate Account, is equal to at least ninety percent (90%) of the Rebate Amount and/or Yield Reduction Payments due 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 2018 Senior Lien Rebate Account, is equal to the Rebate Amount and/or Yield Reduction Payments 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, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate ("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 2018 Senior Lien Rebate Account and remit to the United States of America the Yield Reduction Payments and/or 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 Series 2018 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 5.2 has not been paid as required or that any payment paid to the United States of America pursuant to this Section 5.2 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 2018 Senior Lien Rebate Account) and cause the Trustee to pay to the United States of America from the 2018 Senior Lien Rebate Account (A) the Yield Reduction Payment and/or 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 Yield Reduction Payments and/or 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 Series 2018 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 5.2, whether prepared by the Authority or the Arbitrage Analyst, for at least three years after the later of the final maturity of the Series 2018 Bonds or the first date on which no Series 2018 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 Series 2018 Bonds that is not purchased at fair market value or includes terms that the Authority would not have included if the Series 2018 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 5.2 (except for the obligation to retain accounting records as described in Section 5.2) if (A) the Authority has not invested gross proceeds of the Series 2018 Bonds at a yield that is “materially higher” the yield on the Series 2018 Bonds and, therefore, is not required to pay Yield Reduction Payments and/or (B) 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 55 days after the applicable Computation Date.

## **ARTICLE VI.**

### **CONTINUING DISCLOSURE**

Section 6.1. 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 6.2. 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 Exhibit B hereto. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit B 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 Exhibit B 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 6.3. 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 Series 2018 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 Series 2018 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 Series 2018 Bonds, or other material events affecting the tax status of the Series 2018 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 Series 2018 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 6.2 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 6.4. 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 Series 2018 Bonds within the meaning of the Rule, except that the Authority in any event will give notice of any deposit of funds that causes Series 2018 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 Series 2018 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 Series 2018 Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE AUTHORITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY SERIES 2018 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 Series 2018 Bonds in the primary offering of the Series 2018 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 Series 2018 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 Series 2018 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 6.2 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 VII.**

### **OTHER MATTERS**

Section 7.1. 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.

Section 7.2. Designation as System Project. The designation of the 290 East Project, together with all improvements and extensions thereto constructed with the proceeds of the Series 2018 Bonds, as a System Project is ratified and reaffirmed. The existing eastbound U.S. 290 to northbound SH 130 direct connector (the “Existing TxDOT DC”) was previously constructed, and is owned and operated, by the Texas Department of Transportation (“TxDOT”). The eastbound U.S. 290 to southbound SH 130 direct connector and certain associated improvements (the “New TxDOT DC”) that are being constructed by the Authority pursuant to separate agreements between the Authority and TxDOT, will be financed, owned and operated by TxDOT. The Authority does not have operational responsibility for either the Existing TxDOT DC or the New TxDOT DC, and neither the Existing TxDOT DC nor the New TxDOT DC have been, or are being (as applicable), financed or refinanced with the proceeds of any Obligations. Accordingly, neither the Existing TxDOT DC nor the New TxDOT DC are part of the System.

[Execution Pages Follow]

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, Trustee

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



**EXHIBIT A**  
**FORM OF REQUISITION**  
**CONSTRUCTION FUND**  
**290 EAST 2018 SENIOR LIEN PROJECT SUBACCOUNT**  
**CERTIFICATE AND REQUISITION FOR PAYMENT**

DATE: [Month], [Year]

DRAW REQUEST NO.: \_\_\_\_\_

<u>DESCRIPTION SUMMARY</u> <sup>1</sup>	<u>AMOUNT</u>
	\$ _____
TOTAL AMOUNT REQUESTED	\$ _____

The Authority does hereby certify to the Trustee that: (i) each item submitted herewith is a proper charge against the 290 East 2018 Senior Lien Project Subaccount of the 290 East 2018 Project Account of the Construction Fund and has not been paid, (ii) such requisition contains no item representing payment on account of any retainage which the Authority is as of the date of this requisition not entitled to release, (iii) no default exists under the Indenture which has not been disclosed to the Trustee and the Authority will use its best efforts to cure any default if it exists and (iv) there has not been filed with or served upon the Authority legal notice of any lien, right to lien, attachment or other claim, which is valid in the opinion of counsel to the Authority and affects the right to receive payment of any of the moneys payable to any of the Persons, firms or corporations named herein which has not been released or will not be released simultaneously with such payment.

Please remit funds by wire transfer to the Authority [Wiring instructions for disbursement].

CENTRAL TEXAS REGIONAL MOBILITY  
AUTHORITY

By: \_\_\_\_\_  
Authorized Representative

<sup>1</sup> Attach appropriate information indicating the name of the Person, Firm or Corporation to whom payment is due, the amount to be paid and the purpose for which such obligation was incurred.

**CERTIFICATION OF GENERAL ENGINEERING CONSULTANT**

As General Engineering Consultant for the improvement and extension of the 290 East Project, we hereby certify the following in connection with 290 East 2018 Senior Lien Project Subaccount of the 290 East 2018 Project Account of the Construction Fund Certificate and Requisition for Payment Draw Request No. \_\_\_\_\_:

- (i) such requisition is approved;
- (ii) the amount requisitioned is due and has not previously been paid from the 290 East 2018 Project Account of the Construction Fund;
- (iii) insofar as the payment is to be made for work, material, supplies or equipment, the work has been performed and the materials, supplies or equipment have been installed as part of the improvement and extension of the 290 East Project or have been delivered at the site;
- (iv) all work material, supplies and equipment for which payment is to be made are, in our opinion, substantially in accordance with the plans and specifications or duly approved change orders; and

[If an item for payment includes real property:

- (v) acquisition of such property is necessary or advisable in connection with the construction or operation of the improvements and extensions of 290 East Project.]

\_\_\_\_\_  
as General Engineering Consultant

By: \_\_\_\_\_  
Title: \_\_\_\_\_

## **EXHIBIT B**

### **CONTINUING DISCLOSURE**

#### **DESCRIPTION OF ANNUAL DISCLOSURE OF FINANCIAL INFORMATION**

The following information is referred to in Article VI 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 I – 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 and the improvement and extension of the 290 East Project, the Authority will furnish a copy of the General Engineering Consultant’s construction progress report relating to the 183 South Project and the improvement and extension of the 290 East 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 and the improvement and extension of the 290 East Project, a copy of the General Engineering Consultant’s construction progress report relating to the 183 South Project and the improvement and extension of the 290 East 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.

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NINETEENTH SUPPLEMENTAL TRUST INDENTURE

BETWEEN

CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY

AND

REGIONS BANK, TRUSTEE

AUTHORIZING

SUBORDINATE LIEN REVENUE BOND ANTICIPATION NOTES, SERIES 2018

Dated as of \_\_\_\_\_ 1, 2018

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## NINETEENTH SUPPLEMENTAL TRUST INDENTURE

THIS NINETEENTH SUPPLEMENTAL TRUST INDENTURE, dated as of \_\_\_\_\_ 1, 2018 (this “Supplemental Indenture” or “Nineteenth 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 meaning as 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 the Act and Chapter 1371, Texas Government Code, as amended, the Authority has determined to authorize the issuance of its Subordinate Lien Revenue Bond Anticipation Notes, Series 2018 (the “Series 2018 BANs”), pursuant to the Master Indenture and this Supplemental Indenture for the purpose of providing

funds (i) to pay a portion of the Costs of improvements and extensions to the 290 East Project, including without limitation, the design and construction of two tolled direct connectors at the State Highway 130 interchange, and (ii) for the other purposes specified herein; and

WHEREAS, the Board hereby finds and determines that the issuance of the Series 2018 BANs is in the best interest 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 Series 2018 BANs and to set forth such findings and determinations in the Award Certificate; and

WHEREAS, the execution and delivery of this Supplemental Indenture and the issuance of the Series 2018 BANs have been in all respects duly and validly authorized by the Bond Resolution; and

WHEREAS, the Authority currently intends to refinance the Series 2018 BANs with refunding bonds issued pursuant to Chapter 1207, Texas Government Code; 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 Series 2018 BANs 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 Series 2018 BANs 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 Series 2018 BANs 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 Series 2018 BANs, 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



(other than in the Form of BAN) as such defined terms are given in Section 101 of the Master Indenture.

As used in this Supplemental Indenture (other than in the Form of BAN), unless the context shall otherwise require, the following terms shall have the following respective meanings:

“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 Series 2018 BANs, \$5,000 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 Series 2018 BANs authorized to be issued hereunder.

“Bond Proceeds Clearance Fund SUB LIEN 2018” shall mean the “Bond Proceeds Clearance Fund Subordinate Lien 2018” established pursuant to Section 3.4(a) hereof, and any Accounts established therein pursuant to a Letter of Instructions signed by an Authorized Officer.

“Bond Resolution” shall mean Resolution No. 18-\_\_\_, adopted by the Board of Directors of the Authority on July \_\_\_, 2018.

“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 Series 2018 BANs. 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 2018 Fund SUB LIEN” shall mean the “2018 Costs of Issuance Fund Subordinate Lien” established pursuant to Section 3.4(b) hereof.

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

“Debt Service Account 2018 SUB LIEN” shall mean the “Debt Service Account 2018 Subordinate Lien” established in Section 3.3 hereof as part of the Subordinate Lien Debt Service Fund and any subaccounts established therein pursuant to this Supplemental Indenture or a Letter of Instructions signed by an Authorized Officer.

“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 Series 2018 BANs.

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

“Eighteenth Supplemental Indenture” shall mean the Eighteenth Supplemental Trust Indenture dated as of the date first written above between the Authority and the Trustee.

“Eighth Supplemental Indenture” shall mean the Eighth Supplemental Trust Indenture, dated June 1, 2011, between the Authority and the Trustee.

“Final Computation Date” shall mean the date on which the last of the Series 2018 BANs is discharged.

“First Supplemental Indenture” shall mean the First Supplemental Trust Indenture, dated as of February 1, 2005, between the Authority and the Trustee.

“Form of BAN” shall mean the Form of Series 2018 BAN attached to the Award Certificate, with such changes and modifications as shall be appropriate or required to conform to the terms of the Award Certificate.

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

“Initial Series 2018 BANs” shall mean the Initial Series 2018 BANs, 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 Series 2018 BANs, 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 Series 2018 BANs 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 Series 2018 BANs, together with any addenda, supplements and amendments thereto.

“Purchase Contract” shall mean the Bond Purchase Contract between the Authority and the respective Underwriters providing for the purchase of the Series 2018 BANs by the 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 Series 2018 BANs, the fifteenth (15th) calendar day of the month preceding each Interest Payment Date.

“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.

“Series 2018 BANs” shall mean the Authority’s Subordinate Lien Revenue Bond Anticipation Notes, Series 2018, authorized pursuant to this Supplemental Indenture and designated as such in the Award Certificate.

“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 Series 2018 BAN is scheduled to mature, as set forth in the Award Certificate.

“Supplemental Indenture” or “Nineteenth Supplemental Indenture” shall mean this Nineteenth 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.

“290 East Project” shall have the meaning given to such term in the Eighth Supplemental Indenture.

“290 East 2018 Project Account” shall mean the account by that name established in the Eighteenth Supplemental Indenture as part of the Construction Fund.

“290 East 2018 SUB LIEN Project Subaccount” shall mean the “290 East 2018 Subordinate Lien Project Subaccount” established pursuant to Section 3.2 hereof as part of the 290 East 2018 Project Account.

“2018 Subordinate Lien Rebate Account” shall mean the account by that name established pursuant to Section 5.2 hereof and such subaccounts as may be established therein pursuant to a Letter of Instructions signed by an Authorized Officer.

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

“Yield Reduction Payments” shall mean amounts paid in accordance with section 1.148-5(c) of the Regulations that are treated as payments that reduce the yield on an investment.

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 Series 2018 BANs, express or implied, shall give to any Person, other than the parties hereto, their successors hereunder, and the Holders of Series 2018 BANs, 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 SERIES 2018 BANS**

Section 2.1. Authorization, Principal Amounts, 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 Series 2018 BANs are hereby authorized to be issued pursuant to and in accordance with the provisions of the Bond Resolution, the Master Indenture, Chapter 1371, Texas Government Code, as amended, and the Act. The Authorized Officer shall determine the aggregate principal amount of Series 2018 BANs to be issued for 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 Series 2018 BANs 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 Series 2018 BANs shall be deemed to be incorporated into and shall become a part of this Nineteenth Supplemental Indenture.

(b) The Authorized Officer shall determine and shall set forth in the Award Certificate the aggregate principal amount of Series 2018 BANs to be issued, 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 Series 2018 BANs.

Section 2.2. Purposes. The Series 2018 BANs are issued in accordance with Section 302(a) of the Master Indenture for the purpose of providing funds to: (i) pay a portion of the Costs of the improvements and extensions to the 290 East Project, including, without limitation, the design and construction of two tolled direct connectors at the State Highway 130 interchange; and (ii) pay certain costs of issuance for the Series 2018 BANs, all under and in accordance with the Constitution and the laws of the State.

Section 2.3. Pledge; Limited Obligations.

(a) The Series 2018 BANs are designated as Subordinate Lien Obligations, Current Interest Bonds and as Long-Term Obligations under the Master Indenture.

(b) The Series 2018 BANs 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, and from the proceeds of any bonds, notes or other obligations issued to retire or refinance the Series 2018 BANs; provided, that the interest of the Series 2018 BANs in the Construction Fund shall be limited to amounts on deposit in the 290 East 2018 SUB LIEN Project Subaccount. The Series 2018 BANs, 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 Series 2018 BANs. The Series 2018 BANs shall not constitute a general obligation of the Authority and under no circumstances shall the Series 2018 BANs 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.

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 SERIES 2018 BANS. THE SERIES 2018 BANS 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, AND FROM THE PROCEEDS OF ANY BONDS, NOTES OR OTHER OBLIGATIONS ISSUED TO RETIRE OR REFINANCE THE SERIES 2018 BANS. 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 SERIES 2018 BANS. THE AUTHORITY HAS NO TAXING POWER.

NO RECOURSE UNDER THE SERIES 2018 BANS SHALL BE HAD AGAINST ANY PAST, PRESENT OR FUTURE OFFICER OF THE AUTHORITY. THE SERIES 2018 BANS

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.

By its purchase and acceptance of the Series 2018 BANs, each holder thereof acknowledges that, the Authority has previously issued and there is currently outstanding, and the Authority has reserved the right pursuant to the Master Indenture to issue in the future, one or more series of Subordinate Lien Obligations that, upon the occurrence of an Event of Default described in Section 801(d) of the Master Indenture, will be deemed to be and will automatically become a Senior Lien Obligation in accordance with the provisions of the Supplemental Indenture (as defined in the Master Indenture) authorizing such Subordinate Lien Obligations.

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

(a) The Series 2018 BANs shall be dated as provided in the Award Certificate and shall be issued in Authorized Denominations.

(b) Unless the Authority shall direct otherwise, each Series 2018 BAN shall be lettered and numbered separately from 1 upward. The Series 2018 BANs registered by the Comptroller of Public Accounts of the State of Texas (the “Initial Series 2018 BANs”) shall be lettered and numbered separately from T-1 upward.

Section 2.5. Interest Payment Dates, Interest Rates and Maturity Dates of the Series 2018 BANs.

(a) The Series 2018 BANs 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 Series 2018 BANs has been paid or provided for either at Stated Maturity or the prior redemption thereof. Interest on the Series 2018 BANs 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 Series 2018 BANs 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 Series 2018 BANs.

(b) The principal of the Series 2018 BANs 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 Series 2018 BAN shall be paid by check dated as of the Interest Payment Date and mailed by the Trustee to the Holder in whose name such Series 2018 BAN 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 Series 2018 BAN 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 Series 2018 BANs. In accordance with the Letter of Representations, the Authority shall cause the Series 2018 BANs 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 Series 2018 BANs 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 Series 2018 BANs. The Authority and the Trustee may treat and consider the Holder of any Series 2018 BAN as the absolute owner of such Series 2018 BAN for the purpose of payment of the principal of, premium, if any, and interest on such Series 2018 BAN, for the purpose of giving notices of redemption and other matters with respect to such Series 2018 BAN, for the purpose of registering transfers and exchanges with respect to such Series 2018 BAN, and for all other purposes whatsoever. The Trustee shall pay the principal of, premium, if any, and interest on the Series 2018 BANs only to or upon the order of the respective Holders of the Series 2018 BANs 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 Series 2018 BANs, (ii) the delivery to any Depository Participant or any other Person, other than a Holder of a Series 2018 BAN 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 Series 2018 BANs, including any notice of redemption, or (iii) the payment to any Depository Participant or any other Person, other than a Holder of a Series 2018 BAN, of any amount with respect to any Series 2018 BAN. The rights of Depository Participants and Persons on behalf of whom any Depository Participant holds a beneficial interest in Series 2018 BANs 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 Series 2018 BANs 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 Series 2018 BANs is not in the best interest of such owners of beneficial interests in the Series 2018 BANs, then the Authority shall direct the Securities Depository to terminate the existing book-entry system for ownership of interests in the Series 2018 BANs. 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 Series 2018 BANs, if one is available satisfactory to the Authority, and the ownership of all Series 2018 BANs shall be transferred on the registration books for the Series 2018 BANs 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 Series 2018 BANs, of the availability of Series 2018 BANs registered in the names of such Persons as are owners of beneficial interests in the Series 2018 BANs and, upon surrender to the Trustee of the Outstanding Series 2018 BANs 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 Series 2018 BANs, in Authorized Denominations, to the owners of beneficial interests in the Series 2018 BANs as of the date of the termination of the existing book-entry ownership system for the Series 2018 BANs. 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 Series 2018 BANs, all of the Series 2018 BANs 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 Series 2018 BANs shall be subject to redemption prior to Stated Maturity only as provided in the Award Certificate for the Series 2018 BANs 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 Series 2018 BANs. In addition, if the Series 2018 BANs 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 Series 2018 BANs.

(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 Series 2018 BANs receives the notice.

## ARTICLE III.

### ACCOUNTS; APPLICATION OF PROCEEDS

Section 3.1. 290 East 2018 Project Account. The 290 East 2018 Project Account established pursuant to Section 3.1(a) of the Eighteenth Supplemental Indenture is hereby ratified and confirmed.

Section 3.2. 290 East 2018 SUB LIEN Project Subaccount.

(a) There is hereby established within the 290 East 2018 Project Account a subaccount designated “290 East 2018 Subordinate Lien Project Subaccount” (“290 East 2018 SUB LIEN Project Subaccount”).

(b) On the Issuance Date, a portion of the proceeds of the Series 2018 BANs shall be deposited to the 290 East 2018 SUB LIEN Project Subaccount, as directed in a Letter of Instructions of the Authority.

(c) Amounts on deposit in the 290 East 2018 SUB LIEN Project Subaccount shall be used for the purpose of paying a portion of the Costs of improvements and extensions to the 290 East Project, including, without limitation, the design and construction of two tolled direct connectors at the State Highway 130 interchange, in accordance with and subject to the provisions of Section 519 of the Master Indenture and this Nineteenth Supplemental Indenture.

(d) The Authority shall submit written requisition requests in the form of Exhibit A to this Supplemental Indenture to request disbursements from the 290 East 2018 SUB LIEN Project Subaccount in accordance with Section 519 of the Master Indenture.

Section 3.3. Debt Service Account 2018 Subordinate Lien.

(a) There is hereby established within the Subordinate Lien Debt Service Fund an account designated “Debt Service Account 2018 Subordinate Lien” (“Debt Service Account 2018 SUB LIEN”). Moneys on deposit in the Debt Service Account 2018 SUB LIEN shall be used to pay debt service on the Series 2018 BANs when due.

(b) On or prior to each Interest Payment Date with respect to the Series 2018 BANs, the Trustee shall deposit to the Debt Service Account 2018 SUB LIEN from Revenues an amount sufficient to pay debt service then due on the Series 2018 BANs.

Section 3.4. 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 “Bonds Proceeds Clearance Fund Subordinate Lien 2018” (the “Bond Proceeds Clearance Fund SUB LIEN 2018”). On the Issuance Date, the proceeds from the sale of the Series 2018 BANs shall be deposited to the Bond Proceeds Clearance Fund SUB LIEN 2018 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 2018 such accounts as shall be authorized in a Letter of Instructions signed by an Authorized Officer and deposit the

proceeds of the Series 2018 BANs as shall be directed in such Letter of Instructions. The Bond Proceeds Clearance Fund SUB LIEN 2018 shall be closed upon disbursement of all amounts deposited thereto.

(b) There is hereby established with the Trustee the “2018 Costs of Issuance Fund Subordinate Lien” (“COI 2018 Fund SUB LIEN”), relating to the Series 2018 BANs. There shall be deposited to the COI 2018 Fund SUB LIEN from the proceeds of the Series 2018 BANs deposited to the Bond Proceeds Clearance Fund SUB LIEN 2018, 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 2018 Fund SUB LIEN on the date which is 90 days after the Issuance Date of the Series 2018 BANs shall be transferred to the Debt Service Account 2018 SUB LIEN. Following such transfer, the COI 2018 Fund SUB LIEN shall be closed.

Section 3.5. No Subordinate Lien Debt Service Reserve Requirement. No Subordinate Lien Debt Service Reserve Requirement will be established with respect to the Series 2018 BANs and the Series 2018 BANs shall have no rights to any monies on deposit in the Subordinate Lien Debt Service Reserve Fund or any Account created therein.

Section 3.6. 2005 TxDOT Grant Fund. The 2005 TxDOT Grant Fund, established and created pursuant to the First Supplemental Indenture, is hereby reestablished, recreated and affirmed. The 2005 TxDOT Grant Fund shall be established with, and held and maintained by, the Trustee in accordance with the provisions of the Indenture and this Section 3.6. Until transferred in accordance with this Section 3.6, amounts on deposit in the 2005 TxDOT Grant Fund shall be invested by the Trustee in accordance with the provisions of the Indenture. Interest earned from the investment of any amounts in the 2005 TxDOT Grant Fund or any profits realized from any Permitted Investment of amounts in the 2005 TxDOT Grant Fund shall remain in such Fund. Amounts on deposit in the 2005 TxDOT Grant Fund shall be transferred by the Trustee from time to time in accordance with a Letter of Instruction from the Authority to the Operating Fund or the Senior Lien Debt Service Fund.

## **ARTICLE IV.**

### **FORM OF SERIES 2018 BANs**

Section 4.1. Form of Series 2018 BANs. The form of the Series 2018 BANs, including any Series 2018 BANs issued in exchange or replacement for any other Series 2018 BAN 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 Initial Series 2018 BANs and the Form of Assignment, shall be substantially as set forth in or attached to the Award Certificate, with such omissions, insertions, modifications and variations as permitted or required by the Master Indenture, this Supplemental Indenture and the Award Certificate.

Section 4.2. Initial Series 2018 BANs. The Initial Series 2018 BANs, as described in Section 2.4, may be in the form of a single Series 2018 BAN representing the entire principal amount of Series 2018 BANs, 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 Series 2018 BANs.

(a) The Series 2018 BANs 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 Series 2018 BANs, as evidenced by their execution thereof.

(b) The definitive Series 2018 BANs 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 Series 2018 BANs, as evidenced by their execution thereof.

(c) The Initial Series 2018 BANs submitted to the Attorney General of the State of Texas may be typewritten or photocopied or otherwise produced or reproduced.

**ARTICLE V.**

**TAX MATTERS; REBATE**

Section 5.1. Federal Income Tax Exclusion.

(a) General. The Authority intends that the interest on the Series 2018 BANs be excludable from gross income for federal income tax purposes pursuant to sections 103 and 141 through 150, inclusive, of the Code. 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 Series 2018 BANs 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, inclusive, of the Code. In particular, the Authority covenants and agrees to comply with each requirement of this Section 5.1; provided, however, that the Authority will not be required to comply with any particular requirement of this Section 5.1 if the Authority has received a Counsel's Opinion that (i) such noncompliance will not adversely affect the excludability of interest on the Series 2018 BANs from gross income for federal income tax purposes or (ii) that compliance with some other requirement set forth in such Counsel's Opinion will satisfy the applicable requirements of the Code, in which case compliance with such other requirement shall constitute compliance with the corresponding requirement specified in this Section 5.1.

(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 Series 2018 BANs including interest or other investment income derived from Series 2018 BAN 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 Series 2018 BANs will not be "private activity bonds" within the

meaning of section 141 of the Code. 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 Series 2018 BANs are delivered, the proceeds of the Series 2018 BANs will not be used in a manner that would cause the Series 2018 BANs to be “private activity bonds” within the meaning of section 141 of the Code.

(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 Series 2018 BANs to be “federally guaranteed” within the meaning of section 149(b) of the Code, except as permitted by section 149(b)(3) of the Code.

(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 Series 2018 BANs to be “hedge bonds” within the meaning of section 149(g) of the Code.

(e) No Arbitrage. The Authority covenants and agrees that it will make such use of the proceeds of the Series 2018 BANs including interest or other investment income derived from Series 2018 BAN proceeds, regulate investments of proceeds of the Series 2018 BANs, and take such other and further action as may be required so that the Series 2018 BANs will not be “arbitrage bonds” within the meaning of section 148(a) of the Code. 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 Series 2018 BANs are delivered, the proceeds of the Series 2018 BANs will not be used in a manner that would cause the Series 2018 BANs to be “arbitrage bonds” within the meaning of section 148(a) of the Code. To the extent permitted by section 1.148-5(c)(3) of the Regulations, the yield restriction requirements may be satisfied by making Yield Reduction Payments to the federal government.

(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 Series 2018 BANs (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 Series 2018 BANs as may be required to calculate the amount earned on the investment of the gross proceeds of the Series 2018 BANs 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 Series 2018 BANs 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 Series 2018 BANs 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 Series 2018 BANs 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 Series 2018 BANs are issued, an information statement concerning the Series 2018 BANs, all under and in accordance with section 149(e) of the Code.

(h) Registration. The Series 2018 BANs 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 Series 2018 BANs until three years after the last Series 2018 BAN is redeemed or paid at maturity, 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 Series 2018 BANs by the Internal Revenue Service.

(j) Deliberate Actions. The Authority will not take a deliberate action (as defined in section 1.141-2(d)(3) of the Regulations) that causes the Series 2018 BANs to fail to meet any requirement of section 141 of the Code after the issue date of the Series 2018 BANs 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 5.1 shall survive the defeasance and discharge of the Series 2018 BANs for as long as such matters are relevant to the excludability of interest on the Series 2018 BANs from gross income for federal income tax purposes.

#### Section 5.2. 2018 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 "2018 Subordinate Lien Rebate Account." Amounts deposited to the 2018 Subordinate Lien Rebate Account shall be applied to the payment of Yield Reduction Payments and/or the Rebate Amount as set forth in a Letter of Instructions from the Authority. The 2018 Subordinate Lien Rebate Account and amounts on deposit therein are not security for the Series 2018 BANs 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 the amount of any Yield Reduction Payments due; 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 2018 Subordinate Lien Rebate Account, is equal to at least ninety percent (90%) of the Rebate Amount and/or Yield Reduction Payments due 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 2018 Subordinate Lien Rebate Account, is equal to the Rebate Amount and/or Yield Reduction Payments 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, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate (“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 2018 Subordinate Lien Rebate Account and remit to the United States of America the Yield Reduction Payments and/or 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 Series 2018 BANs.

(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 5.2 has not been paid as required or that any payment paid to the United States of America pursuant to this Section 5.2 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 2018 Subordinate Lien Rebate Account) and cause the Trustee to pay to the United States of America from the 2018 Subordinate Lien Rebate Account (A) the Yield Reduction Payment and/or 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 Yield Reduction Payments and/or 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 Series 2018 BANs 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 5.2, whether prepared by the Authority or the Arbitrage Analyst, for at least three years after the later of the final maturity of the Series 2018 BANs or the first date on which no Series 2018 BANs 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 Series 2018 BANs that is not purchased at fair market value or includes terms that the Authority would not have included if the Series 2018 BANs 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 5.2 (except for the obligation to retain accounting records as described in Section 5.2) if (A) the Authority has not invested gross proceeds of the Series 2018 BANs at a yield that is “materially higher” the yield on the Series 2018 BANs and, therefore, is not required to pay Yield Reduction Payments and/or (B) 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 VI.

### CONTINUING DISCLOSURE

Section 6.1. 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 6.2. 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 Exhibit B hereto. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit B 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 Exhibit B 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 6.3. 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 Series 2018 BANs (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 Series 2018 BANs 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 Series 2018 BANs, or other material events affecting the tax status of the Series 2018 BANs;
- (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 Series 2018 BANs, 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 6.2 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 6.4. 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 Series 2018 BANs within the meaning of the Rule, except that the Authority in any event will give notice of any deposit of funds that causes Series 2018 BANs no longer to be Outstanding.

(a) The provisions of this Article are for the sole benefit of the Holders and beneficial owners of the Series 2018 BANs, 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 Series 2018 BANs at any future date.

UNDER NO CIRCUMSTANCES SHALL THE AUTHORITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY SERIES 2018 BANs 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 Series 2018 BANs in the primary offering of the Series 2018 BANs 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 Series 2018 BANs 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 Series 2018 BANs. 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 6.2 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 VII.**

### **ADDITIONAL COVENANTS OF THE AUTHORITY**

Section 7.1. Adjustment to Rate Covenant. Notwithstanding the provisions of Section 502(a) of the Master Indenture, so long as the Series 2018 BANs 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 7.2. Additional Bonds Test. Notwithstanding the provisions of Section 708(a)(1)(B) of the Master Indenture, so long as the Series 2018 BANs 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 7.3. 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 Series 2018 BANs 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 7.4. Confirmation of Funds and Accounts. The establishment of all Funds and Accounts heretofore established in the Indenture is hereby confirmed and ratified.

Section 7.5. Purpose. The provisions of this Article VII are for the sole benefit of the Holders of the Series 2018 BANs 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 Series 2018 BANs and may not be relied upon or enforced by the Holders of any other Obligations.

## **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.

Section 8.2. Designation as System Project. The designation of the 290 East Project, together with all improvements and extensions thereto constructed with the proceeds of the Series 2018 BANs, as a System Project is ratified and reaffirmed. The existing eastbound U.S. 290 to northbound SH 130 direct connector (the "Existing TxDOT DC") was previously constructed, and is owned and operated, by the Texas Department of Transportation ("TxDOT"). The eastbound U.S. 290 to southbound SH 130 direct connector and certain associated improvements (the "New TxDOT DC") that are being constructed by the Authority pursuant to separate agreements between the Authority and TxDOT, will be financed, owned and operated by TxDOT. The Authority does not have operational responsibility for either the Existing TxDOT DC or the New TxDOT DC, and neither the Existing TxDOT DC nor the New TxDOT DC have been, or are being (as applicable), financed or refinanced with the proceeds of any Obligations. Accordingly, neither the Existing TxDOT DC nor the New TxDOT DC are part of the System.

[Execution Pages Follow]

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, Trustee

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

**EXHIBIT A**  
**FORM OF REQUISITION**  
**CONSTRUCTION FUND**  
**290 EAST 2018 SUBORDINATE LIEN PROJECT SUBACCOUNT**  
**CERTIFICATE AND REQUISITION FOR PAYMENT**

DATE: [Month], [Year]

DRAW REQUEST NO.: \_\_\_\_\_

<u>DESCRIPTION SUMMARY</u> <sup>1</sup>	<u>AMOUNT</u>
	\$ _____
TOTAL AMOUNT REQUESTED	\$ _____

The Authority does hereby certify to the Trustee that: (i) each item submitted herewith is a proper charge against the 290 East 2018 Subordinate Lien Project Subaccount of the 290 East 2018 Project Account of the Construction Fund and has not been paid, (ii) such requisition contains no item representing payment on account of any retainage which the Authority is as of the date of this requisition not entitled to release, (iii) no default exists under the Indenture which has not been disclosed to the Trustee and the Authority will use its best efforts to cure any default if it exists and (iv) there has not been filed with or served upon the Authority legal notice of any lien, right to lien, attachment or other claim, which is valid in the opinion of counsel to the Authority and affects the right to receive payment of any of the moneys payable to any of the Persons, firms or corporations named herein which has not been released or will not be released simultaneously with such payment.

Please remit funds by wire transfer to the Authority [Wiring instructions for disbursement].

CENTRAL TEXAS REGIONAL MOBILITY  
AUTHORITY

By: \_\_\_\_\_  
Authorized Representative

<sup>1</sup> Attach appropriate information indicating the name of the Person, Firm or Corporation to whom payment is due, the amount to be paid and the purpose for which such obligation was incurred.



**CERTIFICATION OF GENERAL ENGINEERING CONSULTANT**

As General Engineering Consultant for the improvement and extension of the 290 East Project, we hereby certify the following in connection with 290 East 2018 Subordinate Lien Project Subaccount of the 290 East 2018 Project Account of the Construction Fund Certificate and Requisition for Payment Draw Request No. \_\_\_\_\_:

- (i) such requisition is approved;
- (ii) the amount requisitioned is due and has not previously been paid from the 290 East 2018 Project Account of the Construction Fund;
- (iii) insofar as the payment is to be made for work, material, supplies or equipment, the work has been performed and the materials, supplies or equipment have been installed as part of the improvement and extension of the 290 East Project or have been delivered at the site;
- (iv) all work material, supplies and equipment for which payment is to be made are, in our opinion, substantially in accordance with the plans and specifications or duly approved change orders; and

[If an item for payment includes real property:

- (v) acquisition of such property is necessary or advisable in connection with the construction or operation of the improvements and extensions of 290 East Project.]

\_\_\_\_\_  
as General Engineering Consultant

By: \_\_\_\_\_  
Title: \_\_\_\_\_

## **EXHIBIT B**

### **CONTINUING DISCLOSURE**

#### **DESCRIPTION OF ANNUAL DISCLOSURE OF FINANCIAL INFORMATION**

The following information is referred to in Article VI 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 I – 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 and the improvement and extension of the 290 East Project, the Authority will furnish a copy of the General Engineering Consultant’s construction progress report relating to the 183 South Project and the improvement and extension of the 290 East 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 and the improvement and extension of the 290 East Project, a copy of the General Engineering Consultant’s construction progress report relating to the 183 South Project and the improvement and extension of the 290 East 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.