

TRUST AGREEMENT

between the

MASSACHUSETTS SCHOOL BUILDING AUTHORITY

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.  
as Successor Trustee

Dated as of August 1, 2005

Relating to

Massachusetts School Building Authority  
Dedicated Sales Tax Bonds

(Composite Trust Agreement containing all amendments through November 1, 2011)

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## **ARTICLE I DEFINITIONS**

In this Trust Agreement unless a different meaning clearly appears from the context the following terms shall have the meaning set forth below.

“Accreted Value” shall mean with respect to any Bonds that are Capital Appreciation Bonds, an amount equal to the principal amount of such Capital Appreciation Bonds (determined on the basis of the initial principal amount per \$5,000 at maturity thereof) plus the amount assuming compounding (as set forth in the Applicable Supplemental Trust Agreement) of earnings which would be produced on the investment of such initial amount, beginning on the dated date of such Capital Appreciation Bonds and ending at the maturity date thereof, at a yield which, if produced until maturity, will produce \$5,000 at maturity. As of a Valuation Date, the Accreted Value of any Capital Appreciation Bonds shall mean the amount set forth for such date in the Applicable Supplemental Trust Agreement and as of any date other than a Valuation Date, the sum of (i) the Accreted Value on the preceding Valuation Date and (ii) the product of (1) a fraction, the numerator of which is the number of days having elapsed from and including the preceding Valuation Date and the denominator of which is the number of days from and including such preceding Valuation Date to the next succeeding Valuation Date, and (2) the difference between the Accreted Values for such Valuation Dates.

“Act” shall mean, collectively, Chapter 70B of the Massachusetts General Laws, Section 35BB of Chapter 10 of the Massachusetts General Laws, Chapter 208 of the Acts of 2004 of the Commonwealth and Chapter 210 of the Acts of 2004 of the Commonwealth, in each case as amended from time to time.

“Additional Bonds” shall mean Additional Senior Bonds and Additional Subordinated Bonds of the Authority issued pursuant to Section 206 hereof.

“Additional Senior Bonds” shall mean Bonds of the Authority issued pursuant to Section 206 hereof and designated as Senior Bonds.

“Additional Subordinated Bonds” shall mean Bonds of the Authority issued pursuant to Section 206 hereof and designated as Subordinated Bonds.

“Additional Revenues” shall mean any revenues of the Authority (other than the Dedicated Sales Tax Revenue Amount and the Phase-in Amount) legally available and pledged by resolution of the Authority for its obligations under this Trust Agreement and deposited to the Revenue Fund, provided that (i) if such Additional Revenues are to be received from the United States of America or the Commonwealth, they must automatically recur without appropriation, approval or other similar action for so long as the Authority is relying thereon for the purpose of issuing Bonds or they constitute a general obligation of the Commonwealth and the manner of determining the amounts to be derived therefrom must not be subject to change or revision during such period, (ii) such Additional Revenues consist of obligations with a rating by each Rating Agency in a category equal to or higher than its unenhanced, published rating on Outstanding Bonds or (iii) the Authority has received a Rating Confirmation with respect to the designation of such revenues as Additional Revenues.

“Adjusted Bond Debt Service Requirement” shall mean, for any period of calculation, the aggregate Bond Debt Service Requirement with respect to all Bonds Outstanding or projected to be Outstanding during such period, as applicable, taking into account the following adjustments:

(i) With respect to Variable Rate Bonds, the aggregate Bond Debt Service Requirement shall be calculated based upon an interest rate equal to the average interest rate of the SIFMA Index over the 15 years immediately prior to the date of calculation, as determined by the Authority, provided, however, if the Authority (1) enters into a Fixed Rate Hedge Agreement pursuant to Section 211 hereof and (2) has made a determination that such Fixed Rate Hedge Agreement was entered into for the purpose of limiting the potential increase in the interest rate for a particular maturity of such Variable Rate Bonds in a principal amount equal to the notional amount of the Fixed Rate Hedge Agreement, then during the term of such Fixed Rate Hedge Agreement and so long as the Hedge Provider under such Fixed Rate Hedge Agreement is not in default thereunder, the interest rate on such Variable Rate Bonds shall be determined as if such Bonds bore interest at the Fixed Hedge Rate, payable by the Authority under such Fixed Rate Hedge Agreement;

(ii) with respect to Fixed Rate Bonds, if the Authority (1) enters into a Variable Rate Hedge Agreement with a Hedge Provider pursuant to Section 211 hereof and (2) has made a determination that such Variable Rate Hedge Agreement was entered into for the purpose of providing substitute interest payments for a particular maturity of such Fixed Rate Bonds in a principal amount equal to the notional amount of the Qualified Hedge Agreement, then during the term of such Variable Rate Hedge Agreement and so long as the Hedge Provider under such Qualified Hedge Agreement is not in default under such Variable Rate Hedge Agreement, the interest rate on such Fixed Rate Bonds shall be determined as if such Fixed Rate Bonds bore interest at the Assumed Hedge Rate;

(iii) with respect to Tender Bonds, the aggregate Bond Debt Service Requirement shall not include amounts payable upon mandatory or optional tender; if such Tender Bonds are secured by a Liquidity Facility, the aggregate Bond Debt Service Requirement shall be deemed to include all periodic Bond Related Costs payable to the provider of any Liquidity Facility but shall not be deemed to include any Reimbursement Obligation to such provider except to the extent provided in the Applicable Supplemental Trust Agreement;

(iv) with respect to Bonds that have Credit Enhancement, the aggregate Bond Debt Service Requirement shall be deemed to include all periodic Bond Related Costs payable to the provider of the Credit Enhancement and, except as otherwise provided in the Applicable Supplemental Trust Agreement, any Reimbursement Obligations incurred in connection therewith which are deemed to be Outstanding Bonds or Qualified Hedge Payments pursuant to Section 210 hereof or, in the case of any Reserve Credit Facility, which are payable from amounts deposited in the Senior Debt Service Reserve Fund pursuant to Section 504(b)(ii) hereof or the Subordinated Debt Service Reserve Fund pursuant to Section 504(b)(v) hereof, as applicable;

(v) the amount of any investment earnings and return of principal or projected investment earnings and projected return of principal, as the case may be, allocable to amounts in the Senior Debt Service Fund, the Subordinated Debt Service Fund, the Revenue Fund, any applicable Senior Debt Service Reserve Accounts and any applicable Subordinated Debt Service Reserve Accounts shall be deducted from the Adjusted Bond Debt Service Requirement for the applicable period;

(vi) any amounts received or projected to be received as payment of accrued interest from the sale of Bonds and deposited in the Senior Debt Service Fund or the Subordinated Debt Service Fund, as applicable, and the amount of Bond proceeds or other moneys, if any, which will be applied to pay interest on the Bonds in accordance with the Applicable Supplemental Trust Agreement shall be deducted from the Adjusted Bond Debt Service Requirement for the applicable period

(vii) any additional amounts transferred to the Senior Debt Service Fund or Subordinated Debt Service Fund, as applicable, at the Authority's direction shall be deducted from the Adjusted Bond Debt Service Requirement for the applicable period;

(viii) Dedicated Payments deposited or to be deposited in the Senior Debt Service Fund pursuant to Section 606 shall be deducted from the Adjusted Bond Debt Service Requirement for the applicable period; and

(ix) with respect to Balloon Indebtedness, the aggregate Bond Debt Service Requirement shall be calculated as if the Principal Installments with respect to such Bonds amortized over a period of 25 years at an interest rate equal to *The Bond Buyer's* Revenue Bond Index (or, if such index is no longer published, such other substantially comparable index as may be selected by the Authority) as of the most recent date for which such index was published prior to the date of such calculation.

“Adjusted Senior Bond Debt Service Requirement” shall mean, for any period of calculation, the aggregate Senior Bond Debt Service Requirement with respect to all Senior Bonds Outstanding or projected to be Outstanding during such period, as applicable, taking into account the following adjustments:

(i) With respect to Variable Rate Bonds that are designated Senior Bonds, the aggregate Senior Bond Debt Service Requirement shall be calculated based upon an interest rate equal to the average interest rate of the SIFMA Index over the 15 years immediately prior to the date of calculation, as determined by the Authority, provided, however, if the Authority (1) enters into a Fixed Rate Hedge Agreement pursuant to Section 211 hereof and (2) has made a determination that such Fixed Rate Hedge Agreement was entered into for the purpose of limiting the potential increase in the interest rate for a particular maturity of such Variable Rate Bonds in a principal amount equal to the notional amount of the Fixed Rate Hedge Agreement, then during the term of such Fixed Rate Hedge Agreement and so long as the Hedge Provider under such Fixed Rate Hedge Agreement is not in default thereunder, the interest rate on such Variable Rate Bonds shall be determined as if such Bonds bore interest at the Fixed Hedge Rate, payable by the Authority under such Fixed Rate Hedge Agreement;

(ii) with respect to Fixed Rate Bonds that are designated Senior Bonds, if the Authority (1) enters into a Variable Rate Hedge Agreement with a Hedge Provider pursuant to Section 211 hereof and (2) has made a determination that such Variable Rate Hedge Agreement was entered into for the purpose of providing substitute interest payments for a particular maturity of such Fixed Rate Bonds in a principal amount equal to the notional amount of the Qualified Hedge Agreement, then during the term of such Variable Rate Hedge Agreement and so long as the Hedge Provider under such Qualified Hedge Agreement is not in default under such Variable Rate Hedge Agreement, the interest rate on such Fixed Rate Bonds shall be determined as if such Fixed Rate Bonds bore interest at the Assumed Hedge Rate;

(iii) with respect to Tender Bonds that are designated Senior Bonds, the aggregate Senior Bond Debt Service Requirement shall not include amounts payable upon mandatory or optional tender; if such Tender Bonds are secured by a Liquidity Facility, the aggregate Senior Bond Debt Service Requirement shall be deemed to include all periodic Bond Related Costs payable to the provider of any Liquidity Facility with respect to such Senior Bonds but shall not be deemed to include any Reimbursement Obligation to such provider except to the extent provided in the Applicable Supplemental Trust Agreement;

(iv) with respect to Senior Bonds that have Credit Enhancement, the aggregate Senior Bond Debt Service Requirement shall be deemed to include all periodic Bond Related Costs payable to the provider of the Credit Enhancement and, except as otherwise provided in the Applicable Supplemental Trust Agreement, any Reimbursement Obligations incurred in connection therewith which are deemed to be Outstanding Senior Bonds or Qualified Hedge Payments pursuant to Section 210 hereof or, in the case of any Reserve Credit Facility, which are payable from amounts deposited in the Senior Debt Service Reserve Fund pursuant to Section 504(b)(ii) hereof;

(v) the amount of any investment earnings and return of principal or projected investment earnings and projected return of principal, as the case may be, allocable to amounts in the Senior Debt Service Fund, the Revenue Fund and any applicable Senior Debt Service Reserve Accounts shall be deducted from the Adjusted Senior Bond Debt Service Requirement for the applicable period;

(vi) any amounts received or projected to be received as payment of accrued interest from the sale of Senior Bonds and deposited in the Senior Debt Service Fund and the amount of Senior Bond proceeds or other moneys, if any, which will be applied to pay interest on the Senior Bonds in accordance with the Applicable Supplemental Trust Agreement shall be deducted from the Adjusted Senior Bond Debt Service Requirement for the applicable period;

(vii) any additional amounts transferred to the Senior Debt Service Fund at the Authority's direction shall be deducted from the Adjusted Senior Bond Debt Service Requirement for the applicable period;

(viii) Dedicated Payments deposited or to be deposited in the Senior Debt Service Fund pursuant to Section 606 shall be deducted from the Adjusted Senior Bond Debt Service Requirement for the applicable period; and

(ix) with respect to Balloon Indebtedness, the aggregate Senior Bond Debt Service Requirement shall be calculated as if the Principal Installments with respect to such Bonds amortized over a period of 25 years at an interest rate equal to *The Bond Buyer's* Revenue Bond Index (or, if such index is no longer published, such other substantially comparable index as may be selected by the Authority) as of the most recent date for which such index was published prior to the date of such calculation.

“Advance Refunded Municipal Bonds” shall mean any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state (i) which are not callable at the option of the obligor or otherwise prior to maturity or as to which irrevocable notice has been given by the obligor to call such bonds or obligations on the date specified in the notice, (ii) which are fully secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash, Government Obligations or Agency Obligations which fund may be applied only to the payment of interest when due, and the principal of and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable notice, as appropriate, and (iii) as to which the principal of and interest on the Government Obligations or Agency Obligations which have been deposited in such fund along with any cash on deposit in such fund is sufficient to pay all interest when due, and all principal of and redemption premium, if any, on the bonds or other obligations described in this definition on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable notice referred to in subclause (i) above, as appropriate.

“Agency Obligations” shall mean obligations issued or guaranteed by the Federal National Mortgage Association, Government National Mortgage Association, Federal Financing Bank, Federal Intermediate Credit Banks, Federal Farm Credit Bank, Banks for Cooperatives, Federal Land Banks, Federal Farm Credit Banks Funding Corporation, Farm Credit System Financial Assistance Corporation, Federal Home Loan Banks, Farmers Home Administration, Export-Import Bank of the United States, Resolution Funding Corporation, Student Loan Marketing Association, United States Postal Service, Tennessee Valley Authority, Federal Home Loan Mortgage Corporation or any other agency or corporation which has been or may hereafter be created pursuant to an act of Congress as an agency or instrumentality of the United States of America.

“Applicable Supplemental Trust Agreement” shall mean, with respect to any Series of Bonds, the Supplemental Trust Agreement authorizing such Series of Bonds.

“Appreciated Value” shall mean, with respect to Bonds that are Deferred Income Bonds, until the Interest Commencement Date thereon, an amount equal to the principal amount of such Deferred Income Bond (determined on the basis of the initial principal amount per \$5,000 at the Interest Commencement Date thereof) plus the amount, assuming compounding (as set forth in the Applicable Supplemental Trust Agreement) of earnings which would be produced as the investment of such initial amount, beginning on the dated date of such Deferred Income Bond and ending on the Interest Commencement Date, at a yield which, if produced until the Interest

Commencement Date, will produce \$5,000 at the Interest Commencement Date. As of any Valuation Date, the Appreciated Value of any Bonds that are Deferred Income Bonds shall mean the amount set forth for such date in the Applicable Supplemental Trust Agreement and, as of any date other than a Valuation Date, the sum of (i) the Appreciated Value on the preceding Valuation Date and (ii) the product of (1) a fraction, the numerator of which is the number of days having elapsed from and including the preceding Valuation Date to the Valuation Date and the denominator of which is the number of days from and including such preceding Valuation Date to and including the next succeeding Valuation Date, and (2) the difference between the Appreciated Values for such Valuation Dates.

“Assumed Hedge Rate” shall have the meaning given such term under Section 211(d).

“Authority” shall mean the Massachusetts School Building Authority, a body politic and corporate and a public instrumentality of the Commonwealth, established pursuant to the Act.

“Authorized Newspapers” shall mean no fewer than two newspapers or financial journals of general circulation (or substantial circulation in the financial community), one in the City of Boston, Massachusetts, and one in the Borough of Manhattan, City and State of New York, each customarily published at least once a day for at least five days (other than legal holidays) in each calendar week and printed in the English language.

“Authorized Officer” shall mean the Executive Director, the Chief Financial Officer or the General Counsel of the Authority and, when used in reference to an act or document, shall also mean any other member, officer or employee of the Authority authorized by the Authority to perform such act or sign such document.

“Balloon Indebtedness” shall mean (i) a Series of Bonds with respect to which, upon the issuance thereof, 25% or more of the Principal Installments are due in the same Fiscal Year or (ii) any portion of a Series of Bonds which is so designated by the Authority pursuant to a certificate of an Authorized Officer stating that such portion shall be deemed to constitute a separate issue of Balloon Indebtedness.

“Bond Counsel” shall mean Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Boston, Massachusetts, or any other counsel nationally recognized as experienced in matters relating to bonds issued by states and their political subdivisions and instrumentalities selected by the Authority and satisfactory to the Trustee.

“Bond Debt Service Requirement” shall mean, for any period of calculation, the aggregate of the interest, principal amount and Sinking Fund Payments due or to become due other than by reason of redemption at the option of the Authority or the Registered Owner of any Bonds on all Senior Bonds and Subordinated Bonds Outstanding during such period, provided, however, that for purposes of this definition, the scheduled principal and interest portions of the Accreted Value of Capital Appreciation Bonds and the Appreciated Value of Deferred Income Bonds becoming due at maturity or by virtue of Sinking Fund Payments shall be included in the calculations in such manner and during such period of time as shall be specified in the Applicable Supplemental Trust Agreement authorizing such Capital Appreciation Bonds or Deferred Income Bonds.

“Bond Related Costs” shall mean (i) all costs, fees and expenses, other than Costs of Issuance, incurred for or related to the administration of this Trust Agreement, including without limitation costs, fees and expenses incurred or related to any Liquidity Facility, Credit Enhancement, Reserve Credit Facility, Rating Agency or remarketing or other secondary market transaction, any fees of Bond Counsel, attorneys, financial advisors, the Trustee, remarketing agents, rebate consultants, accountants and others retained by the Authority in connection with this Trust Agreement or the Bonds, and, to the extent provided in Section 210 hereof and the Applicable Supplemental Trust Agreement, any Reimbursement Obligation or other fee, charge and expense that may be lawfully incurred by the Authority to a provider of any Credit Enhancement, Liquidity Facility or Reserve Credit Facility to repay or reimburse any amounts paid by such provider due to a payment under such Credit Enhancement, Liquidity Facility or Reserve Credit Facility, and any interest on such Reimbursement Obligation or other repayment obligation; and (ii) except as otherwise provided in the Applicable Supplemental Trust Agreement, all payments to be made by the Authority on any Qualified Hedge Agreement other than Scheduled Hedge Payments to be made by the Authority on a Parity Hedge Agreement.

“Bond Related Costs Fund” shall mean the fund so designated and created by Section 502.

“Bonds” shall mean any of the Senior Bonds or Subordinated Bonds of the Authority authenticated and delivered under this Trust Agreement.

“Business Day” shall mean any day other than a Saturday, a Sunday or any other day on which banks doing business in the Commonwealth are authorized or required to be closed for business.

“Capital Appreciation Bonds” shall mean any Bonds as to which interest is payable only at the maturity or prior redemption thereof. For the purposes of (i) receiving payment of the redemption price, if any, of a Capital Appreciation Bond that is redeemed prior to maturity, and (ii) computing the principal amount of Capital Appreciation Bonds held by the Registered Owner thereof in giving any notice, consent, request, or demand pursuant to the Applicable Supplemental Trust Agreement for any purpose whatsoever, the principal amount of a Capital Appreciation Bond as of a specific date shall be deemed to be its Accreted Value as of such date.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and all regulations (final, temporary or proposed) promulgated thereunder which are applicable to the Bonds.

“Commonwealth” shall mean The Commonwealth of Massachusetts.

“Costs of Issuance” shall mean all items of expense directly or indirectly payable or reimbursable by or to the Authority and related to the authorization, sale and issuance of Bonds, including but not limited to printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of the Trustee, legal fees and charges, fees and disbursements of consultants and professionals, costs and expenses of refunding, fees, expenses and other amounts payable to any underwriters of the Bonds, accrued interest payable upon the initial investment of the proceeds of Bonds, fees and expenses payable in connection with any Credit Enhancement, Liquidity Facility or Reserve Credit Facility, fees and expenses payable in connection with any remarketing agreements or interest indexing agreements payable in

connection with the original issuance of the Bonds and any other cost, charge or fee payable in connection with the original issuance of Bonds.

“Credit Enhancement” shall mean any agreement, including, but not limited to a policy of bond insurance, surety bond, irrevocable letter of credit, credit agreement, credit facility or guaranty arrangement with a bank, trust company, insurance company, surety bonding company, pension fund or other financial institution that provides increased credit on or security for any Series of Bonds (or portion thereof) or the obligations of the Authority under any Qualified Hedge Agreement and, to the extent authorized by a Supplemental Trust Agreement, may include a Reserve Credit Facility, provided that either the provider or the party guaranteeing the obligations of the provider has, at the time such agreement is entered into, unsecured obligations rated in the highest short-term Rating Category by each Rating Agency then maintaining a rating on the Bonds Outstanding.

“Debt Service” shall mean for any period, as of any date of calculation and with respect to the Outstanding Bonds of any Series, an amount equal to the sum of (i) interest accruing during such period on Outstanding Bonds of such Series and (ii) that portion of each Principal Installment for such Series which would accrue during such period if such Principal Installment were deemed to accrue daily in equal amounts from the next preceding Principal Installment due date for such Series or, if (a) there shall be no such preceding Principal Installment due date or (b) such preceding Principal Installment due date is more than one year prior to the due date of such Principal Installment, then, from a date one year preceding the due date of such Principal Installment or from the date of issuance of the Bonds of such Series, whichever date is later. Such interest and Principal Installments for such Series shall be calculated on the assumption that no Bonds (except for Tender Bonds actually tendered for payment and not purchased in lieu of redemption prior to the redemption date thereof) of such Series Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment of each Principal Installment on the due date thereof and the principal amount of Tender Bonds tendered for payment and not purchased in lieu of redemption prior to the redemption date thereof shall be deemed to accrue on the date required to be paid pursuant to such tender. For purposes of this definition, the principal and interest portions of the Accreted Value of a Capital Appreciation Bond and the Appreciated Value of a Deferred Income Bond becoming due at maturity or by virtue of a Sinking Fund Installment shall be included in the calculations of accrued and unpaid and accruing interest or Principal Installments only during the year such amounts become due for payment unless otherwise provided in the Applicable Supplemental Trust Agreement.

“Debt Service Payment Date” shall mean any date on which any Principal Installment of or interest on any Bond Outstanding hereunder is payable in accordance with the terms of such Bond.

“Dedicated Payments” shall mean any revenues of the Authority which are not Pledged Receipts, as defined in the Original Agreement as initially executed, which the Authority subsequently pledges as additional security for its payment obligations on the Bonds pursuant to a resolution of the Authority and which are specifically designated as Dedicated Payments by the Authority in accordance with the limitations of Section 606 hereof and, accordingly, are to be deposited in the Senior Debt Service Fund upon receipt.

“Dedicated Sales Tax Revenue Amount” shall have the meaning set forth in paragraph (a) of Section 35BB of Chapter 10 of the Massachusetts General Laws.

“Defeasance Obligations” shall mean Government Obligations, Agency Obligations or Advance Refunded Municipal Bonds.

“Deferred Income Bonds” shall have the meaning given such term in Section 203(g) hereof.

“Discount Bonds” shall have the meaning given such term in Section 203(f) hereof.

“Fiduciary” shall mean the Trustee, any Paying Agent or any Authenticating Agent.

“Fiscal Year” shall mean the period of twelve calendar months ending with June 30 of any year.

“Fixed Rate Bonds” shall have the meaning given such term in Section 203(b) hereof.

“Fixed Rate Hedge Agreement” shall mean a Qualified Hedge Agreement requiring the Authority to pay a fixed interest rate on a notional amount.

“Fixed Hedge Rate” shall mean the fixed interest rate payable by the Authority on a notional amount under a Fixed Rate Hedge Agreement.

“Fund” shall mean any of the funds created pursuant to Section 502 hereof.

“Funded Series Debt Service Reserve Fund Requirement” shall mean, with respect to a Series of Bonds, as of any particular date of computation, an amount equal to the applicable Series Debt Service Reserve Fund Requirement, if any, less the stated and unpaid amounts of all applicable Reserve Credit Facilities; the Funded Series Debt Service Reserve Fund Requirement shall, to the extent authorized by a Supplemental Trust Agreement, include any amount required to reimburse any provider of a Reserve Credit Facility upon any drawing of amounts thereunder.

“Government Obligations” shall mean direct general obligations of the United States of America or obligations (including obligations of any federal agency or corporation) the full and timely payment of the principal and interest on which, by act of the Congress of the United States or in the opinion of the Attorney General of the United States in office at the time such obligations were issued, are guaranteed by the full faith and credit of the United States of America.

“Hedge Provider” shall mean the counterparty with which the Authority enters into a Qualified Hedge Agreement.

“Initial Bonds” shall mean the Bonds authorized by Section 205.

“Interest Commencement Date” shall mean with respect to any Deferred Income Bonds, the date specified in the Applicable Supplemental Trust Agreement (which date must be prior to the maturity date for such Deferred Income Bonds), after which interest accruing on such Deferred Income Bonds shall be payable with the first such payment date being the applicable Debt Service Payment Date immediately succeeding such Interest Commencement Date.

“Liquidity Facility” shall mean any agreement with a bank, trust company, insurance company, surety bonding company, pension fund, investment banking company or other financial institution under which it agrees to purchase Tender Bonds, provided that either the provider or the party guaranteeing the obligations of the provider has, at the time such agreement is entered into, unsecured obligations rated in the highest short-term Rating Category by each Rating Agency then maintaining a rating on the Bonds Outstanding.

“Original Agreement” shall mean the Trust Agreement dated as of August 1, 2005 between the Authority and J. P. Morgan Trust Company, National Association, as trustee, as originally executed.

“Outstanding,” when used with reference to Bonds, shall mean as of a particular date, all Bonds theretofore and thereupon being authenticated and delivered except (i) any Bond cancelled by the Authority or the Trustee at or before said date, (ii) any Bond in lieu of or in substitution for which another Bond shall have been authenticated and delivered pursuant to Article III or Section 406 or Section 1006 and (iii) Bonds deemed to have been paid as provided in Section 1101.

“Parity Hedge Agreement” shall have the meaning given such term in Section 211(b).

“Permitted Investments,” except as otherwise limited in a Supplemental Trust Agreement, shall mean and include any of the following, if and to the extent the same are at the time legal for investment of Authority funds:

- (i) Government Obligations;
- (ii) Certificates or receipts representing direct ownership of future interest or principal payments on Government Obligations or any obligations of agencies or instrumentalities of the United States of America which are backed by the full faith and credit of the United States, which obligations are held by a custodian in safekeeping on behalf of the registered owners of such receipts;
- (iii) Agency Obligations;
- (iv) Obligations of, or obligations unconditionally guaranteed by, the World Bank (International Bank for Reconstruction and Development and International Finance Corporation), European Bank for Reconstruction and Development, European Investment Bank, Asian Development Bank, Inter-American Development Bank, African Development Bank and the Nordic Investment Bank, provided that such obligations are rated at the time of purchase hereunder in one of the two highest rating categories by each Rating Agency;
- (v) Interest-bearing time or demand deposits, certificates of deposit, or other similar banking arrangements with any government securities dealer, bank, trust company, savings and loan association, national banking association or other savings institution (including the Trustee or any affiliate of the Trustee), provided that such deposits, certificates, and other arrangements are fully insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation or (b)

interest-bearing time or demand deposits or certificates of deposit with any bank, trust company, national banking association or other savings institution (including the Trustee or any affiliate of the Trustee), provided such deposits and certificates are in or with a bank, trust company, national banking association or other savings institution whose long-term unsecured debt is rated in one of the two highest long-term Rating Categories by each Rating Agency then maintaining a rating on any Bonds;

(vi) Repurchase agreements collateralized by securities described in subparagraphs (i), (ii) or (iii) above with any registered broker/dealer or with any commercial bank, provided that (a) a specific written repurchase agreement governs the transaction, (b) the securities are held, free and clear of any lien, by the Trustee or an independent third party acting solely as agent for the Trustee, and such third party is (1) a Federal Reserve Bank, or (2) a bank which is a member of the Federal Deposit Insurance Corporation and which has combined capital, surplus and undivided profits of not less than \$25 million, and the Trustee shall have received written confirmation from such third party that it holds such securities, free and clear of any lien, as agent for the Trustee, (c) the repurchase agreement has a term of thirty days or less, or the Trustee or the third-party custodian will value the collateral securities no less frequently than weekly and will liquidate the collateral securities if any deficiency in the required collateral percentage is not restored within five Business Days of such valuation, and (d) the fair market value of the collateral securities in relation to the amount of the repurchase obligation, including principal and interest, is equal to at least 102%;

(vii) Forward purchase agreements providing for delivery of securities described in subparagraphs (i), (ii) or (iii) above or subparagraph (ix) below with banks or other financial institutions (including the Trustee or any affiliate of the Trustee) whose long-term unsecured debt or claims-paying ability is rated in one of the two highest Rating Categories by each Rating Agency then maintaining a rating on any of the Bonds Outstanding, provided that any such agreement must be accompanied by an opinion of counsel to the effect that the securities delivered will not be considered a part of the estate of such bank or other financial institution in the event of a declaration of bankruptcy or insolvency by such bank or institution;

(viii) Money market funds rated in the highest short term Rating Category by each Rating Agency then maintaining a rating on any Bonds, including, without limitation, the JPMorgan Money Market Mutual Funds, or any other mutual fund rated in the highest short term Rating Category by each Rating Agency then maintaining a rating on any Bonds, for which the Trustee or an affiliate of the Trustee serves as investment manager, administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (A) the Trustee or an affiliate of the Trustee receives fees from such funds for services rendered, (B) the Trustee charges and collects fees for services rendered pursuant to this Trust Agreement, which fees are separate from the fees received from such funds, and (C) services performed for such funds and pursuant to this Trust Agreement may at times duplicate those provided to such funds by the Trustee or its affiliates.

(ix) Commercial paper rated in the highest short term Rating Category by each Rating Agency then maintaining a rating on any Bonds;

(x) Advanced-Refunded Municipal Bonds;

(xi) Short-term or long-term obligations, whether tax exempt or taxable, of any state or local government or authority or instrumentality thereof or any other entity that has the ability to issue obligations the interest on which is excludable from gross income for federal income tax purposes, provided that any such obligations are rated at the time of purchase in one of the two highest rating categories by each Rating Agency then maintaining a rating on any Bonds Outstanding;

(xii) Investment contracts with banks or other financial institutions (including the Trustee or any affiliate of the Trustee) whose long-term unsecured debt or claims-paying ability is rated in one of the two highest Rating Categories by each Rating Agency then maintaining a rating on any of the Bonds Outstanding; and

(xiii) Any other investment in which moneys of the Authority may be legally invested, provided that the Authority receives a Rating Confirmation in connection with such investment from each Rating Agency then maintaining a rating on any Bonds Outstanding.

“Phase-in Amount” shall mean, with respect to Fiscal Years 2006, 2007, 2008, 2009 and 2010, the greater of the applicable dollar amount or percentage of the Dedicated Sales Tax Revenue Amount for such Fiscal Year set forth in the table below in accordance with Section 4 of Chapter 210 of the Acts of 2004 of the Commonwealth:

<u>Fiscal Year</u>	<u>Dollar Amount</u>	<u>Percentage of Dedicated Sales Tax Revenue Amount</u>
2006	\$488,700,000	70%
2007	\$557,400,000	78%
2008	\$634,700,000	85%
2009	\$702,300,000	90%
2010	N/A	95%

“Pledged Receipts” shall mean and include (i) for Fiscal Years 2006, 2007, 2008, 2009 and 2010, the Phase-in Amount, (ii) for Fiscal Years 2011 and thereafter, the Dedicated Sales Tax Revenue Amount and (iii) Additional Revenues, if any.

“Principal Installment” shall mean, as of any particular date of computation and with respect to Bonds of a particular Series, an amount of money equal to the aggregate of (i) the principal amount of Outstanding Bonds of said Series which mature on a single future date, reduced by the aggregate principal amount of such Outstanding Bonds which would at or before said future date be retired by reason of the payment when due and application in accordance with the Trust Agreement of Sinking Fund Payments payable at or before said future date for the retirement of such Outstanding Bonds, plus (ii) the amount of any Sinking Fund Payment payable on said future date for the retirement of any Outstanding Bonds of said Series.

“Qualified Hedge Agreement” shall mean an interest rate exchange, cap, floor or collar agreement between the Authority and a Hedge Provider based upon a notional amount, where either (a) the Hedge Provider, or the party guaranteeing the obligation of the Hedge Provider to make any payments due to the Authority, has unsecured long-term obligations rated, or the hedge agreement itself is rated, in each case as of the date the hedge agreement is entered into, by each Rating Agency then maintaining a rating on the Bonds Outstanding, in one of the two highest Rating Categories of such Rating Agency or (b) the Authority received a Rating Confirmation with respect to such hedge agreement prior to entering into such hedge agreement.

“Qualified Hedge Payments” shall mean, collectively, all Scheduled Hedge Payments and all Termination Hedge Payments payable by the Authority or a Hedge Provider, as the case may be, under a Qualified Hedge Agreement.

“Rating Agency” shall mean Fitch Ratings, Moody’s Investors Service and Standard & Poor’s Ratings Services and their successors or assigns, but shall not include any rating agency maintaining a rating on Outstanding Bonds which has not been solicited by the Authority.

“Rating Categories” shall mean rating categories as published by a Rating Agency in its written compilations of ratings and any written supplement or amendment thereto and any such Rating Category shall be determined on the generic rating without regard to any modifiers and, unless otherwise specified herein or in an Applicable Supplemental Trust Agreement, shall be long term ratings.

“Rating Confirmation,” with respect to any action taken or to be taken hereunder, shall mean a letter (or other evidence satisfactory to the Trustee) from a Rating Agency to the effect that it will not lower, suspend or otherwise adversely affect any underlying rating then maintained on any Bonds Outstanding, without regards to any Credit Enhancement, as a result of such action.

“Redemption Price” shall mean, with respect to any Bond, the principal amount thereof plus the premium, if any, payable upon redemption thereof.

“Refunding Bonds” shall mean any of the Bonds authorized by Section 207.

“Registered Owner” or “Owner,” when used with reference to Bonds, shall mean the registered owner of the Bonds as shown on the registration books of the Authority held by the Trustee.

“Reimbursement Obligation” shall have the meaning given such term under Section 210 hereof.

“Reserve Credit Facility” shall mean one or more of the following:

- (i) an irrevocable, unconditional and unexpired letter of credit or other financial commitment or guarantee issued by a banking institution, insurance company or other financial institution the unsecured long-term obligations of which are rated by each Rating Agency then maintaining a rating on the Bonds Outstanding in one of the two highest Rating Categories by such Rating Agency, or, if any such Rating Agency does

not maintain a rating on such banking institution, insurance company or other financial institution, it has provided a Rating Confirmation to the Trustee with respect to the applicable Series of Bonds, or

(ii) an irrevocable and unconditional policy of insurance, surety bond or other similar commitment in full force and effect issued by an insurer having a rating from each Rating Agency then maintaining a rating on the Bonds Outstanding in one of the two highest Rating Categories by such Rating Agency, or, if any such Rating Agency does not maintain a rating on such insurer, it has provided a Rating Confirmation to the Trustee with respect to the applicable Series of Bonds,

in each case providing for the payment of sums for the payment of Principal Installments and interest on Senior Bonds in the manner provided under Section 506 hereof or on Subordinated Bonds in the manner provided under Section 508 hereof.

“Revenue Fund” shall mean the fund so designated and created by Section 502.

“Scheduled Hedge Payments,” except as otherwise provided in the Applicable Supplemental Trust Agreement, shall mean the scheduled, periodic payments to be made by the Authority or a Hedge Provider, as the case may be, under a Qualified Hedge Agreement with respect to a notional amount.

“Senior Bond Debt Service Requirement” shall mean, for any period of calculation, the aggregate of the interest, principal amount and Sinking Fund Payments due or to become due other than by reason of redemption at the option of the Authority or the Registered Owner of any Senior Bonds on all Senior Bonds Outstanding during such period, provided, however, that for purposes of this definition, the scheduled principal and interest portions of the Accreted Value of Capital Appreciation Bonds and the Appreciated Value of Deferred Income Bonds becoming due at maturity or by virtue of Sinking Fund Payments shall be included in the calculations in such manner and during such period of time as shall be specified in the Applicable Supplemental Trust Agreement authorizing such Capital Appreciation Bonds or Deferred Income Bonds.

“Senior Bonds” shall mean any Bonds designated as such by the Authority.

“Senior Debt Service Accounts” shall mean the Accounts so designated and created by Section 502 hereof and the Applicable Supplemental Trust Agreement.

“Senior Debt Service Fund” shall mean the fund so designated and created by Section 502.

“Senior Debt Service Fund Requirement” shall mean the amount of Debt Service on all Senior Bonds Outstanding accrued or accruing prior to the last Business Day of the next succeeding month, provided that the payments to be made under this definition shall be appropriately adjusted to reflect the date of original issue of a Series of Senior Bonds, any accrued interest, investment earnings and other available moneys deposited in the Senior Debt Service Fund, any Dedicated Payments deposited in the Senior Debt Service Fund pursuant to Section 606 hereof and any amounts applied from any Senior Debt Service Reserve Account, including investment earnings thereon, and any purchase or redemption of Senior Bonds so that

there will be available on each Debt Service Payment Date in the Senior Debt Service Fund the amount necessary to pay the interest and principal or Sinking Fund Payment due or coming due on the Senior Bonds and so that accrued interest and capitalized interest will be applied to the installments of interest to which they are applicable, and provided, further, that, if the Authority (1) has entered into a Parity Hedge Agreement pursuant to Section 211 hereof and (2) has made a determination that such Parity Hedge Agreement was entered into for the purpose of providing substitute interest payments or limiting the potential increase in the interest rate for a particular maturity of Senior Bonds in a principal amount equal to the notional amount of such Parity Hedge Agreement and (3) the Scheduled Hedge Payments payable by the Hedge Provider under such Parity Hedge Agreement are equal in amount and fall on the same dates as the payment of interest on such Senior Bonds, then during the term of such Parity Hedge Agreement and so long as the Hedge Provider under such Parity Hedge Agreement is not in default thereunder, the interest payable on such Senior Bonds shall be determined at the Fixed Hedge Rate or the Variable Hedge Rate, as the case may be, applicable to payments to be made by the Authority under such Parity Hedge Agreement, provided, however, that if such Parity Hedge Agreement does not satisfy the foregoing requirements, the principal and interest requirements allocable to such Parity Hedge Agreement and the Series of Senior Bonds or portions thereof subject to such Parity Hedge Agreement shall be determined in the manner set forth in the Applicable Supplemental Trust Agreement.

“Senior Debt Service Reserve Accounts” shall mean the Accounts so designated and created by Section 502 hereof and the Applicable Supplemental Trust Agreement.

“Senior Debt Service Reserve Fund” shall mean the fund so designated and created by Section 502.

“Senior Redemption Fund” shall mean the fund so designated and created by Section 502.

“Series” when used with respect to less than all of the Senior Bonds or Subordinated Bonds, shall mean such Senior Bonds or Subordinated Bonds designated as a Series of Bonds pursuant to a Supplemental Trust Agreement.

“Series Debt Service Reserve Fund Requirement” shall mean, with respect to a Series of Senior Bonds, the amount, if any, required to be deposited in the applicable Senior Debt Service Reserve Account pursuant to the Applicable Supplemental Trust Agreement and, with respect to a Series of Subordinated Bonds, the amount, if any, required to be deposited in the applicable Subordinated Debt Service Reserve Account pursuant to the Applicable Supplemental Trust Agreement.

“SIFMA Index” shall mean, on any day, The Securities Industry and Financial Markets Association Municipal Swap Index as of the most recent date for which such index was published by Municipal Market Data, Inc., provided that, if such index is no longer published by Municipal Market Data, Inc. or its successor, then “SIFMA Index” shall mean such other reasonably comparable index selected by the Authority.

“Sinking Fund Payment” shall mean, as of any particular date of computation and with respect to Bonds of a particular Series, the amount of money required by any Supplemental Trust

Agreement to be paid by the Authority on a single future date for the retirement of any Outstanding Bonds of said Series which mature after said future date, but does not include any amount payable by the Authority by reason of the redemption of Bonds of said Series at the election of the Authority.

“SMART Fund” shall mean the School Modernization and Reconstruction Trust Fund established by Section 35BB of Chapter 10 of the Massachusetts General Laws or any other fund or account of the Commonwealth created in replacement thereof.

“Subordinated Bonds” shall mean any Bonds designated as such by the Authority.

“Subordinated Debt Service Accounts” shall mean the Accounts so designated and created by Section 502 hereof and the Applicable Supplemental Trust Agreement.

“Subordinated Debt Service Fund” shall mean the fund so designated and created by Section 502.

“Subordinated Debt Service Fund Requirement” shall mean the amount of Debt Service on all Subordinated Bonds Outstanding accrued or accruing prior to the last Business Day of the next succeeding month, provided that the payments to be made under this definition shall be appropriately adjusted to reflect the date of original issue of a Series of Subordinated Bonds, any accrued interest, investment earnings and other available moneys deposited in the Subordinated Debt Service Fund and any amounts applied from any Subordinated Debt Service Reserve Account, including investment earnings thereon, and any purchase or redemption of Subordinated Bonds so that there will be available on each Debt Service Payment Date in the Subordinated Debt Service Fund the amount necessary to pay the interest and principal or Sinking Fund Payment due or coming due on the Subordinated Bonds and so that accrued interest and capitalized interest will be applied to the installments of interest to which they are applicable, and provided, further, that, if the Authority (1) has entered into a Parity Hedge Agreement pursuant to Section 211 hereof and (2) has made a determination that such Parity Hedge Agreement was entered into for the purpose of providing substitute interest payments or limiting the potential increase in the interest rate for a particular maturity of Subordinated Bonds in a principal amount equal to the notional amount of such Parity Hedge Agreement and (3) the Scheduled Hedge Payments payable by the Hedge Provider under such Parity Hedge Agreement are equal in amount and fall on the same dates as the payment of interest on such Subordinated Bonds, then during the term of such Parity Hedge Agreement and so long as the Hedge Provider under such Parity Hedge Agreement is not in default thereunder, the interest payable on such Subordinated Bonds shall be determined at the Fixed Hedge Rate or the Variable Hedge Rate, as the case may be, applicable to payments to be made by the Authority under such Parity Hedge Agreement, provided, however, that if such Parity Hedge Agreement does not satisfy the foregoing requirements, the principal and interest requirements allocable to such Parity Hedge Agreement and the Series of Subordinated Bonds or portions thereof subject to such Parity Hedge Agreement shall be determined in the manner set forth in the Applicable Supplemental Trust Agreement.

“Subordinated Debt Service Reserve Accounts” shall mean the Accounts so designated and created by Section 502 hereof and the Applicable Supplemental Trust Agreement.

“Subordinated Debt Service Reserve Fund” shall mean the fund so designated and created by Section 502.

“Subordinated Redemption Fund” shall mean the fund so designated and created by Section 502.

“Supplemental Trust Agreement” shall mean any Trust Agreement of the Authority amending or supplementing this Trust Agreement adopted and becoming effective in accordance with the terms of Article IX.

“Tax Exempt Bonds” shall mean any Bonds accompanied by a Bond Counsel’s opinion upon the original issuance thereof that the interest on such Bonds is not includable in the gross income of the Registered Owner thereof for Federal income tax purposes.

“Tender Bonds” shall have the meaning given such term in Section 203(d) hereof.

“Termination Hedge Payments,” except as otherwise provided in an Applicable Trust Agreement, shall mean all payments, other than Scheduled Hedge Payments, to be made by the Authority or a Hedge Provider, as the case may be, under a Qualified Hedge Agreement.

“Trust Agreement” shall mean this Trust Agreement, as it may be amended from time to time in accordance with the provisions hereof.

“Trust Estate” shall have the meaning given such term in Section 501 hereof.

“Trustee” shall mean The Bank of New York Mellon Trust Company, N.A. and any successor as trustee under the Trust Agreement.

“Valuation Date” shall mean (i) with respect to any Bonds that are Capital Appreciation Bonds, the date or dates set forth in the Applicable Supplemental Trust Agreement on which specific Accreted Values are assigned to such Bonds and (ii) with respect to any Bonds that are Deferred Income Bonds, the date or dates prior to the Interest Commencement Date set forth in the Applicable Supplemental Trust Agreement on which specific Appreciated Values are assigned to such Bonds.

“Variable Hedge Rate” shall mean the variable interest rate payable by the Authority on a notional amount under a Variable Rate Hedge Agreement.

“Variable Rate Bonds” shall have the meaning given such term in Section 203(c) hereof.

“Variable Rate Ceiling” shall have the meaning given such term in Section 203(c) hereof.

“Variable Rate Hedge Agreement” shall mean a Qualified Hedge Agreement requiring the Authority to pay a variable interest rate on a notional amount.

References in Supplemental Trust Agreements entered into prior to the date hereof to “Bonds,” “Debt Service Fund,” “Debt Service Fund Requirement,” “Debt Service Reserve Accounts,” “Debt Service Reserve Fund” and “Redemption Fund” shall, after the date hereof, be deemed to refer to “Senior Bonds,” “Senior Debt Service Fund,” “Senior Debt Service Fund

Requirement,” “Senior Debt Service Reserve Accounts,” “Senior Debt Service Reserve Fund” and “Senior Redemption Fund,” respectively.

The terms “herein,” “hereunder,” “hereby,” “hereof” and any similar terms refer to this Trust Agreement as a whole, the term “theretofore” shall mean before the effective date of this Trust Agreement, and the term “hereafter” shall mean after the effective date of this Trust Agreement. Except where the context otherwise requires, words importing the singular number shall include the plural number and vice versa, words importing persons shall include firms, associations and corporations, and words of the masculine gender shall include correlative words of the feminine and neuter genders.

## **ARTICLE II AUTHORIZATION AND ISSUANCE OF BONDS**

Section 201. Authority for Trust Agreement. This Trust Agreement has been executed and delivered pursuant to and in accordance with the Act.

Section 202. Trust Agreement to Constitute Contract. In consideration of the purchase and acceptance of the Bonds by those who shall own the same from time to time, this Trust Agreement shall constitute a contract between the Authority, the Fiduciaries and the Registered Owners from time to time of the Bonds, and the pledge made in this Trust Agreement and the covenants and agreements therein set forth to be performed by or on behalf of the Authority shall be for the equal benefit, protection and security of the Registered Owners of any and all of the Bonds, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof, except as otherwise expressly provided in or permitted by this Trust Agreement.

Section 203. Authorization of the Bonds.

(a) For the purposes provided herein, Bonds of the Authority are hereby authorized to be issued from time to time in one or more Series without limitation as to amount except as provided in this Trust Agreement or as may be limited by law. All such Bonds shall be entitled “Dedicated Sales Tax Bonds” and shall be further designated either as “Senior” or as “Subordinated.” The Bonds may, if and when authorized by the Authority pursuant to one or more Supplemental Trust Agreements, be issued in one or more Series, and the designation thereof may include such further or alternate appropriate designations added to or incorporated in such title for the Bonds of any particular Series as the Authority may determine. The Bonds shall not be general obligations of the Authority or a pledge of its full faith and credit, but shall be special obligations of the Authority secured solely as provided herein and payable solely from the funds, amounts and other rights and property available and pledged to such payments pursuant to Section 501 of this Trust Agreement and the Applicable Supplemental Trust Agreement. The Bonds may be issued as Fixed Rate Bonds, Variable Rate Bonds, Tender Bonds, Capital Appreciation Bonds, Deferred Income Bonds or Discount Bonds or any combination thereof in accordance with applicable provisions set forth below and the Applicable Supplemental Trust Agreement.

(b) The Authority may issue bonds (“Fixed Rate Bonds”) hereunder which bear a fixed rate or rates of interest during the term thereof. The Applicable Supplemental Trust

agreement shall specify the rate or rates of interest borne by such bonds and the Debt Service Payment Dates thereof.

(c) The Authority may issue bonds (“Variable Rate Bonds”) hereunder which provide for a variable, adjustable, convertible or other similar rates of interest, not fixed as to percentage at the date of issue for the term thereof. The Applicable Supplemental Trust Agreement shall specify:

(i) the method or methods for determining the interest rate borne by such Bonds and the frequency of change thereof;

(ii) the maximum interest rate (the “Variable Rate Ceiling”) payable on such Bonds during the term thereof; and

(iii) if deemed desirable by the Authority, provisions with respect to the conversion of such Bonds to Fixed Rate Bonds.

The method or methods for determining the interest rate on Variable Rate Bonds pursuant to (i) above may include the selection of such rate by an indexing agent as provided in an agreement between the Authority and such agent, the utilization of an index or indices as described in the Applicable Supplemental Trust Agreement, or such other standard or standards set forth by the Authority in the Applicable Supplemental Trust Agreement or any combination of the foregoing.

Any Variable Rate Bonds which contain an option to convert such Bonds to Fixed Rate Bonds shall be deemed Variable Rate Bonds hereunder until the date of such conversion and on and after such date, such Bonds shall be deemed Fixed Rate Bonds.

(d) The Authority may provide that any Series of Bonds may include an option exercisable by the Registered Owners thereof to have such Bonds (“Tender Bonds”) either repurchased or redeemed prior to the maturity thereof. The Authority shall provide the Trustee and each Rating Agency then maintaining a rating on any Bonds Outstanding with at least 30 days’ prior written notice of the Authority’s intention to issue any Tender Bonds hereunder. The Applicable Supplemental Trust Agreement shall specify:

(i) the period or periods during which and the circumstances under which such option may be exercised, including provisions for the variation of such periods;

(ii) provisions, as the Authority shall deem desirable, with respect to the repurchase of such Bonds and the remarketing thereof, including provisions with respect to the appointment of the remarketing agent therefor; and

(iii) provisions, as the Authority shall deem desirable, for the adjustment of the interest rate or maturity of such Bonds upon the exercise of any such option.

Any Tender Bonds which shall have been repurchased pursuant to any remarketing agreement and not otherwise redeemed by the Authority shall continue to be Outstanding Bonds hereunder. To the extent provided in the Applicable Supplemental Trust Agreement, Tender

Bonds issued hereunder may be secured by a Liquidity Facility providing for the repurchase or payment of any tender price of Tender Bonds which have not been remarketed upon tender of such Bonds and any accrued and unpaid interest due on such Bonds upon the tender date thereof.

(e) The Authority may issue Bonds (“Capital Appreciation Bonds”) which provide for the addition of accrued and unpaid interest to the principal due thereon upon such terms with respect thereto determined by an Applicable Supplemental Trust Agreement. The Applicable Supplemental Trust Agreement shall specify interest rate or rates for such Bonds and the Accreted Values of any such Bonds.

(f) The Authority may issue Bonds (“Discount Bonds”) which either bear a zero stated rate of interest or bear a stated rate of interest such that such Bonds are sold at a price less than the aggregate principal amount thereof in order to provide such yield thereon as deemed appropriate and desirable thereon by the Authority. In the Applicable Supplemental Trust Agreement for any Discount Bonds, the Authority may provide for the determination of the “principal amount” and “interest” payable on such Bonds and, if so provided in the Applicable Supplemental Trust Agreement, for the purposes hereof such terms with respect to such Bonds shall have the meaning given in such Applicable Supplemental Trust Agreement.

(g) The Authority may issue Bonds (“Deferred Income Bonds”) which provide for the deferral of interest on such Bonds until the Interest Commencement Date. The Applicable Supplemental Trust Agreement shall specify the interest rate or rates for such Bonds and Interest Commencement Date for such Bonds.

Section 204. General Provisions for Issuance of Bonds.

(a) Bonds of any Series shall be authorized by a Supplemental Trust Agreement which shall specify:

(i) The authorized principal amount, designation, manner of numbering and lettering and Series of such Bonds;

(ii) the provisions of Section 203(b), (c), (d), (e), (f) and/or (g) applicable to such Series of Bonds;

(iii) the purpose for which such Bonds are being issued, which shall be one or more of the purposes specified in Sections 205, 206 or 207;

(iv) whether such Bonds are being issued as Senior Bonds or as Subordinated Bonds;

(v) the date of such Bonds and the Debt Service Payment Dates thereof;

(vi) the Redemption Price or Prices and the time or times and other terms of redemption, if any, of any of such Bonds;

(vii) the amount and date of each Sinking Fund Payment, if any, required to be paid for the retirement of any of such Bonds of like maturity, expressed as an amount payable on a Debt Service Payment Date of such Bonds sufficient to redeem or pay at the

applicable Redemption Price thereof on said date a specified principal amount of the Bonds of said maturity;

- (viii) the Series Debt Service Reserve Fund Requirement, if any;
- (ix) the manner in which the proceeds of such Bonds are to be applied;
- (x) if so determined by the Authority, provisions for sale of such Bonds;
- (xi) the form of such Bonds or the manner of determining the same;
- (xii) any provisions required or, if so determined by the Authority, permitted by Section 203;
- (xiii) specification of record dates or provisions with respect thereto for purposes of determining the Registered Owners to whom interest shall be paid; and
- (xiv) any other provisions deemed advisable by the Authority not in conflict with this Trust Agreement.

(b) Each Applicable Supplemental Trust Agreement shall provide for Principal Installments sufficient to retire all Bonds of the Series authorized not later than the last maturity date of such Series.

(c) The Bonds of each Series shall be executed by the Authority and delivered to the Trustee for authentication and delivery by the Trustee to or upon the order of the Authority, but only upon receipt by the Trustee of:

(i) A Bond Counsel's opinion addressed to the Trustee (or a letter of reliance thereon) to the effect that (a) the Authority has the right and power to enter into this Trust Agreement and the Applicable Supplemental Trust Agreement and each has been duly and lawfully executed on behalf of the Authority; (b) this Trust Agreement and the Applicable Supplemental Trust Agreement are in full force and effect and are valid and binding upon the Authority and enforceable in accordance with their terms, and no other authorization for this Trust Agreement and the Applicable Supplemental Trust Agreement is required; (c) this Trust Agreement creates the valid pledge which it purports to create of the Trust Estate in the manner and to the extent provided herein and the Applicable Supplemental Trust Agreement; and (d) the Bonds of such Series are valid and binding special obligations of the Authority, enforceable in accordance with their terms and the terms of this Trust Agreement and the Applicable Supplemental Trust Agreement, provided that such opinion of Bond Counsel may take an exception on account of the laws of bankruptcy and insolvency and of other laws affecting creditors' rights generally and to the exercise of judicial discretion in accordance with general equitable principles.

(ii) A written order of an Authorized Officer as to the authentication and delivery of such Bonds;

(iii) This Trust Agreement and the Applicable Supplemental Trust Agreement executed by an Authorized Officer on behalf of the Authority and the Trustee;

(iv) The instruments or agreements evidencing or representing any Credit Enhancement or Liquidity Facility required by the Applicable Supplemental Trust Agreement; and

(v) Such further documents and moneys as are required by Sections 205, 206, 207 or Article IX or by the Applicable Supplemental Trust Agreement.

Section 205. Authorization and Conditions Precedent to Delivery of the Initial Bonds.

(a) Bonds of a Series (the “Initial Bonds”) are hereby authorized for such purposes, consistent with this Trust Agreement, as may be specified in the Applicable Supplemental Trust Agreement. The Initial Bonds shall be in all respects as described in said Supplemental Trust Agreement.

(b) The Initial Bonds shall be executed by the Authority and delivered to the Trustee and by it authenticated and delivered to or upon the order of an Authorized Officer, but only upon receipt by the Trustee of:

(i) The documents, moneys and opinions required by Section 204(c);

(ii) The documents and moneys, if any, required by the Applicable Supplemental Trust Agreement;

(iii) A certificate of an Authorized Officer of the Authority stating that a fully executed copy of this Trust Agreement has been filed in the records of the Authority.

Section 206. Conditions Precedent to the Delivery of Additional Bonds.

(a) One or more Series of Additional Bonds may be issued in accordance with this Section for any purpose of the Authority, including without limitation financing the school building assistance program contemplated by the Act, making deposits to one or more Funds, paying Costs of Issuance or refunding Outstanding Bonds or other obligations of the Authority.

(b) A Series of Additional Bonds shall be executed by the Authority and delivered to the Trustee and by it authenticated and delivered to or upon the order of an Authorized Officer, but only upon receipt by the Trustee of:

(i) The documents, moneys and opinions required by Section 204(c);

(ii) The documents and moneys, if any, required by the Applicable Supplemental Trust Agreement.

(iii) A certificate of an Authorized Officer stating that, as of the delivery of such Additional Bonds and application of their proceeds, no Event of Default, as described in Section 701, will have happened and will then be continuing and no outstanding Reimbursement Obligations will then be due and unpaid (unless the

providers of the Credit Enhancement or Liquidity Facility to which such Reimbursement Obligations pertain have consented to the issuance of such Additional Bonds);

(iv) An amount of cash, Permitted Investments, Reserve Credit Facilities in a stated amount or other moneys, including proceeds of Bonds, such that following the issuance of such Series of Bonds and application of their proceeds, the amount on deposit in the applicable Senior Debt Service Reserve Account or Subordinated Debt Service Reserve Account, if any, shall at least equal the applicable Series Debt Service Reserve Fund Requirement, if any;

(v) If the Additional Bonds are to be issued as Senior Bonds, one of the following certificates as determined by the Authority:

(A) A certificate of an Authorized Officer showing that the Dedicated Sales Tax Revenue Amount during any 12 consecutive months out of the 24-month period ending with the last full month for which such information is available prior to the issuance of the Additional Senior Bonds was not less than 140% of the maximum Adjusted Senior Bond Debt Service Requirement in the then current or any future Fiscal Year with respect to all Senior Bonds Outstanding including the proposed Additional Senior Bonds, provided that if any of the proposed Additional Senior Bonds will be Outstanding prior to July 1, 2010, such certificate shall also demonstrate that the applicable Dollar Amount or Percentage of Dedicated Sales Tax Revenue Amount (using the foregoing 12-month Dedicated Sales Tax Revenue Amount) for each Fiscal Year during which the Authority will be receiving the Phase-in Amount will be not less than 140% of the Adjusted Senior Bond Debt Service Requirement for such Fiscal Year with respect to all Senior Bonds Outstanding including the proposed Additional Senior Bonds, or

(B) a certificate of an Authorized Officer setting forth the estimated Pledged Receipts expected to be received by the Authority in each Fiscal Year following the issuance of the proposed Additional Senior Bonds and showing for each Fiscal Year that the estimated Pledged Receipts for such Fiscal Year will be not less than 140% of the Adjusted Senior Bond Debt Service Requirement for such Fiscal Year with respect to all Senior Bonds Outstanding including the proposed Additional Senior Bonds;

(vi) If the Additional Bonds are to be issued as Subordinated Bonds, one of the following certificates as determined by the Authority:

- (A) A certificate of an Authorized Officer showing that the Dedicated Sales Tax Revenue Amount during any 12 consecutive months out of the 24-month period ending with the last full month for which such information is available prior to the issuance of the Additional Subordinated Bonds was not less than 130% of the maximum Adjusted Bond Debt Service Requirement in the then current or any future Fiscal Year with respect to all Bonds Outstanding including the proposed Additional Subordinated Bonds, provided that if any of the proposed Additional Subordinated Bonds will be Outstanding prior to July 1, 2010, such certificate shall also demonstrate that the applicable Dollar Amount or Percentage of Dedicated Sales Tax Revenue Amount (using the foregoing 12-month Dedicated Sales Tax Revenue Amount) for each Fiscal Year during which the Authority will be receiving the Phase-in Amount will be not less than 130% of the Adjusted Bond Debt Service Requirement for such Fiscal Year with respect to all Bonds Outstanding including the proposed Additional Subordinated Bonds, or
- (B) a certificate of an Authorized Officer setting forth the estimated Pledged Receipts expected to be received by the Authority in each Fiscal Year following the issuance of the proposed Additional Subordinated Bonds and showing for each Fiscal Year that the estimated Pledged Receipts for such Fiscal Year will be not less than 130% of the Adjusted Bond Debt Service Requirement for such Fiscal Year with respect to all Bonds Outstanding including the proposed Additional Subordinated Bonds;

(vii) A certificate of an Authorized Officer showing that the total principal amount of Outstanding Bonds issued by the Authority under the Act, after giving effect to the issuance of such Series of Additional Bonds, will not exceed the limits, if any, imposed by the Act;

(viii) If the Authority shall deliver a certificate pursuant to subparagraphs (v)(B) or (vi)(B) above, a Rating Confirmation from each Rating Agency maintaining a rating on Bonds Outstanding;

(ix) If applicable, the certificate of an Authorized Officer required by Section 211(c).

Section 207. Special Conditions Precedent to the Delivery of Refunding Bonds.

(a) One or more Series of Refunding Bonds may be issued in accordance with this Section for the purpose of refunding all or any part of the Bonds of one or more Series Outstanding.

(b) A Series of Refunding Bonds shall be executed by Authority and delivered to the Trustee and by it authenticated and delivered to or upon the order of an Authorized Officer, but only upon receipt by the Trustee of:

(i) The documents, moneys and opinions required by Section 204(c);

(ii) The documents and moneys, if any, required by the Supplemental Trust Agreement authorizing such Refunding Bonds;

(iii) A certificate of an Authorized Officer stating that, as of the delivery of such Refunding Bonds and application of their proceeds, (a) no Event of Default as described in Section 701 will have happened and will then be continuing, (b) the amount on deposit in the Senior Debt Service Reserve Account or Subordinated Debt Service Reserve Account applicable to such Refunding Bonds, if any, is at least equal to the applicable Series Debt Service Reserve Fund Requirement, if any, and (c) the total principal amount of Outstanding Bonds issued by the Authority under the Act, after giving effect to the issuance of such Series of Refunding Bonds, and treating the Bonds to be refunded as no longer Outstanding, in accordance with the Act, will not exceed the limits, if any, imposed by the Act;

(iv) A certificate of an Authorized Officer setting forth the Adjusted Bond Debt Service Requirement for each Fiscal Year in which Bonds are or will be Outstanding (a) computed immediately prior to the delivery of such Refunding Bonds and (b) computed immediately after the delivery of such Refunding Bonds, and showing either that (x) the Adjusted Bond Debt Service Requirement in each Fiscal Year in which Bonds will be Outstanding as computed in (b) of this paragraph will not be greater than the Adjusted Bond Debt Service Requirement in each such Fiscal Year as computed in (a) of this paragraph or (y) the maximum annual Adjusted Bond Debt Service Requirement for all such Fiscal Years as computed in (b) of this paragraph will not be greater than the maximum annual Adjusted Bond Debt Service Requirement for all such Fiscal Years as computed in (a) of this paragraph, provided that, in lieu of such certificate, the Authorized Officer may deliver to the Trustee either (A) a certificate satisfying the conditions of Section 206(b)(v) treating the Refunding Bonds to be issued as Additional Senior Bonds thereunder (if such Refunding Bonds are being issued as Senior Bonds), or (B) a certificate satisfying the conditions of Section 206(b)(vi) treating the Refunding Bonds to be issued as Additional Subordinated Bonds thereunder (if such Refunding Bonds are being issued as Subordinated Bonds), or (C) a Rating Confirmation;

(v) A certificate of an Authorized Officer specifying the Bonds to be refunded and designating the Refunding Bonds as either Senior Bonds or Subordinated Bonds;

(vi) If any Bonds are to be redeemed prior to maturity, irrevocable instructions to the Trustee, satisfactory to it, to give due notice of redemption of the Bonds to be redeemed on a redemption date specified in the instructions;

(vii) If the Bonds to be refunded are not by their terms due to mature or subject to redemption within the next succeeding 60 days, irrevocable instructions to the Trustee,

satisfactory to it, to give due notice as provided in Section 1101 to the Registered Owners of the Bonds to be refunded;

(viii) An amount of money or Defeasance Obligations sufficient pursuant to Section 1101 to effect payment at maturity or redemption, pursuant to Article IV, of the Bonds to be refunded;

(ix) If applicable, the certificate of an Authorized Officer required by Section 211(c).

Section 208. Bond Anticipation Notes. Whenever the Authority shall authorize the issuance of a Series of Bonds, the Authority may by this Trust Agreement, to the extent authorized by the Act or any other law, issue notes (and renewals thereof) in anticipation of such Series. The principal of and interest on notes authorized hereunder and renewals thereof shall be payable from any moneys of the Authority lawfully available therefor, from the proceeds of such notes or from the proceeds of the sale of the Series of Bonds in anticipation of which such notes are issued. The proceeds of such Bonds may be pledged for the payment of the principal of and interest on such notes. Notes issued in anticipation of a Series of Senior Bonds may be paid from the proceeds of the sale of a Series of Subordinated Bonds, if the Authority so determines, and the proceeds of such Subordinated Bonds may be pledged for the payment of the principal of and interest on such notes. The Authority may also pledge the Pledged Receipts to the payment of bond anticipation notes to the extent and in the manner provided in Section 209(b), provided that prior to the issuance of any notes secured by such a pledge, the Authority shall (i) certify to the Trustee that it reasonably expects that all applicable requirements of this Article II pertaining to the issuance of the Series of Bonds in anticipation of which such notes are to be issued can be satisfied and (ii) deliver a Rating Confirmation to the Trustee.

Section 209. Creation of Liens: Other Indebtedness.

(a) Except as otherwise expressly provided herein, the Authority shall not issue any bonds, notes or other evidences of indebtedness, other than the Bonds, or enter into any Qualified Hedge Agreement, secured by a pledge of or other lien on the Trust Estate held or set aside by the Authority or by the Trustee under this Trust Agreement, and shall not otherwise create or cause to be created any lien or charge on such Trust Estate.

(b) Notwithstanding anything herein to the contrary the Authority may at any time or from time to time issue notes or other evidences of indebtedness (and renewals thereof) in anticipation of Bonds to the extent and in the manner provided in Section 208, which notes, if so determined by the Authority and to the extent permitted by law, may be payable out of, or secured by a pledge of, the Trust Estate, provided that such payment or pledge shall in all respects be subordinate to the provisions of this Trust Agreement and the pledge created hereby for the benefit of the related Senior Bonds Outstanding hereunder or Subordinated Bonds Outstanding hereunder, as applicable.

(c) The Authority may issue bonds (other than Additional Bonds or Refunding Bonds), notes or other evidences of indebtedness, and may enter into Qualified Hedge Agreements, which are payable out of, or secured by a pledge of, the Trust Estate, provided that such payment or pledge shall in all respects be subordinate to the provisions of this Trust

Agreement and the pledge created hereby for the benefit of the Senior Bonds and Subordinated Bonds Outstanding hereunder.

(d) Nothing in this Section or this Trust Agreement shall prevent the Authority from issuing bonds, notes or other evidences of indebtedness or entering into any Qualified Hedge Agreement, which are payable out of, or secured by a pledge of, Pledged Receipts to be derived on and after such date as the pledge of the Trust Estate created by this Trust Agreement has been discharged as provided in Section 1101 or which have been released from the lien and pledge hereof pursuant to Section 504(b) hereof.

Section 210. Credit Enhancement/Liquidity Facilities.

(a) In connection with any Series of Bonds issued or to be issued hereunder, or any Qualified Hedge Agreement, the Authority may obtain or cause to be obtained Credit Enhancement or a Liquidity Facility providing for the payment of all or a portion of the principal, premium, or interest due or to become due on such Bonds or the Qualified Hedge Payments payable by the Authority on such Qualified Hedge Agreement or providing for the purchase of such Bonds or a portion thereof by the issuer of any such Credit Enhancement or Liquidity Facility. In connection therewith the Authority may enter into such agreements with the issuer of such Credit Enhancement or Liquidity Facility providing for, *inter alia*:

- (i) the payment of fees, charges and expenses of the issuer in connection with such Credit Enhancement or Liquidity Facility which fees, charges and expenses may be Costs of Issuance or Bond Related Costs; and
- (ii) the terms and conditions of such Credit Enhancement or Liquidity Facility and the Series of Bonds affected thereby.

(b) The Authority may secure any Credit Enhancement or Liquidity Facility pertaining to a Series of Bonds secured thereby by an agreement providing for the purchase of such Bonds with such adjustments to the rate of interest, method of determining interest, maturity, or redemption provisions as specified in the Applicable Supplemental Trust Agreement. The Authority may also agree with the issuer of any Credit Enhancement or Liquidity Facility to reimburse such issuer from amounts held hereunder or otherwise legally available to the Authority for amounts paid under the terms of such Credit Enhancement or Liquidity Facility together with interest thereon (herein referred to as a "Reimbursement Obligation"). Any Reimbursement Obligation may be secured by a lien on the Trust Estate on a parity with the lien created hereby for the benefit of the related Series of Senior Bonds Outstanding or Subordinated Bonds Outstanding, as applicable, hereunder and, to the extent provided in Section 211 hereof, for the benefit of the Hedge Provider of any Parity Hedge Agreement hereunder, subject only to the provisions of this Trust Agreement permitting the application of the Trust Estate for the purposes and on the terms and conditions set forth herein and in the Applicable Supplemental Trust Agreement. To the extent provided in the Applicable Supplemental Trust Agreement, upon the payment of amounts under any Credit Enhancement, other than a Reserve Credit Facility, which is secured by a lien on the Trust Estate on a parity with the lien created hereby for the related Series of Senior Bonds or Subordinated Bonds, any Reimbursement Obligation arising therefrom may be deemed a Senior Bond Outstanding or Subordinated Bond Outstanding, hereunder, as applicable, or, in the case of any Reimbursement

Obligation arising from Credit Enhancement on any Parity Hedge Agreement, a Scheduled Hedge Payment thereon payable in either case from the Senior Debt Service Fund on a parity with the Senior Bonds or the Subordinated Debt Service Fund on a parity with the Subordinated Bonds. Except as otherwise provided in the Applicable Supplemental Trust Agreement, any Reimbursement Obligation arising upon the payment of amounts under any Reserve Credit Facility shall be payable from amounts deposited in the related Senior Debt Service Reserve Fund pursuant to Section 504(b)(ii) hereof or Subordinated Debt Service Reserve Fund pursuant to Section 504(b)(v) hereof.

Section 211. Qualified Hedge Agreements.

(a) The Authority may from time to time enter into Qualified Hedge Agreements with a Hedge Provider with respect to all or a portion of the Bonds of any Series Outstanding hereunder. Prior to the effective date of any Qualified Hedge Agreement, the Authority shall deliver to the Trustee the following:

(i) A fully executed copy of the Qualified Hedge Agreement, together with a certificate of an Authorized Officer stating that such agreement and the Hedge Provider meet the requirements of a Qualified Hedge Agreement and Hedge Provider hereunder; and

(ii) A certificate of an Authorized Officer designating the Series of Senior Bonds or Subordinated Bonds or portions thereof subject to the Qualified Hedge Agreement.

(b) To the extent provided in a Supplemental Trust Agreement, the obligations of the Authority under a Qualified Hedge Agreement (herein referred to as a “Parity Hedge Agreement”) to make all or any portion of the Scheduled Hedge Payments required to be made by the Authority thereunder may be secured by a pledge of the Trust Estate on a parity with the pledge thereof created hereunder for the benefit of the Registered Owners of the related Series of Senior Bonds or Subordinated Bonds. Except as otherwise provided in the Applicable Supplemental Trust Agreement, if such Parity Hedge Agreement is entered into with respect to Senior Bonds, all Scheduled Hedge Payments to be made by the Authority under any Parity Hedge Agreement shall be payable from amounts deposited in the Senior Debt Service Fund as provided in Section 505 hereof on a parity with all other payments therefrom with respect to the Senior Bonds or, if the Parity Hedge Agreement is entered into with respect to Subordinated Bonds, the Subordinated Debt Service Fund as provided in Section 507 hereof on a parity with all other payments therefrom with respect to the Subordinated Bonds. The obligations of the Authority to make all or any portion of any Termination Hedge Payments under any Parity Hedge Agreement, and the obligation of the Authority to make any Qualified Hedge Payments under any other Qualified Hedge Agreement, may be secured by a pledge of the Trust Estate, provided that such pledge shall in all respects be subordinate to the pledge created hereby for the benefit of the related Senior Bonds or Subordinated Bonds Outstanding hereunder. Except as otherwise provided in the Applicable Supplemental Trust Agreement, all Termination Hedge Payments to be made by the Authority on any Parity Hedge Agreement and all Qualified Hedge Payments to be made by the Authority on any other Qualified Hedge Agreement shall be payable solely from amounts deposited in the Bond Related Costs Fund as provided in Section 511 hereof on a parity with all other payments therefrom pertaining to the related Series of Bonds.

(c) Upon the issuance of any Variable Rate Bonds hereunder which are subject to a Fixed Rate Hedge Agreement, an Authorized Officer shall deliver to the Trustee a certificate setting forth the fixed interest rate (the “Fixed Hedge Rate”) payable by the Authority during the term of such Fixed Rate Hedge Agreement on a notional amount of such Variable Rate Bonds.

(d) Upon the issuance of any Fixed Rate Bonds hereunder which are subject to a Variable Rate Qualified Hedge Agreement, an Authorized Officer shall deliver to the Trustee a certificate setting forth the interest rate (the “Assumed Hedge Rate”) which such Authorized Officer reasonably determines will be the average interest rate which will be payable during the term of such Variable Rate Hedge Agreement then in effect on a notional amount of such Fixed Rate Bonds.

### **ARTICLE III GENERAL TERMS AND PROVISIONS OF BONDS**

#### Section 301. Place and Medium of Payment: Form and Date.

(a) The Bonds of each Series shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts at the designated corporate trust office of the Trustee, as paying agent for the Bonds, or as is otherwise specified in the Applicable Supplemental Trust Agreement. The interest on any Bonds may be paid by check, draft or wire transfer as specified in the Applicable Supplemental Trust Agreement. The Authority may make provisions in the Applicable Supplemental Trust Agreement with respect to record dates for purposes of determining Registered Owners for purposes of paying interest on any Bond.

(b) The Bonds of each Series shall be issued in the form of fully registered bonds without coupons, payable to a named person or registered assigns, in the denomination of \$5,000 or any whole multiple thereof. The Authority may provide in an Applicable Supplemental Trust Agreement for the issuance of the Bonds so authorized in book-entry form or in different denominations upon the terms and conditions as set forth therein together with such modifications to this Trust Agreement as are necessary and appropriate for such Series of Bonds.

(c) Except as otherwise provided in the Applicable Supplemental Trust Agreement, the Bonds of each Series shall be dated as of the Debt Service Payment Date for the Bonds of such Series next preceding the date of authentication thereof by the Trustee, unless such date of authentication shall be a Debt Service Payment Date, in which case they shall be dated as of such date of authentication, provided, however, that if, as shown by the records of the Trustee, interest on the Bonds of any Series shall be in default, the Bonds of such Series issued in lieu of Bonds surrendered for transfer or exchange may be dated as of the date to which interest has been paid in full on the Bonds surrendered and provided, further, that if the date of authentication shall be on or prior to the first record date for the first Debt Service Payment Date for the Bonds of such Series; or if the date of authentication is after a record date and before the succeeding Debt Service Payment Date, Bonds shall be dated as provided in the Applicable Supplemental Trust Agreement. Bonds of each Series shall bear interest from the date specified in the Applicable Supplemental Trust Agreement.

Section 302. Legends. The Bonds of each Series may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of this Trust Agreement as may be necessary or desirable to comply with custom, the rules of any securities exchange, commission or board or brokerage board, or otherwise, as may be determined by the Authority prior to the authentication and delivery thereof.

Section 303. Execution and Authentication.

(a) The Bonds shall be executed in the name of the Authority by the manual or facsimile signature of the Executive Director or other Authorized Officer of the Authority, and its corporate seal (or a facsimile thereof) shall be thereunto affixed, imprinted, engraved or otherwise reproduced, and attested by the manual or facsimile signature of an Authorized Officer. In case any one or more of the officers who shall have signed any of the Bonds shall cease to be such officer before the Bonds so signed and sealed shall have been actually authenticated and delivered by the Trustee, such Bonds may, nevertheless, be authenticated and delivered as herein provided, and may be issued as if the persons who signed or sealed such Bonds had not ceased to hold such offices. Any Bond of a Series may be signed and sealed on behalf of the Authority by such persons as at the actual time of the execution of such Bond shall be duly authorized or hold the proper office at the Authority, although at the date of the Bonds of such Series such persons may not have been so authorized or have held such office.

(b) The Bonds of each Series shall bear thereon a certificate of authentication, in substantially the following form, executed manually by the Trustee. Only such Bonds as bear such certificate of authentication shall be entitled to any right or benefit under this Trust Agreement and no Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee. Such certificate of the Trustee upon any Bond shall be conclusive evidence that the Bond so authenticated has been duly authenticated and delivered under this Trust Agreement and the Registered Owner thereof is entitled to the benefits of this Trust Agreement:

CERTIFICATE OF AUTHENTICATION

This bond is one of the Bonds of the Massachusetts School Building Authority described in the Trust Agreement and in the Supplemental Trust Agreement defined in this bond.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee

Date of Authentication:

\_\_\_\_\_

By: \_\_\_\_\_  
Authorized Signatory

Section 304. Interchangeability of Bonds. Except as otherwise provided in the Applicable Supplemental Trust Agreement, Bonds, upon surrender thereof at the principal corporate trust office of the Trustee, or, when authorized by the Applicable Supplemental Trust

Agreement, any Paying Agent or other tender agent specified therein, with a written instrument of transfer satisfactory to the Trustee or such Paying Agent or tender agent, duly executed by the Registered Owner or its duly authorized attorney may, at the option of the Registered Owner thereof, be exchanged for an equal aggregate principal amount of Bonds of the same Series, maturity, interest rate, if any, and tenor of any other authorized denomination.

Section 305. Negotiability, Transfer, and Registry. All the Bonds issued under this Trust Agreement shall be negotiable, subject to the provisions for registration and transfer contained in this Trust Agreement or the Applicable Supplemental Trust Agreement and in the Bonds. So long as any of the Bonds shall remain Outstanding, the Authority shall maintain and keep, at the designated corporate trust office of the Trustee, who shall be registrar for the Bonds, books for the registration and transfer of the Bonds; and upon presentation thereof for such purpose at said office, the Authority shall register or cause to be registered therein, and permit to be transferred thereon, under such reasonable regulations as it or the Trustee may prescribe, any Bond entitled to registration or transfer. In the Applicable Supplemental Trust Agreement, the Authority may appoint one or more of the Paying Agents for a Series of Bonds as an alternate registrar or as co registrar for such Series under such terms and conditions as may be provided therein and in the Applicable Supplemental Trust Agreement.

Section 306. Transfer of Bonds.

(a) Each Bond shall be transferable only upon the registration books of the Authority kept by the Trustee, by the Registered Owner thereof in person or by its attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the Registered Owner or its duly authorized attorney. Upon the transfer of any such Bond the Authority shall issue in the name of the transferee a new Bond or Bonds of the same aggregate principal amount and Series and maturity and tenor as the surrendered Bond.

(b) The Authority and the Trustee may deem and treat the person in whose name any Outstanding Bond shall be registered upon the registration books of the Authority as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price, if any, of and interest on such Bond and for all other purposes, and neither the Authority nor the Trustee shall be affected by any notice to the contrary. To the extent permitted by law, the Authority agrees to indemnify and save the Trustee harmless from and against any and all loss, expense, judgment or liability incurred by it, provided the Trustee acts in good faith and without negligence hereunder in treating such Registered Owner.

Section 307. Regulations With Respect to Exchanges and Transfers. In all cases in which the privilege of exchanging Bonds or transferring Bonds is exercised, the Authority shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of this Trust Agreement. All Bonds surrendered in any such exchange or transfer shall forthwith be cancelled by the Trustee. For every such exchange or transfer of Bonds, whether temporary or definitive, the Authority or the Trustee may make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or transfer. Neither the Authority nor the Trustee shall be obligated to make any such exchange or transfer (a) of Bonds of any Series during the 20 days next preceding an interest or principal payment

date of the Bonds of such Series or (b) in the case of any proposed redemption of Bonds under this Trust Agreement, of Bonds of any Series selected, called or being called for redemption under this Trust Agreement in whole or in part.

Section 308. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Authority shall execute, and thereupon the Trustee shall authenticate and deliver, a new Bond of like Series, maturity, principal amount and tenor as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond or in lieu of a substitution for the Bond destroyed, stolen or lost, upon filing with the Trustee evidence satisfactory to the Authority and the Trustee that such Bond has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Authority and the Trustee with indemnity satisfactory to them and complying with such other reasonable regulations as the Authority and the Trustee may prescribe and paying such expenses as the Authority and the Trustee may incur including the expenses, if any, of printing and delivering such new Bond. All Bonds so surrendered to the Trustee shall be cancelled by it.

Section 309. Preparation of Definitive Bonds; Interim Receipts and Temporary Bonds. Until the definitive Bonds of any Series are prepared, the Authority may execute and, upon the direction of the Authority, the Trustee shall authenticate and deliver, in lieu of definitive Bonds, one or more interim receipts, or one or more temporary Bonds, substantially of the tenor of such definitive Bonds (but with such registration provisions as the Authority may provide) and with such omissions, insertions and variations as may be appropriate for temporary Bonds. The Authority at its own expense shall prepare and execute and, upon the surrender at the office of the Trustee of such interim receipts and of such temporary Bonds for exchange and cancellation, the Trustee shall authenticate and, without charge to the Registered Owner thereof, deliver in exchange therefor, definitive Bonds, of the same aggregate principal amount and Series, maturity and tenor as the interim receipts or temporary Bonds surrendered. Until so exchanged, the interim receipts and temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds authenticated and issued pursuant to this Trust Agreement. All interim receipts and all temporary Bonds surrendered in exchange for a definitive Bond or Bonds shall be forthwith cancelled by the Trustee.

Section 310. Cancellation of Bonds. Except as otherwise provided in Section 406 hereof, all Bonds redeemed or paid by the Authority shall be cancelled by it and delivered to the Trustee and all Bonds purchased, redeemed or paid by the Trustee shall be cancelled by it. No such Bonds shall be deemed Outstanding under this Trust Agreement and no Bonds shall be issued in lieu thereof. All such Bonds and all other Bonds cancelled by the Trustee pursuant to this Trust Agreement shall upon order of an Authorized Officer be destroyed by the Trustee in accordance with applicable law and regulations and the Trustee's policies and procedures, and a certificate thereof delivered to the Authority.

#### **ARTICLE IV REDEMPTION OF BONDS**

Section 401. Privilege of Redemption and Redemption Price. Bonds subject to redemption prior to maturity pursuant to a Supplemental Trust Agreement shall be redeemable, upon notice as provided in this Article IV, at such time, at such Redemption Prices and upon

such terms (in addition to and consistent with the terms contained in this Article IV) as may be specified in the Applicable Supplemental Trust Agreement.

Section 402. Redemption at the Election of the Authority. In the case of any redemption of Bonds otherwise than as provided in Section 403, an Authorized Officer shall give written notice to the Trustee of the Authority's election so to redeem, and of the redemption date, of the Series and of the principal amounts or Sinking Fund Payments of the Bonds of each maturity of such Series to be redeemed (which Series, maturities, principal amounts and Sinking Fund Payments shall be determined by the Authority in its sole discretion, subject to any limitations with respect thereto contained in any Applicable Supplemental Trust Agreement). Such notice shall be given as provided in this Article IV or as provided in the Applicable Supplemental Trust Agreement. In the event notice of redemption shall have been given as in Section 405 provided, the Trustee shall, on or before the redemption date, pay out of the moneys available therefor an amount in cash which will be sufficient to redeem on the redemption date, at the Redemption Price thereof, all of the Bonds to be redeemed.

Section 403. Redemption Otherwise Than at the Authority's Election. Whenever by the terms of this Trust Agreement and the Applicable Supplemental Trust Agreement, Bonds of a Series are required to be redeemed otherwise than at the election of the Authority, the Trustee shall select the Bonds to be redeemed, give the notice of redemption and pay out of the moneys available therefor the Redemption Price in accordance with the terms of this Article IV and, to the extent applicable, subsection (b) of Section 505 with respect to Senior Bonds or subsection (b) of Section 507 with respect to Subordinated Bonds.

Section 404. Selection of Bonds to be Redeemed by Lot. In the event of redemption of less than all the Outstanding Bonds of like Series and maturity, the Trustee shall, unless otherwise provided in an Applicable Supplemental Trust Agreement, select by lot, in such manner as in its discretion it shall deem appropriate and fair, the numbers of the Bonds of such Series to be redeemed and the portions of any thereof to be redeemed in part. Bonds of denominations of more than \$5,000 may be redeemed either as a whole or in part (which part must be \$5,000 or an integral multiple thereof). For the purposes of this Section 404, Bonds, or portions thereof, which have theretofore been selected for redemption shall not be deemed Outstanding.

Section 405. Notice of Redemption. When the Trustee shall receive notice from the Authority of its election to redeem Bonds pursuant to Section 402, and when redemption of Bonds is required by this Trust Agreement and the Applicable Supplemental Trust Agreement pursuant to Section 403, the Trustee shall give notice, in the name of the Authority, of the redemption of such Bonds, which notice shall specify the Series and maturities of the Bonds to be redeemed, the redemption date and the place or places where amounts due upon such redemption will be payable and, if less than all of the Bonds of any like Series and maturity are to be redeemed, the letters and numbers or other distinguishing marks of such Bonds to be redeemed, and, in the case of registered Bonds to be redeemed in part only, the respective portions of the principal amount thereof (or Sinking Fund Payments) to be redeemed. Except as otherwise provided in the Applicable Supplemental Trust Agreement, the Trustee shall mail a copy of such notice, postage prepaid not less than 30 days or more than 60 days before the redemption date, to the Registered Owners of any Bonds or portions of Bonds which are to be redeemed at their last address, if any, appearing upon the registration books of the Authority but

failure so to mail any such notice to any one Registered Owner shall not affect the validity of the proceedings for the redemption of Bonds owned by any other Registered Owner to whom such notice has been mailed.

Section 406. Payment of Redeemed Bonds.

(a) Notice having been given in the manner provided in Section 405, the Bonds or portions thereof so called for redemption shall become due and payable on the redemption date so designated at the Redemption Price, plus interest accrued and unpaid to the redemption date, and, upon presentation and surrender thereof at the office specified in such notice, such Bonds, or portions thereof, shall be paid at the Redemption Price plus interest accrued and unpaid to the redemption date. If there shall be called for redemption less than all of a Bond, the Authority shall execute and the Trustee shall authenticate and deliver, upon the surrender of such Bond, without charge to the Registered Owner thereof, for the unredeemed balance of the principal amount of the Bond so surrendered, at the option of the Registered Owner thereof, Bonds of like Series, maturity and tenor in any of the authorized denominations. If, on the redemption date, moneys for the redemption of all the Bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be held by the Trustee so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the redemption date interest on the Bonds or portions thereof so called for redemption shall cease to accrue and become payable. If said moneys shall not be available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

(b) Notwithstanding anything in this Trust Agreement to the contrary, in lieu of the redemption of any Bond or portion thereof called for redemption in accordance with this Article IV and the Applicable Supplemental Trust Agreement, the Authority may purchase or may direct the Trustee to purchase such Bond or portion thereof from the amounts held hereunder available to pay the Redemption Price of such Bond at a purchase price not exceeding such Redemption Price plus accrued interest thereon. Any such Bond or portion thereof so purchased shall be cancelled as provided in Section 310 hereof or, at the option of the Authority, may be remarketed or otherwise sold by the Authority at such price or prices and under such terms and conditions as the Authority shall determine in its discretion subject to the provisions hereof and the Applicable Supplemental Trust Agreement.

**ARTICLE V**  
**ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF**

Section 501. The Pledge Effected by this Trust Agreement. There are hereby pledged for the payment of the principal and Redemption Price of and interest on Senior Bonds, for the payment of Reimbursement Obligations (to the extent provided in Section 210(b) hereof) and for the payment of Scheduled Hedge Payments payable by the Authority on any Parity Hedge Agreement (to the extent provided in Section 211(b) hereof), in either case entered into with respect to Senior Bonds, subject only to the provisions of this Trust Agreement permitting the application thereof for the purposes and on the terms and conditions set forth in this Trust Agreement, (i) the Pledged Receipts and all rights to receive the same, whether existing or coming into existence and whether held or hereafter acquired and including any proceeds thereof, (ii) all moneys, securities and any investment earnings with respect thereto in all Funds

established by or pursuant to this Trust Agreement (except for the Subordinated Debt Service Fund, the Subordinated Debt Service Reserve Fund and the Subordinated Redemption Fund), provided that amounts held in each Senior Debt Service Reserve Account within the Senior Debt Service Reserve Fund shall only be pledged to the payment of the related Series of Senior Bonds and (iii) all Scheduled Hedge Payments and all Termination Hedge Payments payable to the Authority by a Hedge Provider pursuant to a Qualified Hedge Agreement (collectively, the “Senior Trust Estate”). Subject only to the foregoing prior pledge created for the payment of the Senior Bonds, and on the terms and conditions set forth herein with respect to such prior pledge, there are hereby pledged for the payment of the principal and Redemption Price of and interest on Subordinated Bonds, for the payment of Reimbursement Obligations (to the extent provided in Section 210(b) hereof) and for the payment of Scheduled Hedge Payments payable by the Authority on any Parity Hedge Agreement (to the extent provided in Section 211(b) hereof), in either case entered into with respect to Subordinated Bonds, subject only to the provisions of this Trust Agreement permitting the application thereof for the purposes and on the terms and conditions set forth in this Trust Agreement, (i) the Pledged Receipts and all rights to receive the same, whether existing or coming into existence and whether held or hereafter acquired and including any proceeds thereof, (ii) all moneys, securities and any investment earnings with respect thereto in all Funds established by or pursuant to this Trust Agreement (except for the Senior Debt Service Fund, the Senior Debt Service Reserve Fund and the Senior Redemption Fund), provided that amounts held in each Subordinated Debt Service Reserve Account within the Subordinated Debt Service Reserve Fund shall only be pledged to the payment of the related Series of Subordinated Bonds, and (iii) all Scheduled Hedge Payments and all Termination Hedge Payments payable to the Authority by a Hedge Provider pursuant to a Qualified Hedge Agreement (collectively, the “Subordinate Trust Estate, and together with the Senior Trust Estate, the “Trust Estate”). In accordance with the Act, the foregoing pledge shall be valid and binding and shall be deemed continuously perfected for all purposes of Chapter 106 of the General Laws of the Commonwealth and other applicable laws upon the filing of a copy of this Trust Agreement in the records of the Authority. The Trust Estate so pledged shall immediately be subject to the lien of such pledge without any physical delivery or segregation thereof or further act, and the lien of such pledge shall be valid and binding against any and all parties having a claim of any kind, in tort, contract or otherwise against the Authority, irrespective of whether such parties have notice thereof. The Bonds and any Qualified Hedge Agreement hereunder shall be special obligations of the Authority payable solely from the Trust Estate to the extent provided herein.

Section 502. Establishment of Funds.

(a) On or prior to the date hereof, the following Funds shall be established to be held by the Trustee:

- (i) Revenue Fund,
- (ii) Senior Debt Service Fund,
- (iii) Subordinated Debt Service Fund,
- (iv) Senior Debt Service Reserve Fund,

- (v) Subordinated Debt Service Reserve Fund,
- (vi) Senior Redemption Fund,
- (vii) Subordinated Redemption Fund, and
- (viii) Bond Related Costs Fund.

Such Funds are subject to the pledge created hereby.

(b) In addition to the Funds created by paragraph (a) of this Section 502, the Authority may by Supplemental Trust Agreement or by a certificate of an Authorized Officer delivered to the Trustee create one or more other funds and accounts to be held and maintained hereunder as provided in such Supplemental Trust Agreement or certificate.

Section 503. Application of Bond Proceeds.

(a) Proceeds of any Series of Bonds shall be applied as provided in the Applicable Supplemental Trust Agreement to any lawful purpose of the Authority.

(b) Subject to Section 207 hereof, the proceeds of any Series of Refunding Bonds shall be applied as provided in the Supplemental Trust Agreement authorizing such Series and in Section 1101 hereof to the extent applicable to such Series of Refunding Bonds.

Section 504. Revenue Fund.

(a) The Authority shall, following the execution hereof, transfer to the Trustee for payment into the Revenue Fund all Pledged Receipts as received. Without limiting the generality of the foregoing, the Authority hereby irrevocably requests the Treasurer and Receiver-General of the Commonwealth, pursuant to Section 35BB of Chapter 10 of the Massachusetts General Laws, to disburse all amounts in the SMART Fund constituting Pledged Receipts to the Trustee for deposit in the Revenue Fund as soon as practicable after identifying amounts as such, but in no event later than two Business Days after such identification, provided, however, that in the case of Pledged Receipts identified in July of each year on account of the preceding June, the Treasurer and Receiver-General shall so disburse 90% of the amount identified as such and shall disburse the balance, net of any necessary year-end audit adjustments, as soon as practicable after issuance of the State Auditor's report on state tax revenues pursuant to paragraph (b) of Section 5 of Chapter 62F of the Massachusetts General Laws, but in any event within two Business Days after the issuance of such report. There shall also be deposited in the Revenue Fund any Scheduled Hedge Payments and any Termination Hedge Payments payable to the Authority by a Hedge Provider pursuant to a Qualified Hedge Agreement and any other moneys so directed by this Trust Agreement or by any Supplemental Trust Agreement and any other moneys of the Authority which it may in its discretion determine to so apply unless required to be otherwise applied by this Trust Agreement or any Supplemental Trust Agreement.

(b) On or before the last Business Day of each month, the Trustee shall transfer amounts available in the Revenue Fund to the following Funds in the following order:

(i) To the Senior Debt Service Fund, an amount equal to the Senior Debt Service Fund Requirement, to be further applied to the Senior Debt Service Accounts of the Senior Debt Service Fund as required by the Applicable Supplemental Trust Agreements;

(ii) To each Senior Debt Service Reserve Account, on a pro-rata basis, the amount, if any, necessary to increase the amount on deposit in such Senior Debt Service Reserve Account to the level required by the Applicable Supplemental Trust Agreement;

(iii) To the Bond Related Costs Fund, such amounts, if any, as may be set forth in an Applicable Supplemental Trust Agreement or the certificate of an Authorized Officer delivered to the Trustee in accordance with paragraph (c) of this Section 504 as necessary to pay Bond Related Costs with respect to Senior Bonds or to reimburse the Authority for the payment thereof;

(iv) To the Subordinated Debt Service Fund, an amount equal to the Subordinated Debt Service Fund Requirement, to be further applied to the Subordinated Debt Service Accounts of the Subordinated Debt Service Fund as required by the Applicable Supplemental Trust Agreements;

(v) To each Subordinated Debt Service Reserve Account, on a pro-rata basis, the amount, if any, necessary to increase the amount on deposit in such Subordinated Debt Service Reserve Account to the level required by the Applicable Supplemental Trust Agreement; and

(vi) To the Bond Related Costs Fund, in such amounts, if any, as may be set forth in an Applicable Supplemental Trust Agreement or the certificate of an Authorized Officer delivered to the Trustee in accordance with paragraph (c) of this Section 504 as necessary to pay Bond Related Costs with respect to Subordinated Bonds or to reimburse the Authority for the payment thereof.

Any balance remaining in the Revenue Fund following the above payments shall be retained in the Revenue Fund to be available for future payments therefrom or, upon the written direction of an Authorized Officer, shall be transferred by the Trustee to the Senior Redemption Fund or Subordinated Redemption Fund, to the extent permitted hereunder, or, upon the written direction of an Authorized Officer, shall be transferred by the Trustee to the Authority, free and clear of any trust, lien, pledge or assignment securing the Bonds or otherwise existing under the lien of this Trust Agreement.

(c) As long as no Event of Default shall have occurred and be continuing in accordance with Section 701 hereof, the Trustee shall be entitled to rely without inquiry on a certificate of an Authorized Officer as to the proper amounts to be deposited in or withdrawn from any Fund as required by this Section. The Authority shall furnish the Trustee with such a certificate prior to each time the Trustee is required or directed to deposit amounts in or withdraw amounts from any Fund hereunder. The Trustee shall retain copies of such certificates while any of the Bonds remain Outstanding.

(d) Notwithstanding anything in this Section to the contrary, so long as there shall be held in the Senior Debt Service Fund an amount sufficient to fully pay all Outstanding Senior Bonds in accordance with their terms (including Principal Installments or Redemption Price and interest) no deposits shall be required to be made into the Senior Debt Service Fund, and so long as there shall be held in the Subordinated Debt Service Fund an amount sufficient to fully pay all Outstanding Subordinated Bonds in accordance with their terms (including Principal Installments or Redemption Price and interest) no deposits shall be required to be made into the Subordinated Debt Service Fund.

Section 505. Senior Debt Service Fund.

(a) The Trustee shall pay out of the Senior Debt Service Fund (i) on or before each Debt Service Payment Date for a Series of Senior Bonds the amount required for the interest and Principal Installments payable on such date (ii) on or before each redemption date for a Series of Senior Bonds, other than a redemption date on account of Sinking Fund Payments, the amount required for the payment of interest and Redemption Price on such Series of Senior Bonds then to be redeemed and (iii) on or before each Debt Service Payment Date for a Series of Senior Bonds the amount, if any, required for all Scheduled Hedge Payments payable by the Authority on such date under any Parity Hedge Agreement with respect to such Series of Senior Bonds; provided that in each case the Authority may direct the Trustee to make such payments on such date prior to the due date as the Authority determines to the extent amounts are available therefor in such Fund. The Trustee shall apply such amounts to the payment of such interest and Principal Installments and Scheduled Hedge Payments on and after the due dates thereof. If on any Debt Service Payment Date for a Series of Senior Bonds the amount accumulated in the Senior Debt Service Fund for any of the purposes specified above calculated with respect to all Senior Bonds then Outstanding exceeds the amount required therefor, the amount of such excess shall thereupon be transferred to the Revenue Fund. The Trustee shall also pay out of the applicable Senior Debt Service Account of the Senior Debt Service Fund accrued interest included in the purchase price of Senior Bonds purchased under any provision of this Trust Agreement or an Applicable Supplemental Trust Agreement.

(b) Amounts accumulated in the applicable Senior Debt Service Account of the Senior Debt Service Fund with respect to any Sinking Fund Payment (together with amounts accumulated therein with respect to interest on the Senior Bonds for which such Sinking Fund Payment was established) may, and if so directed by an Authorized Officer shall, be applied by the Trustee prior to the 45th day preceding the due date of such Sinking Fund Payment, to (i) the purchase of Senior Bonds of the Series and maturity for which such Sinking Fund Payment was established, at prices not exceeding the applicable sinking fund Redemption Price plus interest on such Senior Bonds to the first date on which such Senior Bonds could be redeemed (or, in the case of a Sinking Fund Payment due on the maturity date, the principal amount thereof plus interest to such date), such purchases to be made in such manner as the Authority shall arrange, or (ii) the redemption, pursuant to Section 402, of such Senior Bonds then redeemable by their terms. The applicable Redemption Price or principal amount (in the case of maturing Bonds) of any Senior Bonds so purchased or redeemed shall be deemed to constitute part of the Senior Debt Service Fund until such Sinking Fund Payment date for the purpose of calculating the amount of such Fund. As soon as practicable after the 45th day preceding the due date of any such Sinking Fund Payment, the Trustee shall proceed (by giving notice as provided in

Section 405) to call for redemption on such due date Senior Bonds of the Series and maturity for which such Sinking Fund Payment was established (except in the case of Senior Bonds maturing on a Sinking Fund Payment date) in such amount as shall be necessary to complete the retirement of the principal amount of the Senior Bonds of such Series and maturity as specified for such Sinking Fund Payment in the Applicable Supplemental Trust Agreement and whether or not the balance in the applicable Senior Debt Service Account of the Senior Debt Service Fund is sufficient to pay all such Senior Bonds. The Trustee shall pay out of the applicable Senior Debt Service Account of the Senior Debt Service Fund, on or before such redemption date or maturity date, the amount required for the redemption of the Senior Bonds so called for redemption or for the payment of such Senior Bonds then maturing, and such amount shall be applied to such redemption or payment.

(c) In satisfaction, in whole or in part, of any amount required to be paid into the applicable Senior Debt Service Account of the Senior Debt Service Fund pursuant to Section 504(b)(i) which is attributable to a Sinking Fund Payment, there may be delivered on behalf of the Authority to the Trustee Senior Bonds of the Series and maturity entitled to such payment. All Senior Bonds so delivered to the Trustee in satisfaction of a Sinking Fund Payment shall reduce the amount thereof by the amount of the aggregate of the sinking fund Redemption Prices of such Senior Bonds.

(d) Notwithstanding anything to the contrary contained in this Section, the Trustee shall not purchase or accept Senior Bonds in lieu of any Sinking Fund Payment during the period of 45 days prior to the due date of any Sinking Fund Payment.

#### Section 506. Senior Debt Service Reserve Fund.

(a) The Trustee shall establish a Senior Debt Service Reserve Account within the Senior Debt Service Reserve Fund for each Series of Senior Bonds, if and as directed by the Applicable Supplemental Trust Agreement. If at any time the amounts on deposit and available therefor in the Senior Debt Service Fund and the Senior Redemption Fund are insufficient to pay (i) the principal or the Redemption Price of, and interest on, a Series of Senior Bonds then due and (ii) all Scheduled Hedge Payments then payable by the Authority under any Parity Hedge Agreement relating to such Series of Senior Bonds, the Trustee shall withdraw amounts on deposit in the Senior Debt Service Reserve Account, if any, applicable to such Series of Senior Bonds, solely to pay the principal of and interest on such Series of Senior Bonds and Scheduled Hedge Payments relating to such Series of Senior Bonds. Amounts so withdrawn from a Senior Debt Service Reserve Account shall be derived, first, from cash or Permitted Investments on deposit therein and, second, from draws or demands on Reserve Credit Facilities held as a part thereof upon the terms and conditions set forth in any such Reserve Credit Facility or as set forth in the Applicable Supplemental Trust Agreement providing for such Reserve Credit Facility. If the Trustee shall draw on any cash or Permitted Investments and Reserve Credit Facilities in a Senior Debt Service Reserve Account, any amounts deposited in such Account to replenish the amounts drawn shall be paid, first, pro rata to the providers of the Reserve Credit Facilities as authorized under a Supplemental Trust Agreement and, second, shall be deposited therein as a cash deposit.

(b) Subject to the provisions of Section 512(a) hereof, if on any Debt Service Payment Date for a Series of Senior Bonds, the amount on deposit in a Senior Debt Service

Reserve Account is in excess of the Series Debt Service Reserve Fund Requirement applicable thereto (calculated by an Authorized Officer as of such Debt Service Payment Date after the payment of the amount due on such date for the interest and Principal Installments on the related Series of Senior Bonds Outstanding), such excess may be, in the discretion of the Authority, transferred by the Trustee to the Senior Debt Service Fund or, if approved by an opinion of Bond Counsel, to any Fund specified by the Authority.

(c) Except as otherwise provided in the Applicable Supplemental Trust Agreement, whenever the Trustee shall determine that the amount of cash and Permitted Investments on deposit in a Senior Debt Service Reserve Account, together with all other funds available for the purpose, is equal to or in excess of the Redemption Price of the related Series of Senior Bonds Outstanding, the Trustee, at the direction of an Authorized Officer, shall transfer the balance of such cash and Permitted Investments from such Senior Debt Service Reserve Account to the Senior Debt Service Fund or the Senior Redemption Fund, as directed by an Authorized Officer, in connection with the payment or redemption of all of the Outstanding Senior Bonds of such Series.

(d) Except as otherwise provided in the Applicable Supplemental Trust Agreement, at any time, the Trustee shall, upon the written direction of an Authorized Officer, transfer any amount in a Senior Debt Service Reserve Account to the Authority upon receipt by the Trustee of one or more Reserve Credit Facilities with aggregate stated and unpaid amounts not less than the amount so transferred, but, in no event, more than the amount required by the applicable Series Debt Service Reserve Fund Requirement.

#### Section 507. Subordinated Debt Service Fund.

(a) The Trustee shall pay out of the applicable Subordinated Debt Service Account of the Subordinated Debt Service Fund (i) on or before each Debt Service Payment Date for a Series of Subordinated Bonds the amount required for the interest and Principal Installments payable on such date (ii) on or before each redemption date for the Subordinated Bonds, other than a redemption date on account of Sinking Fund Payments, the amount required for the payment of interest and Redemption Price on such Series of Subordinated Bonds then to be redeemed and (iii) on or before each Debt Service Payment Date for a Series of Subordinated Bonds the amount, if any, required for all Scheduled Hedge Payments payable by the Authority on such date under any Parity Hedge Agreement with respect to Subordinated Bonds; provided that in each case the Authority may direct the Trustee to make such payments on such date prior to the due date as the Authority determines to the extent amounts are available therefor in such Fund. The Trustee shall apply such amounts to the payment of such interest and Principal Installments and Scheduled Hedge Payments on and after the due dates thereof. If on any Debt Service Payment Date for a Series of Subordinated Bonds the amount accumulated in the Subordinated Debt Service Fund for any of the purposes specified above calculated with respect to all Subordinated Bonds then Outstanding exceeds the amount required therefor, the amount of such excess shall thereupon be transferred to the Revenue Fund. The Trustee shall also pay out of the applicable Subordinated Debt Service Account of the Subordinated Debt Service Fund accrued interest included in the purchase price of Subordinated Bonds purchased under any provision of this Trust Agreement or an Applicable Supplemental Trust Agreement.

(b) Amounts accumulated in the applicable Subordinated Debt Service Account of the Subordinated Debt Service Fund with respect to any Sinking Fund Payment (together with amounts accumulated therein with respect to interest on the Subordinated Bonds for which such Sinking Fund Payment was established) may, and if so directed by an Authorized Officer shall, be applied by the Trustee prior to the 45th day preceding the due date of such Sinking Fund Payment, to (i) the purchase of Subordinated Bonds of the Series and maturity for which such Sinking Fund Payment was established, at prices not exceeding the applicable sinking fund Redemption Price plus interest on such Subordinated Bonds to the first date on which such Subordinated Bonds could be redeemed (or, in the case of a Sinking Fund Payment due on the maturity date, the principal amount thereof plus interest to such date), such purchases to be made in such manner as the Authority shall arrange, or (ii) the redemption, pursuant to Section 402, of such Subordinated Bonds then redeemable by their terms. The applicable Redemption Price or principal amount (in the case of maturing Bonds) of any Subordinated Bonds so purchased or redeemed shall be deemed to constitute part of the Subordinated Debt Service Fund until such Sinking Fund Payment date for the purpose of calculating the amount of such Fund. As soon as practicable after the 45th day preceding the due date of any such Sinking Fund Payment, the Trustee shall proceed (by giving notice as provided in Section 405) to call for redemption on such due date Subordinated Bonds of the Series and maturity for which such Sinking Fund Payment was established (except in the case of Subordinated Bonds maturing on a Sinking Fund Payment date) in such amount as shall be necessary to complete the retirement of the principal amount of the Subordinated Bonds of such Series and maturity as specified for such Sinking Fund Payment in the Applicable Supplemental Trust Agreement and whether or not the balance in the applicable Subordinated Debt Service Account of the Subordinated Debt Service Fund is sufficient to pay all such Subordinated Bonds. The Trustee shall pay out of the applicable Subordinated Debt Service Account of the Subordinated Debt Service Fund, on or before such redemption date or maturity date, the amount required for the redemption of the Subordinated Bonds so called for redemption or for the payment of such Subordinated Bonds then maturing, and such amount shall be applied to such redemption or payment.

(c) In satisfaction, in whole or in part, of any amount required to be paid into the applicable Subordinated Debt Service Account of the Subordinated Debt Service Fund pursuant to Section 504(b)(iv) which is attributable to a Sinking Fund Payment, there may be delivered on behalf of the Authority to the Trustee Subordinated Bonds of the Series and maturity entitled to such payment. All Subordinated Bonds so delivered to the Trustee in satisfaction of a Sinking Fund Payment shall reduce the amount thereof by the amount of the aggregate of the sinking fund Redemption Prices of such Subordinated Bonds.

(d) Notwithstanding anything to the contrary contained in this Section, the Trustee shall not purchase or accept Subordinated Bonds in lieu of any Sinking Fund Payment during the period of 45 days prior to the due date of any Sinking Fund Payment.

#### Section 508. Subordinated Debt Service Reserve Fund.

(a) The Trustee shall establish a Subordinated Debt Service Reserve Account within the Subordinated Debt Service Reserve Fund for each Series of Subordinated Bonds, if and as directed by the Applicable Supplemental Trust Agreement. If at any time the amounts on deposit and available therefor in the Subordinated Debt Service Fund and the Subordinated Redemption Fund are insufficient to pay (i) the principal or the Redemption Price of, and interest

on, a Series of Subordinated Bonds then due and (ii) all Scheduled Hedge Payments then payable by the Authority under any Parity Hedge Agreement relating to such Series of Subordinated Bonds, the Trustee shall withdraw amounts on deposit in the Subordinated Debt Service Reserve Account, if any, applicable to such Series of Subordinated Bonds, solely to pay the principal of and interest on such Series of Subordinated Bonds and Scheduled Hedge Payments relating to such Series of Subordinated Bonds. Amounts so withdrawn from a Subordinated Debt Service Reserve Account shall be derived, first, from cash or Permitted Investments on deposit therein and, second, from draws or demands on Reserve Credit Facilities held as a part thereof upon the terms and conditions set forth in any such Reserve Credit Facility or as set forth in the Applicable Supplemental Trust Agreement providing for such Reserve Credit Facility. If the Trustee shall draw on any cash or Permitted Investments and Reserve Credit Facilities in a Subordinated Debt Service Reserve Account, any amounts deposited in such Account to replenish the amounts drawn shall be paid, first, pro rata to the providers of the Reserve Credit Facilities as authorized under a Supplemental Trust Agreement and, second, shall be deposited therein as a cash deposit.

(b) Subject to the provisions of Section 512(a) hereof, if on any Debt Service Payment Date for a Series of Subordinated Bonds, the amount on deposit in a Subordinated Debt Service Reserve Account is in excess of the Series Debt Service Reserve Fund Requirement applicable thereto (calculated by an Authorized Officer as of such Debt Service Payment Date after the payment of the amount due on such date for the interest and Principal Installments on the related Series of Subordinated Bonds Outstanding), such excess may be, in the discretion of the Authority, transferred by the Trustee to the Subordinated Debt Service Fund or, if approved by an opinion of Bond Counsel, to any Fund specified by the Authority.

(c) Except as otherwise provided in the Applicable Supplemental Trust Agreement, whenever the Trustee shall determine that the amount of cash and Permitted Investments on deposit in a Subordinated Debt Service Reserve Account, together with all other funds available for the purpose, is equal to or in excess of the Redemption Price of the related Series of Subordinated Bonds Outstanding, the Trustee, at the direction of an Authorized Officer, shall transfer the balance of such cash and Permitted Investments from such Subordinated Debt Service Reserve Account to the Subordinated Debt Service Fund or the Subordinated Redemption Fund, as directed by an Authorized Officer, in connection with the payment or redemption of all of the Outstanding Subordinated Bonds of such Series.

(d) Except as otherwise provided in the Applicable Supplemental Trust Agreement, at any time, the Trustee shall, upon the written direction of an Authorized Officer, transfer any amount in a Subordinated Debt Service Reserve Account to the Authority upon receipt by the Trustee of one or more Reserve Credit Facilities with aggregate stated and unpaid amounts not less than the amount so transferred, but, in no event, more than the amount required by the applicable Series Debt Service Reserve Fund Requirement.

#### Section 509. Senior Redemption Fund.

(a) The Authority may deposit in the Senior Redemption Fund any moneys, including Pledged Receipts, not otherwise required by this Trust Agreement to be deposited or applied pursuant to Section 504.

(b) Subject to Section 504(c) hereof, if at any time the amount on deposit and available therefor in the Senior Debt Service Fund is insufficient to pay the Redemption Price of and interest on the Senior Bonds then due the Trustee shall withdraw from the Senior Redemption Fund and deposit in the Senior Debt Service Fund the amount necessary to meet the deficiency (other than amounts held therein for the redemption of Senior Bonds for which a notice of redemption shall have been given). Subject to the foregoing, amounts in the Senior Redemption Fund may be applied by the Authority to the redemption of Senior Bonds in accordance with Section 402 and the Applicable Supplemental Trust Agreement or to the purchase of Senior Bonds at prices not exceeding the applicable Redemption Prices (plus accrued interest) had such Senior Bonds been redeemed (or, if not then subject to redemption, at the applicable Redemption Prices when next subject to redemption), such purchases to be paid for by the Trustee at such times and in such manner as arranged and directed by an Authorized Officer.

Section 510. Subordinated Redemption Fund.

(a) The Authority may deposit in the Subordinated Redemption Fund any moneys, including Pledged Receipts, not otherwise required by this Trust Agreement to be deposited or applied after application of such funds pursuant to Section 509.

(b) Subject to Section 504(c) hereof, if at any time the amount on deposit and available therefor in the Subordinated Debt Service Fund is insufficient to pay the Redemption Price of and interest on the Subordinated Bonds then due, the Trustee shall withdraw from the Subordinated Redemption Fund and deposit in the Subordinated Debt Service Fund the amount necessary to meet the deficiency (other than amounts held therein for the redemption of Subordinated Bonds for which a notice of redemption shall have been given). Subject to the foregoing, amounts in the Subordinated Redemption Fund may be applied by the Authority to the redemption of Subordinated Bonds in accordance with Section 402 and the Applicable Supplemental Trust Agreement or to the purchase of Subordinated Bonds at prices not exceeding the applicable Redemption Prices (plus accrued interest) had such Subordinated Bonds been redeemed (or, if not then subject to redemption, at the applicable Redemption Prices when next subject to redemption), such purchases to be paid for by the Trustee at such times and in such manner as arranged and directed by an Authorized Officer.

Section 511. Bond Related Costs Fund.

(a) Except as otherwise provided in a Supplemental Trust Agreement, amounts deposited in the Bond Related Costs Fund shall be applied by the Trustee to pay Bond Related Costs or to reimburse the Authority for the prior payment thereof in the manner, at the times and in the amounts as directed from time to time by an Authorized Officer.

(b) Upon the certification of an Authorized Officer that all Bond Related Costs for a Series of Senior Bonds have been paid, any balance in the Bond Related Costs Fund allocable to such Series, or any portion thereof as directed by such Authorized Officer may be applied to Bond Related Costs for a Series of Subordinated Bonds. Upon the certification of an

Authorized Officer that all Bond Related Costs related to Subordinated Bonds have been paid, any balance in the Bond Related Costs Fund shall be withdrawn therefrom and paid to the Authority to be used for any lawful corporate purpose of the Authority.

Section 512. Investments. (a) Except as otherwise provided in Section 1101 hereof, money held for the credit of any Fund under this Trust Agreement shall, to the fullest extent practicable, be invested, either alone or jointly with moneys in any other Fund, by or at the direction of an Authorized Officer, in Permitted Investments which shall mature or be redeemable at the option of the owner thereof, on such dates and in such amounts as may be necessary to provide moneys to meet the payments required to be made from such Funds, provided that if moneys in two or more funds or accounts are commingled for purposes of investments, the Trustee shall maintain appropriate records of the Permitted Investments or portions thereof which it makes and which are held for the credit of such Fund. Except as otherwise provided by an Applicable Supplemental Trust Agreement, Permitted Investments purchased as an investment of moneys in any Fund shall be deemed at all times to be a part of such Fund and all income thereon shall accrue to and be deposited in such Fund and all losses from investment shall be charged against such Fund, provided that all income earned on investment or deposit of the Senior Debt Service Reserve Fund shall be credited to and deposited upon receipt in the Senior Debt Service Fund and all income earned on investment or deposit of the Subordinated Debt Service Reserve Fund shall be credited to and deposited upon receipt in the Subordinated Debt Service Fund.

(b) In computing the amount in any Fund hereunder for any purpose, Permitted Investments shall be valued at amortized cost. As used herein the term “amortized cost,” when used with respect to an obligation purchased at a premium above or a discount below par, means the value as of any given time obtained by dividing the total premium or discount at which such obligation was purchased by the number of days remaining to maturity on such obligation at the date of such purchase and by multiplying the amount thus calculated by the number of days having passed since purchase; and (i) in the case of an obligation purchased at a premium by deducting the product thus obtained from the purchase price, and (ii) in the case of an obligation purchased at a discount by adding the product thus obtained to the purchase price. Unless otherwise provided in this Trust Agreement, Permitted Investments in any Fund hereunder shall be valued at least once in each Fiscal Year on the last day thereof. Notwithstanding the foregoing, Permitted Investments in a Senior Debt Service Reserve Account or Subordinated Debt Service Reserve Account shall be valued at amortized cost for all purposes of this Trust Agreement unless and until a withdrawal from such Account shall be required in accordance with Section 506(a) or Section 508(a), as applicable, in which event such investments shall thereafter be valued at amortized cost or market, whichever is lower, until the balance in such Fund, on the basis of such valuation, shall equal the Funded Series Debt Service Reserve Fund Requirement. So long as no default shall have occurred and be continuing thereunder, any Reserve Credit Facility held for the account of a Debt Service Reserve Account hereunder shall be valued at the stated and unpaid amount thereof.

## **ARTICLE VI PARTICULAR COVENANTS OF THE AUTHORITY**

The Authority covenants and agrees with the Trustee and the Owners of the Bonds as follows:

Section 601. Powers as to Bonds and Pledge. The Authority is duly authorized under the Act and all applicable laws to create and issue Bonds hereunder and to adopt this Trust Agreement and to pledge the Trust Estate purported to be pledged by this Trust Agreement in the manner and to the extent provided in this Trust Agreement. The Trust Estate so pledged is and will be free and clear of any pledge, lien, charge or encumbrance thereon with respect thereto prior to, or of equal rank with, the pledge created by this Trust Agreement except to the extent expressly permitted hereby. The Authority shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Trust Estate pledged under this Trust Agreement and all the rights of the Registered Owners and, to the extent provided herein, each Hedge Provider under this Trust Agreement against all claims and demands of all persons whomsoever. Without limiting the generality of the foregoing, the Authority agrees, so long as any Bonds remain Outstanding or any Reimbursement Obligations, Qualified Hedge Payments or Bond Related Costs remain unpaid or not provided for, (i) not to authorize the transfer of any excess amount from the SMART Fund to the Commonwealth if any portion of such amount was derived from the Dedicated Sales Tax Revenue Amount or the Phase-in Amount or if such transfer would in any way diminish the Authority's right or ability to receive Pledged Receipts and (ii) not to make any determination pursuant to paragraph (f) of Section 35BB of Chapter 10 of the Massachusetts General Laws that Pledged Receipts are unnecessary for the purposes for which they have been pledged so as to permit a reduction in the rate of the excises imposed by Chapter 64H and Chapter 64I of the Massachusetts General Laws below the rate prescribed by said Section 35BB.

Section 602. Extension of Payment of Bonds. The Authority shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of claims for interest by the purchase or funding of such Bonds or claims for interest or by any other arrangement and in case the maturity of any of the Bonds or the time for payment of claims for interest shall be extended, such Bonds or claims for interest shall not be entitled in case of any default under this Trust Agreement to the benefit of this Trust Agreement or to any payment out of any assets of the Authority or the funds (except funds held in trust for the payment of particular Bonds or claims for interest pursuant to this Trust Agreement) held by the Fiduciaries, except subject to the prior payment of the principal of all Bonds issued and Outstanding the maturity of which has not been extended and of such portion of the accrued interest on the Bonds as shall not be represented by such extended claims for interest. Nothing in this Section shall be deemed to limit the right of the Authority to issue Refunding Bonds and such issuance shall not be deemed to constitute an extension of maturity of Bonds.

Section 603. Further Assurance. At any and all times the Authority shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further Supplemental Trust Agreement, acts, deeds, conveyances, assignments, transfers and assurances as may be reasonably necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights, Pledged Receipts and other moneys, securities and funds hereby pledged or assigned, or intended so to be, or which the Authority may hereafter become bound to pledge or assign.

Section 604. Accounts and Reports. The Authority shall keep proper books of record and account in which complete and correct entries shall be made of the Funds established by this Trust Agreement, and which shall at all times be subject to the inspection of the Trustee, the

Owners of an aggregate of not less than 25% in principal amount of the Senior Bonds then Outstanding, and the Owners of an aggregate of not less than 25% in principal amount of the Subordinated Bonds then Outstanding or their representatives duly authorized in writing. The Authority shall cause such books and accounts to be audited annually after the end of its Fiscal Year by an independent public accountant selected by the Authority and shall furnish to the Trustee a copy of the report of such audit. Such report shall include at least a statement of all funds (including investments thereof) held by the Trustee pursuant to the provisions hereof and of each Supplemental Trust Agreement, a statement of the Pledged Receipts collected in connection herewith and with each Supplemental Trust Agreement, a statement that the balance in each Senior Debt Service Reserve Account and each Subordinated Debt Service Reserve Account meets the requirements hereof and of any Applicable Supplemental Trust Agreement and a statement that, in making such audit, no knowledge of any default in the fulfillment of any of the terms, covenants or provisions hereof and of each Supplemental Trust Agreement was obtained or, if knowledge of any such default was obtained, a statement thereof. The reports, statements and other documents required to be furnished by the Authority to the Trustee pursuant to any provisions of this Trust Agreement shall be available for the inspection of Bondowners at the office of the Trustee.

Section 605. Tax Covenant. The Authority shall take, or require to be taken, such action as may from time to time be required to assure the continued exclusion from the federal gross income of Registered Owners of any Series of Tax Exempt Bonds. The Authority shall not permit the investment or application of the proceeds of any Series of Tax Exempt Bonds, including any funds considered proceeds within the meaning of Section 148 of the Code, to be used to acquire any investment property the acquisition of which, would cause such indebtedness to be “arbitrage bonds” within the meaning of said section 148.

Section 606. Dedicated Payments. In the Authority’s discretion, revenues of the Authority which are not Pledged Receipts as defined in the Original Agreement as initially executed may be pledged and designated as Dedicated Payments hereunder by resolution of the Authority, provided that the conditions in one of the three following sentences are satisfied. If such Dedicated Payments are to be received from the United States of America or any agency or instrumentality thereof, (a) they must automatically recur without appropriation, approval or other similar action by the United States of America or any agency or instrumentality thereof for so long as the Authority is relying thereon for the purpose of securing Bonds and (b) the manner of determining the amounts to be derived therefrom must not be subject to change or revision during such period. If such Dedicated Payments are to be received from the Commonwealth, they must consist of a payment obligation payable to the Authority pursuant to a statutory or contractual arrangement with the Commonwealth which, in the opinion of Bond Counsel, constitutes a general obligation of the Commonwealth, provided that at the time of entering into such an arrangement (a) such arrangement, by its terms, will not terminate so long as the Authority is relying thereon for the purpose of securing Bonds and (b) the manner of determining the amounts to be derived from such arrangement is not subject to change or revision during such period. If such Dedicated Payments are to be received in a manner not described in one of the two preceding sentences, the Authority may, in its sole discretion, designate any revenues which are not Pledged Receipts as Dedicated Payments, provided that either (i) such revenues consist of obligations with a rating by each Rating Agency in a category equal to or higher than its unenhanced, published rating on Outstanding Bonds or (ii) the Authority has received a Rating

Confirmation from each Rating Agency then maintaining a rating on Outstanding Bonds. Without limiting the generality of the foregoing, payments made by the United States Treasury pursuant to Section 6431 of the Code are hereby deemed to satisfy the conditions of this Section 606 to qualify as Dedicated Payments hereunder. All Dedicated Payments shall be deposited upon receipt in the Senior Debt Service Fund. The Authority may in its discretion reverse or modify any pledge and designation of Dedicated Payments by a further resolution, and any determination to deposit Dedicated Payments in the Senior Debt Service Fund may be reversed or modified by written direction to the Trustee from an Authorized Officer, provided that such Authorized Officer shall certify to the Trustee that following such reversal or modification the Authority will meet the test for incurring one dollar of Additional Senior Bonds set forth in Section 206.

## **ARTICLE VII DEFAULTS AND REMEDIES**

Section 701. Events of Default. One or more of the following events shall constitute an Event of Default hereunder:

(a) If default shall be made in the payment of the principal or Redemption Price of any Bond when due, whether at maturity or by call for mandatory redemption or redemption or purchase at the option of the Authority or any Registered Owner, or otherwise, or in the payment of any Sinking Fund Payment when due; or

(b) If default shall be made in the payment of any installment of interest on any Bond when due; or

(c) If default shall be made by the Authority in the performance or observance of any of the covenants, agreements or conditions on its part provided in this Trust Agreement or in the Bonds and such default shall continue for a period of 90 days after written notice thereof shall be given to the Authority by the Trustee, having received written notice of such default, or to the Authority and the Trustee by the Registered Owners of a majority in principal amount of the Bonds Outstanding; provided that if such default cannot be remedied within such 90-day period, it shall not constitute an Event of Default hereunder if corrective action is instituted by the Authority within such period and diligently pursued until the default is remedied.

Section 702. Application of Revenues and Other Moneys after Default.

(a) The Authority covenants that if an Event of Default shall happen and shall not have been remedied, the Authority, upon demand of the Trustee, shall pay over to the Trustee to the extent permitted by law forthwith, all Pledged Receipts not otherwise held by the Trustee hereunder upon receipt thereof by the Authority.

(b) During the continuance of an Event of Default, the Trustee shall apply the moneys, securities and funds held by the Trustee, to the extent permitted by this Trust Agreement, and such Pledged Receipts and the income therefrom as follows and in the following order:

(i) to the payment of the reasonable and proper charges and expenses of the Trustee and of any counsel selected by a Trustee pursuant to this Article;

(ii) subject to the provisions of Section 602, as follows:

(a) unless the principal amount of all of the Bonds shall have become due and payable,

First: To the payment to the persons entitled thereto to all installments of interest then due on the Senior Bonds in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full all installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference;

Second: To the payment to the persons entitled thereto of the unpaid principal amount or Redemption Price of any Senior Bonds which shall become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all the Senior Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference;

Third: To the payment of any person entitled to the payment of any Bond Related Costs related to Senior Bonds ratably in accordance with the amount of such Bond Related Costs;

Fourth: To the payment to the persons entitled thereto to all installments of interest then due on the Subordinated Bonds in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full all installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference;

Fifth: To the payment to the persons entitled thereto of the unpaid principal amount or Redemption Price of any Subordinated Bonds which shall become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all the Subordinated Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference; and

Sixth: To the payment of any person entitled to the payment of any Bond Related Costs related to Subordinated Bonds ratably in accordance with the amount of such Bond Related Costs.

(b) if the principal of all of the Bonds shall have become due and payable,

First: To the payment of the principal amount and interest then due and unpaid upon the Senior Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Senior Bond over any other Senior Bond, ratably, according to the amounts due respectively for principal amount and interest, to the persons entitled thereto, without any discrimination or preference; and

Second: To the payment of any person entitled to the payment of any Bond Related Costs related to Senior Bonds ratably in accordance with the amount of such Bond Related Costs.

Third: To the payment of the principal amount and interest then due and unpaid upon the Subordinated Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Subordinated Bond over any other Subordinated Bond, ratably, according to the amounts due respectively for principal amount and interest, to the persons entitled thereto, without any discrimination or preference.

Fourth: To the payment of any person entitled to the payment of any Bond Related Costs related to Subordinated Bonds ratably in accordance with the amount of such Bond Related Costs.

(c) Notwithstanding anything in this Section 702 to the contrary, amounts on deposit in the Senior Debt Service Fund, the Senior Debt Service Reserve Fund and the Senior Redemption Fund and the investment earnings on such amounts shall be applied solely to the payment of amounts due on the respective Series of Senior Bonds and amounts on deposit in the Subordinated Debt Service Fund, the Subordinated Debt Service Reserve Fund and the Subordinated Redemption Fund and the investment earnings on such amounts shall be applied solely to the payment of amounts due on the respective Series of Subordinated Bonds.

(d) If and whenever all overdue installments of interest on all Bonds together with the reasonable and proper charges and expenses of the Trustee, and all other sums payable by the Authority under this Trust Agreement, including the principal and Redemption Price of and accrued unpaid interest on all Bonds which shall then be due and payable, shall either be paid by or for the account of the Authority, or provision satisfactory to the Trustee shall be made for such payment and all defaults under this Trust Agreement or the Bonds shall have been cured, the Trustee shall pay over to the Authority all moneys, securities and funds remaining unexpended in all Funds provided by this Trust Agreement to be held by the Authority, and thereupon the Authority and the Trustee shall be restored, respectively, to their former positions and rights under this Trust Agreement and all Pledged Receipts shall thereafter be applied as provided in Article V. No such payment over to the Authority by the Trustee or resumption of the application of Pledged Receipts as provided in Article V shall extend to or affect any subsequent default under this Trust Agreement or impair any right consequent thereon.

(e) The proceeds of any Credit Enhancement or Liquidity Facility shall be applied by the Trustee in the manner provided in the Supplemental Trust Agreement authorizing such Credit Enhancement or Liquidity Facility.

(f) Notwithstanding anything in this Section 702 to the contrary, if the Authority (1) enters into a Parity Hedge Agreement pursuant to Section 211 hereof and (2) has made a determination that such Parity Hedge Agreement was entered into for the purpose of providing substitute interest payments or limiting the potential increase in the interest rate for a particular maturity of Bonds in a principal amount equal to the notional amount of such Parity Hedge Agreement, then during the term of such Parity Hedge Agreement and so long as the Hedge Provider under such Parity Hedge Agreement is not in default thereunder, the interest payable on such Bonds pursuant to paragraph (b) of this Section 702 shall be deemed to include any Scheduled Hedge Payments payable by the Authority under such Parity Hedge Agreement.

Section 703. Proceedings Brought by Trustee.

(a) If an Event of Default shall happen and shall not have been remedied, then and in every such case, the Trustee may proceed to protect and enforce its rights and the rights of the Registered Owners of the Bonds under this Trust Agreement by a suit or suits in equity or at law, whether for the specific performance of any covenant herein contained, or in aid of the execution of any power herein granted, or for an accounting against the Authority as if the Authority were the trustee of an express trust, or in the enforcement of any other legal or equitable right as the Trustee, being advised by counsel, shall deem most effectual to enforce any of its rights or to perform any of its duties under this Trust Agreement.

(b) All rights of action under this Trust Agreement may be enforced by the Trustee without the possession of any of the Bonds or the production thereof on the trial or other proceedings.

(c) The Registered Owners of a majority in principal amount of the Senior Bonds Outstanding, or if no Senior Bonds are then Outstanding, the Subordinated Bonds Outstanding, may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, provided that the Trustee shall have the right to decline to follow any such direction if the Trustee in good faith shall determine that the action or proceeding so directed would involve the Trustee in personal liability or be unjustly prejudicial to the Registered Owners not parties to such direction.

(d) Regardless of the happening of an Event of Default, the Trustee shall have power to, but unless requested in writing by the Registered Owners of a majority in principal amount of the Senior Bonds then Outstanding, or if no Senior Bonds are then Outstanding, the Subordinated Bonds Outstanding, and furnished with security and indemnity reasonably satisfactory to the Trustee, shall be under no obligation to, institute and maintain such suits and proceedings as it may deem necessary or expedient to prevent any impairment of the security under this Trust Agreement by any acts which may be unlawful or in violation of this Trust Agreement, or necessary or expedient to preserve or protect its interests and the interests of the Registered Owners.

(e) Nothing contained herein is intended to preclude the Trustee upon the occurrence of an Event of Default hereunder from asserting any and all remedies it may have at law or equity with respect to the Pledged Receipts and other amounts held as security hereunder, including asserting any rights it may have as Trustee hereunder as a secured party with respect to all security granted hereunder.

(f) During any period in which an Event of Default shall have occurred and be continuing, if there are Outstanding hereunder any Subordinated Bonds, the registered owners of such Subordinated Bonds shall be entitled to the appointment of a trustee to act on their behalf in any suit, action or proceeding hereunder and to otherwise exercise on their behalf any of their rights hereunder; provided, however, that such trustee shall not be entitled to hold any Funds or Accounts hereunder which shall continue to be held hereunder by the Trustee. During such period, the Trustee hereunder shall act exclusively on behalf of the registered owners of the Senior Bonds Outstanding; provided, however, the Trustee shall continue to bear its fiduciary obligation to all Bondholders as provided herein with respect to any Funds and Accounts or any other amounts held in trust hereunder. Any such trustee may be appointed with the consent of a majority in the principal amount Outstanding of Subordinated Bonds. Notice of the appointment of any such trustee shall be given to the Trustee and the Authority promptly upon such appointment and to all registered owners of Subordinated Bonds. To the extent possible, such trustee's duties hereunder shall be governed by Article VIII hereof.

Section 704. Restriction on Registered Owners' Action.

(a) No Registered Owner of any Bond shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provision of this Trust Agreement or for any remedy under the Trust Agreement, unless such Registered Owner shall have previously given to the Trustee written notice of the happening of any Event of Default and the Registered Owners of at least a majority in principal amount of Senior Bonds then Outstanding, or if no Senior Bonds are then Outstanding, the Subordinated Bonds then Outstanding, shall have filed a written request with the Trustee, and shall have offered it reasonable opportunity, to exercise the powers granted in this Article in its own name, and unless such Registered Owners shall have offered to the Trustee adequate security and indemnity against the costs, expenses and liabilities to be incurred thereby, and the Trustee shall have refused to comply with such request within a reasonable time.

(b) Nothing in this Trust Agreement shall affect or impair the obligation of the Authority to pay on the respective dates of maturity thereof the principal amount of and interest on the Bonds, to the extent that such payments are permitted under this Trust Agreement, or affect or impair the right of action of any Registered Owner to enforce the payment of its Bonds.

Section 705. Remedies not Exclusive. No remedy by the terms of this Trust Agreement conferred upon or reserved to the Trustee or the Registered Owners is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Trust Agreement or provided at law or in equity or by statute.

Section 706. Effect of Waiver and Other Circumstances.

(a) No delay or omission of the Trustee or of any Registered Owner to exercise any right or power arising upon the occurrence of an Event of Default shall impair any right or power or shall be construed to be a waiver of any such default or to be an acquiescent therein.

(b) The Registered Owners of a majority in principal amount of the Senior Bonds then Outstanding, or if no Senior Bonds are then Outstanding, the Subordinated Bonds then Outstanding, may on behalf of the Registered Owners of all of the Bonds waive any past default under the Trust Agreement and its consequences, except a default in the payment of interest on or principal or Redemption Price of any of the Bonds. No such waiver shall extend to any subsequent or other default.

Section 707. No Right of Acceleration. Neither the Registered Owners nor the Trustee shall have any right to accelerate the payment of principal or interest due on any Bonds Outstanding upon the occurrence of any Event of Default hereunder.

## **ARTICLE VIII THE FIDUCIARIES**

Section 801. Trustee. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by this Trust Agreement by its execution hereof and, by executing this Trust Agreement, the Trustee shall be deemed to have accepted such duties and obligations under this Trust Agreement not only with respect to the Initial Bonds but also with respect to all the Bonds thereafter to be issued, but only, however, upon the terms and conditions set forth in this Trust Agreement.

Section 802. Paying Agents. Except as otherwise provided in any Supplemental Trust Agreement, the Trustee shall also serve as paying agent and registrar for all Bonds Outstanding hereunder. The Authority may at any time or from time to time in a Supplemental Trust Agreement appoint one or more other Paying Agents for a Series of Bonds. Each Paying Agent shall be a bank, trust company or national banking association, having trust powers and having a capital and surplus aggregating at least \$25,000,000, if there be such a bank or trust company or national banking association willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Trust Agreement and the Applicable Supplemental Trust Agreement. Each Paying Agent (other than the Trustee) shall signify its acceptance of the duties and obligations imposed upon it by this Trust Agreement and the Applicable Supplemental Trust Agreement by executing and delivering to the Trust a written acceptance thereof.

Section 803. Responsibilities of Fiduciaries.

(a) The recitals of fact herein and in the Bonds contained shall be taken as the statements of the Authority and the Fiduciaries assume no responsibility for the correctness of the same. The duties and obligations of the Fiduciaries shall be determined by the express provisions of this Trust Agreement and any Applicable Supplemental Trust Agreement and the Fiduciaries shall not be liable except for their respective performance of such duties and

obligations as are specifically set forth herein or in any Applicable Supplemental Trust Agreement and no further duties or obligations shall be implied. The Fiduciaries make no representations as to the ability or sufficiency of this Trust Agreement or of any Bonds issued thereunder or in respect of the security afforded by this Trust Agreement and the Fiduciaries shall incur no responsibility in respect thereof. The Trustee shall, however, be responsible for its representation contained in its certificate of authentication on the Bonds to the extent provided in Article 8, Section 208, as amended, of the Massachusetts Uniform Commercial Code or any other successor provision of law. No Fiduciary shall be under any responsibility or duty with respect to the issuance of the Bonds for value or the application of the proceeds thereof or the application of any moneys paid to the Authority. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect hereof, or to advance any of its own moneys, unless properly indemnified. No Fiduciary shall be liable in connection with the performance of its duties hereunder except for its own negligence or bad faith nor shall any Fiduciary be liable for the action taken or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Trust Agreement.

(b) All moneys held by a Fiduciary, as such, at any time pursuant to the terms of this Trust Agreement shall be and hereby are assigned, transferred and set over unto such Fiduciary in trust for the purposes and under the terms and conditions of this Trust Agreement.

Section 804. Evidence on Which Fiduciaries May Act. Each Fiduciary shall be protected in acting upon any notice, Trust Agreement, request, consent, order, certificate, report, opinion, bond, or other paper or document believed by it to be genuine, and to have been signed or presented by the proper party or parties. Each Fiduciary may consult with counsel, who may or may not be counsel to the Authority, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith. Whenever a Fiduciary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate executed in the name of the Authority by an Authorized Officer, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Trust Agreement upon the face thereof, but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable. Except as otherwise expressly provided herein, any request, direction, order, notice or other instruction required or permitted to be furnished pursuant to any provision hereof by or on behalf of the Authority to any Fiduciary shall be sufficiently executed if executed by an Authorized Officer.

Section 805. Compensation. The Authority shall pay to each Fiduciary from time to time reasonable compensation for all services rendered hereunder, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees incurred in and about the performance of their powers and duties hereunder. The Authority shall indemnify and save each Fiduciary harmless against any losses, damages and other liabilities which it may incur, including all reasonable expenses, charges, counsel fees and disbursements, as aforesaid, in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence or bad faith.

Section 806. Permitted Acts. Any Fiduciary may become the owner of any Bonds and may otherwise deal with the Authority with the same rights it would have if it were not a Fiduciary. To the extent permitted by law, the Trustee may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Registered Owners or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Trust Agreement, whether or not any such committee shall represent the Registered Owners of a majority in principal amount of the Senior Bonds Outstanding or the Registered Owners of a majority in principal amount of the Subordinated Bonds Outstanding.

Section 807. Resignation. The Trustee may at any time resign and be discharged of the duties and obligations created by this Trust Agreement by giving not less than 30 days' written notice to the Authority and each Registered Owner specifying the date when such resignation shall take effect, and such resignation shall take effect upon the day specified in such notice provided a successor shall have been appointed, unless previously a successor shall have been appointed by the Authority or the Registered Owners as hereinafter provided, in which event such resignation shall take effect immediately on the appointment of such successor. A Paying Agent (other than the Trustee) may at any time resign and be discharged of its duties and obligations created by this Trust Agreement or any Applicable Supplemental Trust Agreement according to the terms of the Paying Agent's agreement with the Authority and otherwise by giving 30 days' written notice to the Authority and the Trustee. If there exists an Event of Default hereunder and the Trustee determines that it is a conflict of interest to serve as Trustee for both the Senior Bonds and the Subordinated Bonds, the Trustee may resign and a successor Trustee may be appointed (at no expense to the prior Trustee) for the Subordinated Bonds by the Registered Owners of a majority in principal amount of the Subordinated Bonds then Outstanding and pending such appointment, as further set forth in Section 809 hereof.

Section 808. Removal. The Trustee may be removed at any time by an instrument or concurrent instruments in writing, filed with the Trustee, and signed by the Registered Owners of a majority in principal amount of the Senior Bonds then Outstanding, or if no Senior Bonds are Outstanding, of a majority in principal amount of the Subordinated Bonds then Outstanding, or their attorneys-in-fact duly authorized, excluding any Bonds held by or for the account of the Authority. Except during the existence of an Event of Default, the Authority may remove the Trustee at any time for cause or upon not less than 30 days' prior written notice to the Trustee for such other reason as shall be determined in the sole discretion of the Authority. Any such removal shall take effect upon the date specified in such notice, provided a successor shall have been appointed, unless previously a successor shall have been appointed by the Authority or the Registered Owners as hereinafter provided, in which event such removal shall take effect immediately on the appointment of such successor. A Paying Agent (other than the Trustee) may be removed at any time by the Authority, upon filing with the Trustee and with such Paying Agent a copy of the resolution of the Authority, certified by an Authorized Officer, providing for the removal of such Paying Agent.

Section 809. Appointment of Successor Fiduciary. In case at any time a Fiduciary shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of such Fiduciary, or of its property, shall be appointed, or if any public officer shall take charge or control of such Fiduciary, or of its

property or affairs, a successor may be appointed (i) in the case of the Trustee, by the Registered Owners of a majority in principal amount of the Senior Bonds then Outstanding, or if no Senior Bonds are Outstanding, of a majority in principal amount of the Subordinated Bonds then Outstanding, excluding any Bonds held by or for the account of the Authority, by an instrument or concurrent instruments in writing signed and acknowledged by such Registered Owners or by their attorneys-in-fact duly authorized and delivered to such successor Trustee, notification thereof being given to the Authority and the predecessor Trustee and any other Fiduciary, and (ii) in the case of the Paying Agent, by the Authority, notification thereof being given to the predecessor Paying Agent and any other Fiduciary. Pending the appointment of a successor Trustee by the Registered Owners of a majority in principal amount of the Senior Bonds then Outstanding, or if no Senior Bonds are Outstanding, of a majority in principal amount of the Subordinated Bonds then Outstanding, the Authority by a written instrument signed by an Authorized Officer and delivered to the predecessor Trustee shall forthwith appoint a Trustee to fill such vacancy until a successor Trustee shall be appointed by the Registered Owners as herein authorized. An Authorized Officer shall give written notice of any such appointment made by it to each Registered Owner and to the predecessor Trustee within 30 days after the date of such appointment. Any successor Trustee appointed by the Authority shall, immediately and without further act, be superseded by a Trustee appointed by the Registered Owners. If in a proper case no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section within 45 days after the Trustee shall have given to the Authority written notice as provided in Section 807 or after the occurrence of any other event requiring or authorizing such appointment, the Trustee or any other Fiduciary or the Registered Owner of any Senior Bond, or if no Senior Bonds are then Outstanding, any Subordinated Bond, may apply to any court of competent jurisdiction to appoint a successor Trustee. Said court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee. Any Trustee appointed under the provisions of this Section in succession to the Trustee shall be a bank or trust company or a national banking association authorized to do business in the Commonwealth, having a capital and surplus aggregating at least \$50,000,000, if there be such a bank or trust company or national banking association willing and able to accept the office on reasonable and customary terms and authorized by law to perform all duties imposed upon it by this Trust Agreement.

Section 810. Transfer of Rights and Property to Successor Fiduciary. Any successor Fiduciary appointed hereunder shall execute, acknowledge and deliver to its predecessor Fiduciary, and also to the Authority, an instrument accepting such appointment hereunder and thereupon such successor Fiduciary, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as Fiduciary herein, but the Fiduciary ceasing to act shall nevertheless, on the written request of the Authority or of the successor Fiduciary, and at the expense of the requesting party, execute, acknowledge and deliver such instruments of conveyance and further assurances and all such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Fiduciary all the right, title and interest of the predecessor Fiduciary in and to any property held by it hereunder, and shall pay over, assign and deliver to the successor Fiduciary any money or other property subject to the trusts and conditions herein set forth.

Section 811. Merger or Consolidation. Any company or association to which any Fiduciary may be merged or converted or with which it may be consolidated or any company or association resulting from any merger, conversion or consolidation to which it shall be a party or any company to which any Fiduciary may sell or transfer all or substantially all of its corporate trust business provided such company shall be a bank or trust company or national banking association which is qualified to be a successor to such Fiduciary under Section 802 or 809, as applicable, and shall be authorized by law to perform all the duties imposed upon it by this Trust Agreement, shall be the successor to such Fiduciary without the execution or filing of any paper or the performance of any further act, anything herein to the contrary notwithstanding.

## **ARTICLE IX SUPPLEMENTAL TRUST AGREEMENTS**

Section 901. Supplemental Trust Agreements Effective upon Filing. The Authority and the Trustee may at any time and from time to time enter into supplements or amendments to this Trust Agreement for any one or more of the following purposes, which Supplemental Trust Agreements upon the execution thereof on behalf of the Authority and the Trustee in accordance with Section 903 shall be fully effective in accordance with their terms:

- (a) to cure any ambiguity, inconsistency or formal defect or omission in this Trust Agreement;
- (b) to close this Trust Agreement against, or provide limitations and restrictions contained in this Trust Agreement on the original issuance of Bonds;
- (c) to add to the covenants and agreements of the Authority contained in this Trust Agreement other covenants and agreements thereafter to be observed for the purpose of further securing the Bonds;
- (d) to surrender any right, power or privilege reserved to or conferred upon the Authority by this Trust Agreement;
- (e) to authorize Bonds of a Series for any purpose permitted hereunder or hereafter authorized by law and, in connection therewith, to specify and determine any matters and things relative to such Bonds not contrary to or inconsistent with this Trust Agreement;
- (f) to authorize any Credit Enhancement, Liquidity Facility or Reserve Credit Facility;
- (g) to exercise any provision herein or to make such determinations hereunder as expressly provided herein to be exercised or determined in a Supplemental Trust Agreement;
- (h) to confirm, as further assurance, any pledge under and the subjection to any lien or pledge created or to be created by this Trust Agreement of the Trust Estate; and
- (i) for any other purpose, provided that such Supplemental Trust Agreement does not prejudice in any material respect the rights of the Registered Owner of any Bonds Outstanding at the date such Supplemental Trust Agreement becomes effective.

Section 902. Supplemental Trust Agreements Amending Trust Agreement or Bonds. At any time or from time to time but subject to the conditions or restrictions in this Trust Agreement contained, the Authority and the Trustee may amend or supplement this Trust Agreement modifying any of the provisions of this Trust Agreement or Bonds or releasing the Authority from any of the obligations, covenants, agreements, limitations, conditions or restrictions therein contained, but, except as provided in Section 901, no such amendment or supplement shall be effective until after the execution of such amendment or supplement on behalf of the Authority and the Trustee and unless (a) no Bonds authorized by a Supplemental Trust Agreement adopted prior to the adoption of such Supplemental Trust Agreement remain Outstanding at the time it becomes effective, or (b) such Supplemental Trust Agreement is consented to by or on behalf of the Registered Owners of the Senior Bonds Outstanding, or if no Senior Bonds are Outstanding, the Subordinated Bonds Outstanding, at the time such consent is given in accordance with and subject to the provisions of Article X.

Section 903. Adoption and Filing of Supplemental Trust Agreement. Any supplement or amendment to this Trust Agreement referred to and permitted or authorized by this Article IX may be executed on behalf of the Authority and the Trustee and, except as provided in Section 902, become effective without the consent of any of the Registered Owners, but shall become effective only on the conditions to the extent and at the time provided in this Article. Every such amendment or supplement so becoming effective shall thereupon form a part of this Trust Agreement. Any such amendment or supplement shall be accompanied by a Bond Counsel's opinion (upon which the Trustee may conclusively rely) to the effect that such amendment or supplement has been duly and lawfully executed and delivered by the Authority and the Trustee in accordance with the provisions of this Trust Agreement, is authorized or permitted by this Trust Agreement, and constitutes the lawful and binding obligation of the Authority in accordance with its terms. The Trustee shall deliver a copy of each Supplemental Trust Agreement promptly upon receipt thereof to each Rating Agency then maintaining a rating on any Bonds Outstanding.

## **ARTICLE X AMENDMENTS**

Section 1001. Mailing. Any provision in this Article X for the mailing of a notice or other paper to Registered Owners shall be fully complied with if it is mailed postage prepaid only (i) to each Registered Owner of the Bonds then Outstanding at its address, if any, appearing upon the registration books for the Bonds maintained by the Trustee and (ii) to the Trustee.

Section 1002. Powers of Amendment. Except as provided in Section 901 hereof, any modification or amendment of the Bonds or of this Trust Agreement may be made by a Supplemental Trust Agreement with the written consent given as provided in Section 1003 hereof (i) of the Registered Owners of at least a majority in the principal amount of all Senior Bonds Outstanding, or if no Senior Bonds are Outstanding, all Subordinated Bonds Outstanding, at the time such consent is given, or (ii) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, of the Registered Owners of at least a majority in principal amount of each class by lien and priority of the Bonds of each Series so affected and Outstanding at the time such consent is given, and (iii) in case the modification or amendment changes the amount or date of any Sinking Fund Payment, of the Registered Owners of the Bonds of the particular Series and maturity entitled to such Sinking Fund Payment

Outstanding at the time such consent is given, provided, however, that, if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series and maturity remain Outstanding, the vote or consent of the Registered Owners of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section. No modification or amendment of this Trust Agreement made by any Supplemental Trust Agreement executed by the Authority and the Trustee pursuant to Article IX hereof shall permit a change in the terms of redemption or maturity of the principal amount of any Outstanding Senior Bond or Subordinated Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or the rate of interest thereon or the method for determining such rate or, except as otherwise provided in the Applicable Supplemental Trust Agreement, the terms of any Credit Enhancement or Liquidity Facility relating to a Bond, without the consent of the Registered Owner of such Senior Bond or Subordinated Bond, as applicable, or shall have a materially adverse affect on any of the rights or obligations of the Trustee or any Hedge Provider without its written assent thereto, or shall reduce the percentages of the principal amount of Bonds the consent of which is required to effect any such modification or amendment.

Section 1003. Consent of Registered Owners. The Authority and the Trustee may at any time execute a Supplemental Trust Agreement making a modification or amendment permitted by the provisions of Section 1002, to take effect when and as provided in this Section. Upon the execution of such Supplemental Trust Agreement, a copy thereof shall be filed with the Trustee for inspection by the Registered Owners. A copy of such Supplemental Trust Agreement (or summary thereof or reference thereto in form approved by the Trustee) together with a request to Registered Owners for their consent thereto in form satisfactory to the Trustee shall be mailed by the Authority to Registered Owners (but failure to mail such copy and request shall not affect the validity of the Supplemental Trust Agreement when consented to as in this Section provided). Such Supplemental Trust Agreement shall not be effective unless and until there shall have been filed with the Trustee the written consents of the percentages of the Registered Owners of Outstanding Bonds specified in Section 1002 and a notice shall have been given as hereinafter in this Section provided. Any such consent shall be binding upon the Registered Owner of the Bonds giving such consent and on any subsequent Registered Owner of such Bonds (whether or not such subsequent Registered Owner has notice thereof). At any time after the Registered Owners of the required percentages of Bonds shall have filed their consent to the Supplemental Trust Agreement, notice, stating in substance that the Supplemental Trust Agreement has been consented to by the Registered Owners of the required percentages of Bonds and will be effective as provided in this sections may be given to the Registered Owners by mailing such notice to Registered Owners (but failure to mail such notice shall not prevent such Trust Agreement from becoming effective and binding as herein provided). An Authorized Officer shall file with the Trustee proof of giving such notice. Such Supplemental Trust Agreement shall be deemed conclusively binding upon the Authority, the Trustee and the Registered Owners of the all Bonds at the expiration of 60 days after the filing with the Trustee of the proof of the mailing of such notice, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding commenced for such purpose within such sixty day period; provided, however, that the Trustee and the Authority during such sixty day period and any such further period during which any such action or proceeding may be pending shall be entitled in their absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Trust Agreement as they may deem expedient.

Section 1004. Modification by Unanimous Action. Notwithstanding anything contained in Article IX or in the foregoing provisions of this Article, the rights and obligations of the Authority and of the Registered Owners of the Bonds and the terms and provisions of the Bonds or of this Trust Agreement may be modified or amended in any respect upon the execution of a Supplemental Trust Agreement on behalf of the Authority and the Trustee and the consent of the Registered Owners of all of the Bonds then Outstanding, such consent to be given as provided in Section 1003 except that no notice to Registered Owners shall be required; provided, however, that no such modification or amendment shall change or modify any of the rights or obligations of the Trustee without its written assent thereto.

Section 1005. Exclusion of Bonds. Bonds owned or held by or for the account of the Authority shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Bonds provided for in this Article, and shall not be entitled to consent or take any other action provided for in this Article. At the time of any consent or other action taken under this Article, the Authority shall furnish the Trustee a certificate of an Authorized Officer, upon which the Trustee may rely, describing all Bonds to be excluded.

Section 1006. Notation on Bonds. Bonds authenticated and delivered after the effective date of any action taken as hereinabove in this Article X provided may, and, if the Trustee determines, shall, bear a notation by endorsement or otherwise in form approved by the Authority and the Trustee as to such actions and in that case upon demand of the Registered Owner of any Bond Outstanding at or after such effective date and presentation of its Bond for the purpose to the Trustee suitable notation shall be made on such Bond by the Trustee as to any such action. If the Authority or the Trustee shall so determine new Bonds so modified as in the opinion of the Trustee and the Authority to conform to such action shall be prepared, authenticated and delivered, and upon demand of the Registered Owner of any Bond then Outstanding shall be exchanged, without cost to such Registered Owner, for Bonds of the same Series and maturity then Outstanding, upon surrender of such Bonds.

## **ARTICLE XI DEFEASANCE**

Section 1101. Defeasance.

(a) If the Authority shall pay or cause to be paid, or there shall otherwise be paid, to the Registered Owners of the Bonds then Outstanding, the principal amount and interest and Redemption Price, if any, to become due thereon, at the times and in the manner stipulated therein and in this Trust Agreement, and if no Reimbursement Obligations, Qualified Hedge Payments or Bond Related Costs then due and payable remain unpaid or payment of such Reimbursement Obligations, Qualified Hedge Payments or Bond Related Costs have been provided for, then the pledge of any Pledged Receipts or other moneys and securities pledged by this Trust Agreement and all other rights granted by this Trust Agreement shall be discharged and satisfied. In such event, the Trustee shall, upon request of the Authority, execute and deliver to the Authority all such instruments as may be desirable to evidence such release and discharge and shall pay over or deliver to the Authority all moneys or securities held by it pursuant to this Trust Agreement which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption or for the payment of Reimbursement Obligations or Qualified Hedge Payments or Bond Related Costs.

(b) Bonds or interest installments for the payment or redemption of which moneys shall be held by a Fiduciary (through deposit by the Authority of funds for such payment or redemption or otherwise), whether at or prior to the maturity or the redemption date of such Bonds, shall be deemed to have been paid within the meaning and with the effect expressed in paragraph (a) of this Section 1101. All Outstanding Bonds of any Series or any part of a Series shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in paragraph (a) of this Section 1101 if (i) in case any of said Bonds are to be redeemed on any date prior to their maturity, an Authorized Officer shall have given to the Trustee, in form satisfactory to it, irrevocable instructions to provide, as provided in Article IV, notice of redemption on said date of such Bonds, (ii) there shall have been deposited with a Fiduciary either (x) moneys in an amount which shall be sufficient or (y) Defeasance Obligations (A) not subject to redemption at the option of the issuer thereof prior to the due date thereof or (B) as to which an irrevocable notice of redemption of such securities on a specified redemption date has been given and such securities are not otherwise subject to redemption prior to such specified date other than at the option of the owner thereof or (C) upon compliance with the provisions of paragraph (e) of this Section 1101 which are subject to redemption prior to maturity at the option of the issuer thereof on a specified date or dates, in each case the principal of and interest on which when due will provide moneys which, together with the moneys, if any, deposited with a Fiduciary at the time of deposit of such Defeasance Obligations, shall be sufficient (without reference to any forward purchase agreement as hereinafter provided), as certified by a firm of independent public accountants, to pay when due the principal amount or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and in the event said Bonds do not mature and are not by their terms subject to redemption within the next succeeding 60 days, an Authorized Officer shall have given the Trustee in form satisfactory to it irrevocable instructions to provide, as soon as practicable, written notice to the Registered Owners of such Bonds that the deposit required by clause (ii) above has been made with a Fiduciary and that said Bonds are deemed to have been paid in accordance with paragraph (a) of this Section 1101 and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal amount or Redemption Price, if applicable, on said Bonds. Neither Defeasance Obligations nor moneys deposited with a Fiduciary pursuant to this Section nor principal or interest payments on any such Defeasance Obligations shall be withdrawn or used for any purpose other than, and all of the same shall be held in trust for, the payment of the principal amount or Redemption Price, if applicable, and interest on said Bonds, provided, however that any cash received from the principal or interest payments on such Defeasance Obligations deposited with a Fiduciary, if not then needed for such purpose, may, to the extent practicable be reinvested in Defeasance Obligations as directed by an Authorized Officer or, in lieu of such direction at the time of receipt, an Authorized Officer may authorize and direct such Fiduciary to enter into one or more forward purchase agreements providing for the purchase of Defeasance Obligations at future dates, provided, further, that if such amounts shall have been derived from the proceeds of any Tax Exempt Bonds or bonds not issued hereunder which shall have been issued on the basis that the interest thereon is not includable in the gross income of the Registered Owner thereof for federal income tax purposes, any such amounts may be reinvested, or any such forward purchase agreement may be executed only upon receipt by the Trustee of a Bond Counsel's opinion that such reinvestment or forward purchase agreement shall not adversely affect the exclusion of the interest on such Tax Exempt Bonds or other bonds from gross income for federal income tax purposes. In the event of any conflict

between the terms of such forward purchase agreement and this Trust Agreement, the provisions of this Trust Agreement shall apply. After the making of the payments for which such Defeasance Obligations or moneys were held, any surplus shall be promptly paid over to the Authority, as received by such Fiduciary, free and clear of any trust, lien or pledge or assignment securing the Bonds or otherwise existing under this Trust Agreement.

(c) For purposes of determining whether Variable Rate Bonds shall be deemed to have been paid prior to the maturity or redemption date thereof, as the case may be, by the deposit of moneys, or Defeasance Obligations and moneys, if any, in accordance with paragraph (b)(ii) hereof, the interest to come due on such Variable Rate Bonds on or prior to the maturity date or redemption date thereof, as the case may be, shall be calculated at the Variable Rate Ceiling if in effect with respect to such Bonds, provided that if on any date, as a result of such Variable Rate Bonds having borne interest at less than such Variable Rate Ceiling for any period, the total amount of moneys and Defeasance Obligations on deposit with the Fiduciary for the payment of interest on such Variable Rate Bonds is in excess of the total amount which would have been required to be deposited with the Fiduciary on such date in respect of such Variable Rate Bonds in order to satisfy the provisions of paragraph (b)(ii) above, the Fiduciary shall, if requested by the Authority, pay promptly the amount of such excess to the Authority free and clear of any trust, lien, pledge or alignment securing the Bonds or otherwise existing under this Trust Agreement.

(d) Tender Bonds shall be deemed to have been paid in accordance with paragraph (b)(ii) hereof only if, in addition to satisfying the requirements thereof, there shall have been deposited with a Fiduciary moneys in an amount which shall be sufficient to pay when due the maximum amount of principal of and premium, if any, and interest on such Bonds which could become payable to the Registered Owners of such Bonds upon the exercise of any options provided to the Registered Owners of such Bonds, provided that if, at the time a deposit is made with a Fiduciary pursuant to the provisions of paragraph (b)(ii) above, the options originally exercisable by the Registered Owner of Tender Bonds are no longer exercisable, such Bonds shall not be considered Tender Bonds for purposes of this paragraph (d). If any portion of the moneys deposited with a Fiduciary for the payment of the principal amount of and premium, if any, and interest on Tender Bonds is not required for such purpose, the Fiduciary shall, if requested by the Authority, pay promptly the amount of such excess to the Authority free and clear of any trust, lien, pledge or assignment securing said Bonds or otherwise existing under this Trust Agreement.

(e) Defeasance Obligations described in paragraph (b)(ii) above may be included in the Defeasance Obligations deposited with a Fiduciary in order to satisfy the requirements of paragraph (b)(ii) above only if the determination as to whether moneys and Defeasance Obligations to be deposited with a Fiduciary in order to satisfy the requirements of such paragraph (b)(ii) above would be sufficient to pay when due either on the maturity date thereof or, in the case of any Bonds to be redeemed prior to the maturity date thereof, on the redemption date or dates specified in any notice of redemption to be made by the Trustee or in the instructions to give a notice of redemption provided to the Trustee in accordance with paragraph (b)(ii) above, the principal of or Redemption Price, if applicable, and interest on the Bonds which will be deemed to have been paid as provided in paragraph (b)(ii) above is made both (i) on the assumption that the Defeasance Obligations described in paragraph (b)(ii) above

were not redeemed at the option of the issuer prior to the maturity date thereof and (ii) on the assumption that such Defeasance Obligations would be redeemed by the issuer thereof at its option on each date on which such option could be exercised, that as of such date or dates interest ceased to accrue on such Defeasance Obligations and that the proceeds of such redemption would not be reinvested by the Fiduciary.

(f) Anything in this Trust Agreement to the contrary notwithstanding any moneys held by a Fiduciary in trust for the payment and discharge of any Bonds which remain unclaimed for three years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Fiduciary at such date, or for six months less than the applicable statutory escheat period (as determined by an Authorized Officer) if such moneys were deposited with the Fiduciary after the date when such Bonds become due and payable, shall, upon written direction from the Authority, be paid to the Authority as its absolute property and free from trust, and such Fiduciary shall thereupon be released and discharged with respect thereto and the Registered Owners shall look only to the Authority for the payment of such Bonds, provided that before being required to make any such payment to the Authority, such Fiduciary shall, at the expense of the Authority, cause to be published at least twice, at an interval of not less than seven days between publications, in Authorized Newspapers, a notice that said moneys remain unclaimed it and that, after a date named in said notice, which date shall not be less than 30 days after the date of the first publication of such notice, the balance of such moneys then unclaimed will be returned promptly to the Authority.

## **ARTICLE XII MISCELLANEOUS**

### Section 1201. Evidence of Signatures of Registered Owners and Ownership of Bonds.

(a) Any request, consent or other instrument which this Trust Agreement may require or permit to be signed and executed by the Registered Owners may be in one or more instruments of similar tenor, and shall be signed or executed by such Registered Owners in person or by their attorneys appointed in writing.

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

(c) Any request, consent or vote of the Registered Owner of any Bond shall bind all future owners of such Bond in respect of anything done or suffered to be done by the Authority or the Trustee in accordance therewith.

Section 1202. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Trust Agreement shall be retained in its possession and shall be subject at all reasonable times upon reasonable prior written notice to the inspection of the Authority and any Registered Owner and their agents and their representatives, any of whom may make copies thereof at their own expense.

Section 1203. Notices and Directions. Unless otherwise expressly provided herein, all notices, orders, and directions to the Authority or the Trustee hereunder, including without limitation any order or direction given to the Trustee hereunder by an Authorized Officer, shall be in writing and shall be deemed sufficiently given if sent by registered or certified mail, postage prepaid, or delivered in person or by facsimile transmission during a Business Day as follows: (a) to the Authority at 40 Broad Street, Suite 500, Boston, Massachusetts 02190, attention: Executive Director, and (b) to the Trustee at 222 Berkeley Street, 2<sup>nd</sup> Floor, Boston, Massachusetts 02116, attention: Corporate Trust Department or, as to either of the foregoing, to such other address as the addressee shall have indicated by prior written notice to the one giving notice. All notices to a Registered Owner shall be in writing and shall be deemed sufficiently given if sent by mail, postage prepaid, to the Registered Owner at the address shown on the registration books for the Bonds maintained by the Trustee. A Registered Owner may direct the Trustee to change its address as shown on the registration books by written notice to the Trustee.

Section 1204. Parties Interested Herein. All of the covenants, stipulations, promises and agreements in this Trust Agreement contained by and on behalf of the Authority shall be for the sole and exclusive benefit of the Authority, the Trustee, the Registered Owners of the Bonds, any Hedge Provider and the issuers of any Credit Enhancement or Liquidity Facility hereunder, each of whom shall be deemed to be third-party beneficiaries of such covenants, stipulations, promises and agreements; provided that nothing in this Trust Agreement expressed or implied is intended or shall be construed to confer upon, or give to, any person or corporation, other than the Authority, the Trustee, the Registered Owners of the Bonds and any Hedge Provider or issuer of any Credit Enhancement or Liquidity Facility as aforesaid, any right, remedy or claim under or by reason of this Trust Agreement.

Section 1205. No Recourse. No recourse shall be had for the payment of the principal or Redemption Price of or the interest on the Bonds or for any Reimbursement Obligation or any Qualified Hedge Payment hereunder or for any claim based thereon or on this Trust Agreement against any official, agent, representative or employee of the Authority or any person executing the Bonds or the applicable Qualified Hedge Agreement. No official, agent, representative or employee of the Authority shall be held personally liable to any purchaser or Registered Owner of any Bond under or upon such Bond, or under or upon this Trust Agreement or any Supplemental Trust Agreement, or to any Hedge Provider or the issuer of any Credit Enhancement or any Liquidity Facility, or, to the extent permitted by law, because of the sale or issuance or attempted sale or issuance of Bonds, or because of any act or omission in connection with the investment or management of the Pledged Receipts, funds or moneys of the Authority, or otherwise in connection with the management of its affairs, excepting solely for things willfully done or omitted to be done with an intent to defraud.

Section 1206. Partial Invalidity. If any provision of this Trust Agreement or any Supplemental Trust Agreement is held invalid in any circumstance, such invalidity shall not affect any other provisions or circumstances.

Section 1207. Law and Place of Enforcement of this Trust Agreement. This Trust Agreement shall be construed and governed in accordance with the laws of the Commonwealth and all suits and actions arising out of this Trust Agreement shall be instituted in a court of competent jurisdiction in the Commonwealth.

## **COVENANT OF THE COMMONWEALTH**

Pursuant to paragraph (a) of Section 3B of Chapter 70B of the Massachusetts General Laws, the undersigned Treasurer and Receiver-General of the Commonwealth joins in the foregoing Trust Agreement for the purpose and to the extent of the following covenants on behalf of the Commonwealth:

(a) The undersigned Treasurer and Receiver-General agrees to hold and disburse Pledged Receipts in the SMART Fund in compliance with all covenants and provisions relating thereto in the Trust Agreement. Without limiting the generality of the foregoing, the undersigned Treasurer and Receiver-General agrees, in accordance with Section 35BB of Chapter 10 of the Massachusetts General Laws, to disburse all amounts in the SMART Fund constituting Pledged Receipts to the Trustee for deposit in the Revenue Fund under the Trust Agreement as soon as practicable after identifying amounts as such, but in no event later than two Business Days after such identification, provided, however, that in the case of Pledged Receipts identified in July of each year on account of the preceding June, the Treasurer and Receiver-General agrees to disburse 90% of the amount identified as such and to disburse the balance, net of any necessary year-end audit adjustments, as soon as practicable after issuance of the State Auditor's report on state tax revenues pursuant to paragraph (b) of Section 5 of Chapter 62F of the Massachusetts General Laws, but in any event within two Business Days after the issuance of such report. The undersigned Treasurer and Receiver-General hereby acknowledges, in accordance with said Section 35BB, that by affixing her signature to the Trust Agreement the Executive Director of the Authority has duly and irrevocably requested the Treasurer and Receiver-General to disburse all amounts in the SMART Fund constituting Pledged Receipts to the Trustee as aforesaid, so long as the Authority shall remain liable under the Trust Agreement on any Bonds or Qualified Hedge Agreements.

(b) So long as any Bonds are Outstanding under the Trust Agreement or any Reimbursement Obligations, Qualified Hedge Payments or Bond Related Costs then due and payable remain unpaid or payment of such Reimbursement Obligations, Qualified Hedge Payments or Bond Related Costs shall not have been provided for, the Pledged Receipts shall not be diverted from the SMART Fund except to be transferred to the Revenue Fund as provided in the Trust Agreement, and the rates of the excises the revenues from which constitute the Dedicated Sales Tax Revenue Amount shall not be reduced below 1%.