

March 25, 2013

**RE: Request for Trustee Services for the Kentucky Public Transportation Infrastructure Downtown Crossing Project Revenue Bonds**

**The Office of Financial Management (“OFM”) of the Finance and Administration Cabinet of the Commonwealth of Kentucky, on behalf of the Kentucky Public Transportation Infrastructure Authority (“KPTIA” or the “Authority”) and the Kentucky Transportation Cabinet (“KYTC”) with KPTIA as the Issuing Authority for the Downtown Crossing of the Louisville Southern Indiana Ohio River Bridges Project (“LSIORB”) is inviting proposals from qualified financial institutions to provide professional services of Trustee, Paying Agent and Escrow Trustee for the Kentucky Public Transportation Infrastructure Authority Downtown Crossing Project Revenue Bonds.**

The bonds will be sold on a negotiated basis. The Authority currently plans to issue the bonds as tax-exempt fixed rate bonds for the purpose of financing the Downtown Crossing of the Louisville Southern Indiana Ohio River Bridges Project, and the structure of the financing is expected to include non-Transportation Infrastructure Finance and Innovation Act (“TIFIA”) federal-aid resources, a direct loan from TIFIA and toll revenue bonds. The financing was authorized by the Commonwealth in House Bill 2 of the 2012 Extraordinary Session of the General Assembly.

The bonds are currently expected to be issued in the Summer of 2013.

The bonds will be issued in Book-Entry-Only form and will be registered in the name of Cede & Co, as a nominee of the Depository Trust Company (“DTC”), New York, New York which will act as securities depository for the bonds. So long as DTC is a registered owner of the bonds, payments of principal and interest will be made directly to DTC.

**The Authority will accept responses by facsimile and e-mail to this Request for Services, up to but no later than 11:00 a.m. ET on April 3, 2013. Submission of a response must address all of the questions identified on pages 4 and 5 and requirements of Attachments A through F. Please provide fee quotes based on the form in Attachment F.**

The OFM and KYTC anticipate that the Trustee will be selected as soon as possible.

Please contact Robin Brewer of OFM should you have any questions concerning this proposed financing. We look forward to a response from your firm.

**Request for Trustee Services**  
**Kentucky Public Transportation Infrastructure Authority**  
**Downtown Crossing Project Revenue Bonds**

**GENERAL INFORMATION**

**Date of Request:**       **March 25, 2013**

**Purpose:**                   To select a financial institution to provide trustee, paying agent and if necessary escrow agent services for potential bonds and any other forms of debt issued under the Kentucky Public Transportation Infrastructure Authority (the “Authority”) General Trust Indenture for its Kentucky Public Transportation Authority Downtown Crossing Project Revenue Bonds. A draft of the General Trust Indenture is attached as Exhibit A in this Request for Trustee Services. It is anticipated that future bonds and other forms of indebtedness issued by the KPTIA for the Downtown Crossing Project will be issued under this General Trust Indenture. The firm selected as Bond Trustee via this Request for Services will collect monthly toll collections from the Toll Integrator/Operator and its depository institution to service the obligations of KPTIA and will also provide trustee and paying agent services for any bonds issued to finance this Downtown Crossing Project.

The bonds are expected to be issued as tax-exempt fixed-rate bonds. The bonds are expected to finance the Downtown Crossing of the Louisville Southern Indiana Ohio River Bridges Project, and the financing structure is expected to include non-TIFIA federal-aid resources, a direct loan from TIFIA and toll revenue bonds.

The multi-tiered debt service funds and debt service reserve funds as well as the operating and maintenance reserve accounts, reserve funds and lease payment funds required under the General Trust Indenture for the bonds is displayed in Flow of Funds in **Attachment H** as well as a brief history regarding the Authority and the Project.

The bonds are special and limited obligations of the Authority and are secured by revenues collected by toll revenues.

The Authority may replace the Trustee and Paying Agent if the Authority, in its sole discretion, feels the firm is not satisfactorily meeting its service requirements. The replacement may be undertaken in the manner set forth in the General Trust Indenture.

**Eligible Institutions:** Eligible institutions shall include banks and trust companies chartered by the Commonwealth of Kentucky or federally chartered institutions authorized to conduct business in the Commonwealth with at least seventy-five million dollars (\$75,000,000) in capital and surplus and who have DTC FAST issuing capability.

**Description of Services:**       The firm engaged as Trustee and Paying Agent for the bonds will be working with: the Authority; OFM; Public Financial Management as Financial Advisor, Citigroup as senior managing underwriter; Peck, Shaffer and Williams, LLP as bond counsel;

and Nixon Peabody LLP as underwriter's counsel. The selected bank will be required to provide services that shall include, but not be limited to, the requirements listed below:

1. Provide all trustee duties as defined in the General Trust Indenture for the Downtown Crossing Project (draft of the Trust Indenture attached).
2. As Trustee and Paying Agent the Authority will require the bank to act as the agent for the safekeeping, completion, authentication, and payment of the bonds or other forms of debt issued under the General Trust Indenture for the Downtown Crossing Project.
3. Set up all of the respective accounts required under the General Trust Indenture as well as records, files, reports and activities as required. The Authority plans to issue bonds First Tier Bonds and Third Tier Bonds and does not have any plans at this time to issue Second Tier Bonds. Therefore, no activity is expected in the Second Tier Bonds for the near future. In addition, of all the Funds, the Authority does not expect any activity in the Lease Payment Fund, Redemption Fund, Rebate Fund and comparatively less activity in the General Reserve Fund, in the near future.
4. The Authority will provide collected funds, in the form of tolls from the Toll Integrator/Operator and its depository institution, for deposit into the appropriate accounts as required by the indenture and make periodic payments as necessary.
5. Pay on behalf of the Authority, the principal and interest due to the respective bondholders on the maturity dates.
6. Provide monthly statements for all of the accounts including cost and market value balances and transaction activity to the Authority on a timely basis.
7. Provide online access to information related to transactions, balances, market values, etc.
8. Process security trades as instructed by OFM or designee.
9. Provide a short-term investment vehicle for cash balances in trust accounts.
10. Comply with all requirements of the General Trust Indenture.
11. Review and examine resolutions, opinions, and other bond documents related to any debt issued under the General Trust Indenture.
12. Arbitrage rebate calculations are not included in this request for bid.
13. Serve as escrow trustee at no additional charge in the event that the Bonds are refunded in the future.

**Issuing Entity:** Kentucky Public Transportation Infrastructure Authority

**Inquiries:** Robin Brewer, Financial Analyst  
Commonwealth of Kentucky  
Office of Financial Management  
702 Capitol Avenue, Suite 76  
Frankfort, KY 40601-3453  
Phone: (502) 564-2924  
Fax: (502) 564-7416  
E-mail: [robin.brewer@ky.gov](mailto:robin.brewer@ky.gov)

**Proposal Due Date:** To be considered responsive, written proposals must be delivered by **11:00 a.m. ET, April 3, 2013**. Fax and e-mail submissions are acceptable.

**Delivery Direction:**

**One fax or e-mail copy:**

Robin Brewer, Financial Analyst  
Commonwealth of Kentucky  
Office of Financial Management  
702 Capitol Avenue, Suite 76  
Frankfort, KY 40601-3453  
Phone: (502) 564-2924  
Fax: (502) 564-7416  
E-mail: [robin.brewer@ky.gov](mailto:robin.brewer@ky.gov)

**Evaluation of Proposals:** Proposals will be evaluated by OFM pursuant to the criteria set forth on Attachment G.

**Commission Reservation of Rights:** The Authority reserves the right to amend, modify or withdraw this request; to waive or revise any requirements of this request; to require supplemental statements or information from any responding party; to reject any response submitted; to accept or reject any or all responses received with respect to this request; to extend the deadline for submission of responses; to investigate regarding qualifications of any or all respondents as necessary; to negotiate or hold discussions with any responding party and to cancel, in whole or in part, this request if the Authority deems it to be in its best interest to do so. The Authority may exercise the foregoing rights at any time without notice and without liability to any responding party or other parties for their expenses incurred in the preparation of responses or otherwise. Responses with respect to this request will be prepared at the sole cost and expense of the responding party. The issuance of this request and the submission of a response and/or the acceptance of such response by the Authority do not obligate the Authority in any manner whatsoever. Legal obligations will only arise upon execution of a formal agreement by the Authority and the selected provider. The Authority and OFM are not liable for any disclosure whether by negligence or otherwise, of any material or information in any form submitted by any bidder in response to this request.

## REQUEST FOR PROPOSAL CERTIFICATIONS

1. Certify that your bank is in compliance with the Commonwealth's campaign finance laws pursuant to KRS 121.015, KRS 121.056, KRS 121.150, KRS 121.310, KRS 121.320, and KRS 121.330. (See Attachment "B".)
2. Certify that your bank is in compliance with and is not prohibited by the Executive Branch Code of Ethics established by KRS 11A.001 through KRS 11A.990 from entering into a contract with the Commonwealth of Kentucky. (See Attachment "C".)
3. Certify that your bank is in compliance with the provisions of KRS 45A.485. (See Attachment "D".)
4. Certify that your bank is not prohibited by KRS 45A.863 from entering into a contract with the Commonwealth of Kentucky. (See Attachment "E".)
5. Certify that all the information provided herein, to the best of your knowledge, is accurate and complete, and that you understand that any misleading or false information may result in disqualification of the bank at the sole discretion of the Commonwealth.

**NOTE: All sections of the Kentucky Revised Statutes referred to herein may be viewed on the home page of the Kentucky Legislature at the following internet address: <http://www.lrc.ky.gov/>.**

## REQUEST FOR PROPOSAL QUALIFICATIONS

1. Describe in detail your firm's philosophy on customer service.
2. Describe in detail your firm's overall experience in the last five (5) years in providing similar bond trustee services for similar financings to the Downtown Crossing Project and for similar credits as KPTIA.
3. Describe any institutional experience working with municipalities that collect toll revenues.
4. Provide the address of the office location(s) that will service the KPTIA account.
5. Identify for your firm the person who will serve as the KPTIA's primary point of contact.
6. Provide the following information for the firm's staff that will be directly involved in working with the KPTIA: their names, positions, qualifications, relevant experience, and resumes.
7. Describe your firm's technical capabilities with regard to administering trust accounts, in particular your firm's reporting capabilities for trust account activity and toll revenue collections, such as account balances, trade settlement activity and historical data.
  - i. Describe the frequency and format of reports that the bank would provide to the Authority.
  - ii. Include sample reports.
  - iii. Does the bank provide information to clients through an on-line inquiry/reporting service?

- iv. What source does the bank use for market valuation of securities?
8. Describe any regulatory proceedings or pending litigation your firm has been or is currently involved in regarding the delivery of similar trust services.
9. Describe the financial strength of your institution in terms of capital and surplus.
10. Describe whether your firm is a bank and/or trust company and whether it is chartered by the Commonwealth of Kentucky or is a federally chartered institution.
11. What short-term investment vehicle(s) does the bank propose to use for the overnight sweep in KPTIA's bond trustee accounts? Does a reserve requirement apply for the proposed overnight sweep option? What time of day is the cash sweep deadline? Is it end-of-day or next-day sweep? What process does the bank use to ensure cash balances are invested?
  - i. Provide return history for the thirty-six month period from January 2010 through December 2012.
  - ii. If the bank is proposing a mutual fund, provide a copy of the prospectus and, if multiple classes are offered, identify the class of shares that is being proposed.
  - iii. Provide a complete listing of associated fees and/or administrative charges.
12. Can KPTIA utilize a short-term fund not managed by your bank? Are there additional fees? If so, list the type and dollar amount of the related fees.
13. Provide a listing of cut off times for notification of securities transactions. Please specify if the cut off times vary for different types of securities.
14. Describe any sub-custodial arrangements that would be used for fixed-income securities belonging to the KPTIA. Include a description of the arrangements used for the delivery of physical securities.
15. Complete **Attachment F**. Please provide the required fee quotes along with any additional expenses that may be included in the proposed contract. Also, please identify your ratings, personnel to be associated with this engagement, electronic capabilities and professional references.
16. Disclose any information about your bank, which presently or with the passage of time could materially impair your bank's ability to provide the level of service required of Trustee, Paying Agent and Escrow Trustee, if necessary.
17. Please provide an electronic link of your bank's most recent audited annual report.
18. Describe the types of insurance and bonding carried.
19. Provide a sample of the proposed contract for your bank's services. Please also provide samples of all other documents which will need to be signed/entered into related to the provision of the services requested in this RFP.

## ATTACHMENT A

### Current Contact Information

Please complete this form and return it with your bid. Thank you for your assistance in helping OFM and the Authority maintain an accurate database of trustee contacts.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

**ATTACHMENT B**

Commonwealth of Kentucky  
Finance and Administration Cabinet  
Sworn Statement Regarding Campaign Finance Laws  
Pursuant to KRS Chapter 121

The undersigned hereby swears or affirms, under penalty prescribed by law or perjury, that neither he/she, individually, nor, to the best of his/her knowledge and belief, the corporation partnership, or other business entity which he/she represents in connection with this procurement, has knowingly violated any provisions of the campaign finance laws of the Commonwealth of Kentucky, pursuant to KRS 121, and that the award of a contract to him/her, individually, or to the corporation, partnership or other business entity which he/she represents, will not violate any of the above-referenced statutes.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Firm Name

State of \_\_\_\_\_

County of \_\_\_\_\_

The foregoing statement was sworn to me this \_\_\_\_ day of \_\_\_\_ 20 \_\_\_\_ by \_\_\_\_\_

\_\_\_\_\_.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

**ATTACHMENT C**

Commonwealth of Kentucky  
Finance and Administration Cabinet  
Sworn Statement Regarding Executive Branch  
Code of Ethics  
Pursuant to KRS Chapter 11A

The undersigned hereby swears or affirms, under penalty prescribed by law or perjury, that neither he/she, individually, nor, to the best of his/her knowledge and belief, the corporation partnership, or other business entity which he/she represents in connection with this procurement, has knowingly violated any provisions of the Executive Branch Code of Ethics of the Commonwealth of Kentucky, pursuant to KRS 11A.001 to KRS 11A.990, and that the award of a contract to him/her, individually, or to the corporation, partnership or other business entity which he/she represents, will not violate any of the above-referenced statutes.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Firm Name

State of \_\_\_\_\_

County of \_\_\_\_\_

The foregoing statement was sworn to me this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_ by \_\_\_\_\_

\_\_\_\_\_.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

**ATTACHMENT D**

Commonwealth of Kentucky  
Finance and Administration Cabinet  
Sworn Statement Regarding Violations of  
Kentucky Revised Statutes  
Pursuant to KRS Chapter 45A.485

KRS 45A.485 states:

- (1) Any state contract awarded under KRS Chapter 45A, 175, 177, or 180 after July 15, 1994, shall require the contractor to:
  - (a) Reveal any final determination of a violation by the contractor within the previous five (5) year period pursuant to KRS Chapters 136, 139, 141, 337, 338, 341, and 342 that apply to the contractor; and
  - (b) Be in a continuous compliance with the provisions of KRS Chapters 136, 139, 141, 337, 338, 341, and 342 that apply to the contractor for the duration of the contract.
- (2) A contractor's failure to reveal a final determination of a violation of KRS Chapters 136, 139, 141, 337, 338, 341, and 342 or to comply with these statutes for the duration of the contract shall be grounds for the Commonwealth's:
  - (a) Cancellation of the contract; and
  - (b) Disqualification of the contractor from eligibility for future state contracts for a period of two (2) years.

The undersigned hereby swears or affirms, under penalty prescribed by law or perjury, that neither he/she, individually, nor, to the best of his/her knowledge and belief, the corporation partnership, or other business entity which he/she represents in connection with this procurement, has knowingly violated any provisions of 45A.485, and that the award of a contract to him/her, individually, or to the corporation, partnership or other business entity which he/she represents, will not violate any of the above-referenced statutes.

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Name**

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Firm Name**

State of \_\_\_\_\_

County of \_\_\_\_\_

The foregoing statement was sworn to me this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_ by \_\_\_\_\_.

\_\_\_\_\_  
**Notary Public**

My commission expires: \_\_\_\_\_

**ATTACHMENT E**

Commonwealth of Kentucky  
Finance and Administration Cabinet  
Sworn Statement Regarding Anti-Nepotism Provisions  
Pursuant to KRS Chapter 45A.863

The undersigned hereby swears or affirms, under penalty prescribed by law or perjury, that neither he/she, individually, nor, to the best of his/her knowledge and belief, the corporation partnership, or other business entity which he/she represents in connection with this procurement, has knowingly violated any provisions of KRS Chapter 45A.863, and that the award of a contract to him/her, individually, or to the corporation, partnership or other business entity which he/she represents, will not violate any of the above-referenced statutes.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Firm Name

State of \_\_\_\_\_

County of \_\_\_\_\_

The foregoing statement was sworn to me this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_ by \_\_\_\_\_

\_\_\_\_\_.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

**ATTACHMENT F**

**Kentucky Public Transportation Infrastructure Authority  
Downtown Crossing Project Revenue Bonds  
Proposal for Trustee Services**

**BANK NAME:** \_\_\_\_\_

- 1.) Provide a fee quote as a one-time up front payment to include all expenses (including legal fees) and charges due at the bond closing for providing trustee and paying agent service for the initial bond issue for the Downtown Crossing Project under the General Trust Indenture.

\$ \_\_\_\_\_

- 2.) Provide an annual fee quote, if any, for providing trustee and paying agent services for the initial bond issue for the Downtown Crossing Project.

\$ \_\_\_\_\_

- 3.) Provide a fee quote as a one-time upfront payment to include all expenses (including legal fees) and charges due at the bond closing for providing trustee and paying agent service for future bond issues, if any, for the Downtown Crossing Project under the General Trust Indenture.

\$ \_\_\_\_\_

- 4.) Provide an annual fee quote, if any, for providing trustee and paying agent services for future bond issues, if any, for the Downtown Crossing Project.

\$ \_\_\_\_\_

- 5.) Disclose any fees related to purchases, sales, maturities, and coupon payments related to fixed-income securities held in the portfolio.

\$ \_\_\_\_\_

Other services/fees:

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\* Construction funds will be held in the Commonwealth's depository bank and disbursements will be administered by KYTC.

It is anticipated that the bonds will be issued on a tax-exempt basis. The bonds are currently expected to be issued in the Summer of 2013.

**Ratings:** Provide your bank's short-term and long-term ratings, and outlook by Standard & Poor's, Moody's and Fitch.

Standard & Poor's \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_

Moody's \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_

Fitch \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_

**Electronic Capabilities:** Indicate your ability to meet service requirements regarding ability to interface with Depository Trust, FAST eligible, electronic transfers, provide the Authority and OFM electronic access to account information, and the ability to communicate with bank personnel electronically.

**Reference:** Provide three (3) references: names, addresses and phone numbers, of issuers which have issued similar Bonds for which the bank has served as Trustee and Paying Agent.

**ATTACHMENT G**  
**Evaluation Criteria**

- |    |   |            |
|----|---|------------|
| 1. | Experience of the Bank and Personnel<br>(including bank rating) | 70%        |
| 2. | Fee Proposal  | <u>30%</u> |
|    |   | 100%       |

## ATTACHMENT H

### Explanation of Issuer, Plan of Finance, Flow of Funds and Administration of Accounts

#### **Issuer**

The Authority is established and governed by KRS Chapter 175B and was created to facilitate the construction, financing, operation, oversight and the review and approval of significant transportation projects between the Commonwealth of Kentucky and the state of Indiana, as well as, within the Commonwealth of Kentucky. KPTIA is administratively attached to the Kentucky Transportation Cabinet (KYTC).

The Louisville and Southern Indiana Bridges Authority, a bi-state agency (the “Bi-State Authority”) was also created under KRS 175B and by Executive Order in Indiana for the purpose of developing a financing plan for the LSIORB project. The Bi-State Authority comprised of 14 members, seven from Kentucky and seven from Indiana, developed a unique financial plan using a bi-furcated procurement and financing structure to expedite the construction of the project. Under the plan that was adopted by the Bi-State Authority on March 5, 2012, Kentucky will procure and finance the Downtown Crossing and Indiana will procure and finance the East End Crossing. Kentucky will utilize a design build methodology with initial funding being provided from state Federal Highway Funds, including GARVEE bonds, with the balance to be provided from the future issuance of dedicated toll revenue notes/bonds by KPTIA. Indiana will procure and finance the East End Crossing using an Availability Payment model. Additionally, the financial plan provides that the toll revenues from the projects would be split equally between the states and that the states would maintain the approaches within their respective borders.

KPTIA was responsible for the review and approval of the financial plan developed by the Bi-State Authority, which also occurred on March 5, 2012. Subsequently, on March 6, 2012 the financial plan was submitted to the Kentucky General Assembly for consideration in developing their transportation construction and funding priorities. The General Assembly adopted the Transportation Cabinet (Road Fund) Budget in the 2012 Extraordinary Session, House Bill 2 and contained the recommended funding level for the LSIORB Project as submitted in the financial plan.

#### **Project**

The Downtown Crossing Project consists of 3 components: 1.) Kennedy Interchange – reconstruct the Kennedy Interchange in downtown Louisville at the convergence of I-64, I-65 and I-75; 2.) Downtown Bridge – a new Ohio River bridge adjacent to and east of the existing I-65 Kennedy Bridge; and 3.) Indiana Downtown Approach – reconfigured I-65 and associated ramps north of the Downtown Bridge.

#### **Plan of Finance**

The plan of finance includes the issuance of First Tier Toll Revenue Bonds and a potential TIFIA loan in the spring/summer of 2013. In addition, KYTC is committing up to \$250 million of Highway Plan funds and up to \$236 million of GARVEE bond proceeds. KYTC has committed credit support in the forms of a Tolling and General O&M Expense and M&R Cost reserve funds replenishment requirements. The credit support not only reduces financing costs but also allows a gross revenue pledge financing where First Tier Toll Debt Service and TIFIA are paid before Tolling, O&M and M&R expenses.

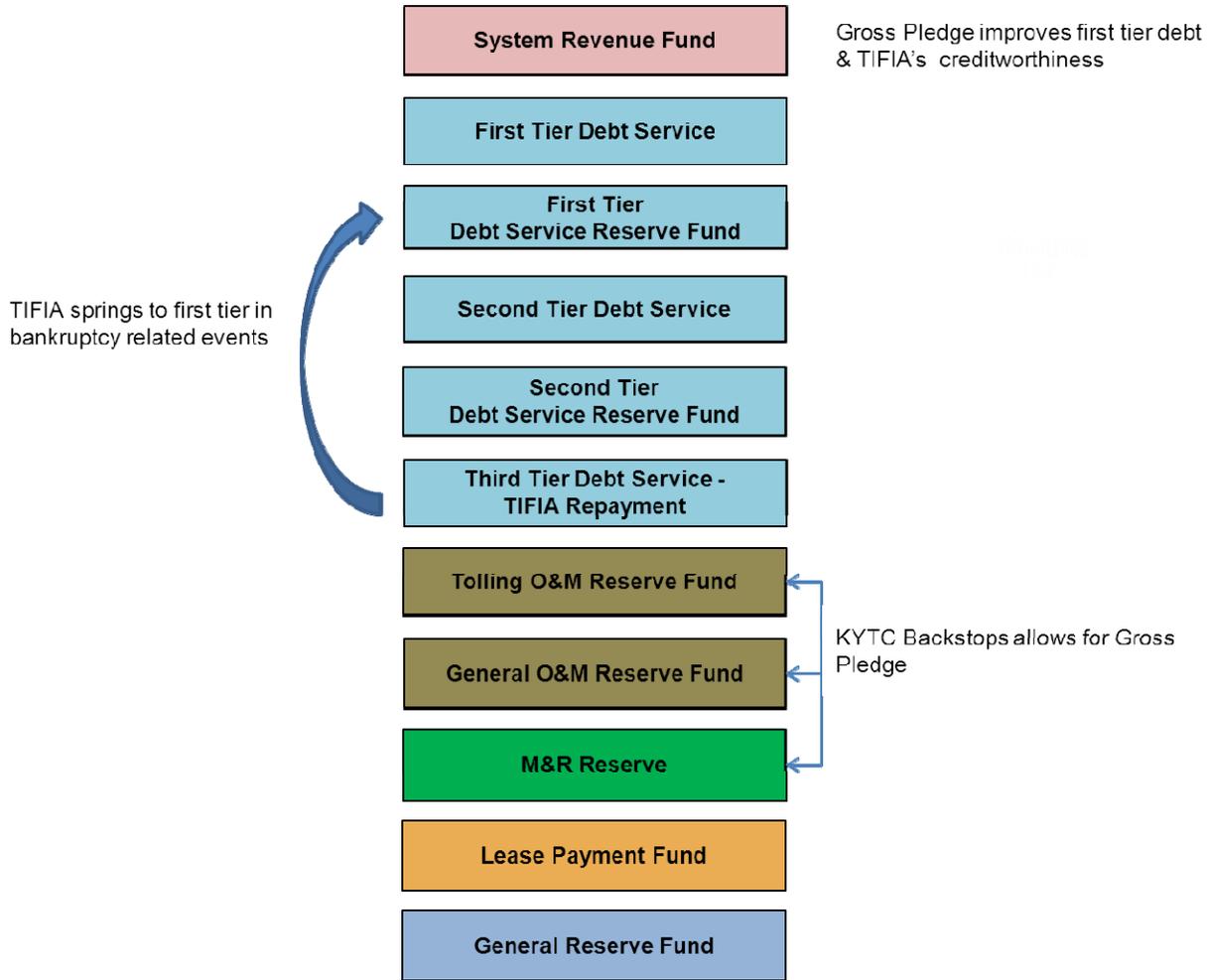
#### **Flow of Funds**

The funding sources for the Downtown Crossing Project consist of up to \$250 million from the Highway Plan, up to \$236 million in additional GARVEE bonds to be issued around 2017, approximately \$370 million

from a TIFIA Loan to be issued in 2013, and approximately \$374 million in First Tier Toll Revenue Bonds anticipated to be issued in the Summer of 2013.

As demonstrated in the Flow of Funds diagram below, O&M and M&R expenses are paid after debt service creating a gross lien pledge of revenues for bondholders. The gross lien pledge improves the overall plan of finance by improving creditworthiness of the First Tier bonds and TIFIA resulting in reduced interest costs. In the event of bankruptcy, TIFIA ascends to First Tier status. In addition to the KYTC commitment to replenish the Tolling O&M, General O&M and M&R Reserves, other credit features include:

- Capitalized interest extends one year beyond substantial construction completion
- Multiple reserves to provide financial liquidity
  - First Tier Debt Service Reserve Fund
    - initially cash funded at the three-prong test
    - increased to 5-year forward MADS from cash flow
  - Tolling O&M Reserve Fund
    - requirement: 6 months of budgeted expenses
  - General O&M Reserve Fund
    - requirement: 3 months of budgeted expenses
  - M&R Reserve Fund
    - determined by KPTIA and GEC based on projected long-term M&R expenses
  - General Reserve Fund
- Rate Covenant and Additional Bond Test (“ABT”)
  - Rate Covenant: 1.50x, 1.35x, and 1.25x for First Tier, Second Tier, and Third Tier bonds respectively
  - ABT: 1.75x, 1.50x, 1.25x for First Tier, Second Tier, and Third Tier bonds respectively



**EXHIBIT A**  
**GENERAL TRUST INDENTURE**

**DRAFT**

**KPTIA 2013 GENERAL TRUST INDENTURE**

BETWEEN

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

AND

[TRUSTEE],  
AS TRUSTEE

SECURING

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY  
DOWNTOWN CROSSING PROJECT REVENUE BONDS

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Dated  
as of  
April 1, 2013

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Peck, Shaffer & Williams, LLP  
Bond Counsel

**GENERAL TRUST INDENTURE**

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY  
DOWNTOWN CROSSING PROJECT REVENUE BONDS

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## GENERAL TRUST INDENTURE

THIS GENERAL TRUST INDENTURE (the "General Trust Indenture," and together with any Series Trust Indentures and Supplemental Indentures (each as hereinafter defined) executed and delivered pursuant to the provisions of the General Trust Indenture, the "Indenture" or "Trust Indenture") made and entered into as of the 1st day of April, 2013, by and between the Kentucky Public Transportation Infrastructure Authority (the "Authority"), an independent de jure municipal corporation and political subdivision of the Commonwealth of Kentucky (the "Commonwealth") constituting a governmental agency and instrumentality of the Commonwealth, and existing pursuant to authority of Chapter 175B of the Kentucky Revised Statutes, as amended (the "Act"), and [Trustee], a national banking association duly organized and existing under the laws of the United States of America, and having a designated corporate trust office in the City of [City of Trustee], County of [County of Trustee], [State of Trustee], which is authorized under the laws of the Commonwealth to exercise corporate trust powers (said banking association, and any bank or trust company becoming successor Trustee under this General Trust Indenture, being hereinafter referred to as the "Trustee");

### WITNESSETH:

WHEREAS, the General Assembly of the Commonwealth of Kentucky, being the duly and legally constituted General Assembly of Kentucky at its 2009 First Extraordinary Session, enacted House Bill [1] adopting the Act (as herein defined) creating the "Kentucky Public Transportation Infrastructure Authority" to serve the public purposes identified in the Act; and

WHEREAS, in accordance with the Act, the Authority has entered into a Bi-State Development Agreement dated as of [\_\_\_\_\_] 1, 2013 (as amended and supplemented from time to time, the "Development Agreement") with the Kentucky Transportation Cabinet (the "Transportation Cabinet"), the Indiana Department of Transportation ("INDOT") and the Indiana Finance Authority ("IFA") to jointly pursue the Louisville-Southern Indiana Ohio River Bridges Project consisting of the "Downtown Crossing" and the "East End Crossing" (as each is defined in the Development Agreement); and

WHEREAS, under the Development Agreement, the Authority has agreed to issue "Kentucky Revenue Bonds" under a "Kentucky Revenue Bond Indenture," as those terms as defined in the Development Agreement for the purpose of paying the costs, not otherwise provided, of the Downtown Crossing; and

WHEREAS, the Act provides that the Authority may issue revenue bonds or notes for the purpose of providing funds and moneys to the Authority to pay the costs of all bridges, tollhouses, garages and other buildings and facilities which the Authority deems necessary for the operation of the project, including the Downtown Crossing, together with all property, rights, easements and interests which may be acquired by the Authority or the Commonwealth for the construction and operation of a project, and to purchase or refinance obligations of the Authority previously issued for any such project and to enable the Authority generally to carry out and effectuate its proper purposes under the Act; and

WHEREAS, the Authority has determined it is necessary and desirable at this time to provide for the issuance of Bonds (as hereinafter defined) from time to time, in order to carry out its obligations under the Development Agreement; and

WHEREAS, the Act provides that the Authority may issue revenue bonds or notes which may be secured by a trust indenture by and between the Authority and a corporate trustee, and the Authority has determined that it was appropriate to enter into this General Trust Indenture to preserve the rights of those who become Holders (as hereinafter defined) of the Bonds and to provide for (a) the issuance of Bonds, (b) the security in respect of such Bonds, (c) protecting and enforcing rights and remedies of the Holders of such Bonds, as well as Credit Providers (as hereinafter defined) and Hedge Providers(as hereinafter defined), (d) the custody, safeguarding, and application of all Authority revenues pledged for the payment of such Bonds, (e) the duties and responsibilities of the Trustee, and (f) inter alia, all other necessary and desirable provisions with respect to said Bonds, including covenants of the Authority with regard thereto; and

WHEREAS, the execution and delivery of this General Trust Indenture have been duly authorized by proper resolution of the Authority; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the Commonwealth and by the requirements of the Authority to happen, exist and be performed precedent to and in the execution and delivery of this General Trust Indenture have happened, have existed and have been performed as so required in order to make this General Trust Indenture a valid and binding trust indenture for the security of the Bonds in accordance with its terms; and

WHEREAS, the Trustee has accepted the trusts created by this General Trust Indenture, and in evidence thereof has joined in the execution hereof;

NOW THEREFORE, THIS GENERAL TRUST INDENTURE WITNESSETH, that to secure the payment of (i) principal or Redemption Price of, and interest on, and the purchase price of, the Bonds, and (ii) obligations related to Credit Providers and Hedge Providers, in each case according to their true intent and meaning, to secure the performance and observance of all of the covenants, agreements, obligations and conditions contained therein and herein, and to declare the terms and conditions upon and subject to which the Bonds, the Credit Facilities and the Hedge Facilities are and are intended to be issued, held, secured and enforced, and in consideration of the premises and the acceptance by the Trustee of the trusts created herein and of the purchase and acceptance of the Bonds by the Holders and the issuance of the Credit Facilities by the Credit Providers and the Hedge Facilities by the Hedge Providers from time to time, and for other good and valuable consideration, the receipt of which is acknowledged, the Authority does hereby grant, give, bargain, sell and convey and by these presents has executed and delivered this General Trust Indenture and absolutely assigns hereby to the Trustee, and to its successors in trust, and its and their assigns, all right, title and interest of the Authority in and to the property hereinafter described (the "Trust Estate"), provided, that the grant and assignments made hereby to the Trustee for the benefit of the Holders, the Credit Providers and the Hedge Providers shall be with preference, priority and distinction on account of the particular Tier, so that Bonds issued under this General Trust Indenture, and the Credit Facilities, Reimbursement Agreements and Hedge Facilities, shall have a right, pledge and preference to payment from Total System Revenue and shall be secured by the Trust Estate in the following order of priority: (1) First Tier Bonds; (2) Second Tier Bonds; (3) Third Tier Bonds; and (4) Subordinate Bonds:

## GRANTING CLAUSES

### DIVISION I

All right, title and interest of the Authority in and to the Pledged Receipts and, to the extent provided in any Supplemental Trust Indenture, Federal Credit Payments.

### DIVISION II

All moneys and securities on deposit from time to time in the Funds and Accounts established under the provisions of the Indenture which permit the application thereof for the purposes and on the terms and conditions set forth herein other than moneys and securities on deposit in the Rebate Fund, the General O&M Reserve Fund, the M&R Reserve, the Tolling O&M Reserve Fund and the General Reserve Fund.

### DIVISION III

Any and all other property of every kind and nature from time to time hereafter, by delivery or by writing of any kind pledged, assigned or transferred as and for additional security hereunder by the Authority or by anyone on its behalf to the Trustee, which is hereby authorized to receive the same at any time as additional security hereunder;

TO HAVE AND TO HOLD all and singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its successors in trust and its and their assigns forever, for the equal and proportionate benefit, security and protection of all present and future Holders of the Bonds, the Credit Facilities, the Reimbursement Agreements and the Hedge Facilities relating thereto, and, except as hereinabove provided for Bonds of a particular Tier (and the Credit Facilities and Hedge Facilities relating thereto), secured hereby without preference, priority or distinction, as to lien or otherwise, of any Bond (or related Credit or Hedge Facility) over any other Bond (or related Credit or Hedge Facility) by reason of designation, number, date of the Bond (or related Credit or Hedge Facility) or of authorization, issuance, sale, execution, authentication, delivery or maturity thereof, or otherwise, except as otherwise expressly provided herein;

PROVIDED, that, if the Authority shall well and truly pay, or cause to be paid, the principal or Redemption Price of and interest on, and the purchase price of, the Bonds, according to the true intent and meaning thereof or shall provide for the payment thereof as provided by Article XII, and shall perform and observe all the covenants and conditions of this Indenture and the Bonds performed and observed by it, and shall pay or cause to be paid to the Trustee, the Registrar, the Paying Agents, and all other authorized agents, all sums of money due or to become due to them in accordance with the terms and provisions hereof, and shall pay in full the obligations of any Credit Providers and Hedge Providers, then, upon compliance with Article XII, the lien of this Indenture shall be discharged and satisfied and shall be null and void, except as provided in Article X hereof with respect to the survival of certain provisions hereof; otherwise, this Indenture to be and remain in full force and effect.

All Bonds secured hereunder are to be issued and all such property, rights and interests, including, without limitation, the amounts hereby assigned and pledged, are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Authority has agreed and covenanted,

and does hereby agree and covenant with the Trustee, the holders of the Bonds and the Credit Providers and Hedge Providers as follows:

(End of Preamble)

## ARTICLE I

### SHORT TITLE, DEFINITIONS, CONSTRUCTION

Section 101. Short Title. This General Trust Indenture may hereafter be cited by the Authority, the Trustee and any Fiduciary, and is hereinafter sometimes referred to, as the "Trust Indenture" or the "Indenture" or "General Trust Indenture."

Section 102. Definitions. Unless the context clearly indicates some other meaning, the following words and terms shall, for all purposes of this Trust Indenture, have the following meanings:

"Accounting Principles" means generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board, as the same shall be amended from time to time.

"Accreted Value" means, with respect to any Capital Appreciation Bonds or Convertible Capital Appreciation Bonds, as of any date of calculation, the sum of the amount set forth in a Series Trust Indenture as the amount representing the initial principal amount of those Capital Appreciation Bonds or Convertible Capital Appreciation Bonds plus the interest accumulated, compounded and unpaid thereon as of the most recent compounding date, determined in accordance with the provisions of the Series Trust Indenture authorizing the issuance of the applicable Capital Appreciation Bonds or Convertible Capital Appreciation Bonds.

"Act" means KRS Chapter 175B, as amended.

"Additional Project" means any project that is not initially part of the System that the Authority is authorized under the Act and permitted under the Interlocal Agreement to undertake and finance, subject to the requirements of Section 204(b)(vi) hereof.

"Additional Rent" means Additional Rent as defined in the Lease Agreement.

"Annual Debt Service" means for any Fiscal Year, as computed in accordance with paragraph (d) of this definition, the sum (without duplication) of the aggregate amount of principal and interest scheduled to become due and payable in that Fiscal Year on all Bonds then Outstanding (by scheduled maturity, mandatory redemption or otherwise); provided that if a Hedge Facility has been entered into with respect to any Bond, interest on that Bond shall be included in the calculation of Annual Debt Service by including for each Fiscal Year an amount equal to the amount of interest payable on those Bonds at the rate or rates stated in that Bond plus any Hedge Payments received or reasonably estimated to be received by the Authority in such Fiscal Year minus any Hedge Receipts receivable by the Authority in that Fiscal Year (provided that in no event shall the calculation made pursuant to this clause result in a number less than zero being included in the calculation of Annual Debt Service); and further provided that for the purposes of calculating Annual Debt Service:

(a) In determining the amount of principal to be funded in each year, payment shall (unless a different subsection of this definition applies for purposes of determining principal maturities or amortization) be assumed to be made on Outstanding Bonds in accordance with any amortization schedule or amortization calculations established by the Series Trust Indenture setting forth the terms of those Bonds, including, as a principal

payment, the Accreted Value of any Capital Appreciation Bonds or Convertible Capital Appreciation Bonds maturing or scheduled for redemption in that year; and in determining the amount of interest to be funded in each year, interest payable at a fixed rate shall (except to the extent any other subsection of this definition applies) be assumed to be made at that fixed rate and on the required funding dates.

(b) Except for any historical period for which the actual rate or rates are determinable, if interest on Bonds is payable pursuant to a variable interest rate (or if Hedge Payments or Hedge Receipts are determined pursuant to a variable rate formula), the Certified Interest Rate.

(c) Unless otherwise provided in a Supplemental Trust Indenture, (i) Bond Anticipation Obligations shall be treated as if they were to be amortized at the Certified Interest Rate with substantially level debt service over a period of 30 years from the date that Bond Anticipation Obligations were issued and (ii) any Balloon Maturity shall be treated as if it were to be amortized at the Certified Interest Rate from the maturity date of the Balloon Maturity to a date not later than 30 years from the date the Bonds having the Balloon Maturity were issued.

(d) In any computation relating to the issuance of Bonds required by Section 204 and any computation required by Section 708, there shall be excluded from the computation of Annual Debt Service principal of and interest on Bonds for which funds are, or are reasonably expected to be, available for and which are irrevocably committed to make those payments, including without limitation (i) any such funds in an escrow account, (ii) any such funds constituting capitalized interest held in any account created by this General Trust Indenture, (iii) investment earnings which are estimated by the Authority to be retained in the Debt Service Fund during the applicable period, or (iv) any Federal Credit Payments.

"Authority" means the Kentucky Public Transportation Infrastructure Authority created by the Act, an independent de jure municipal corporation and political subdivision of the Commonwealth constituting a governmental agency and instrumentality of the Commonwealth, or such other designation as may be affected by future amendments to the Act.

"Authority System" means the part of the System that is constructed, operated and maintained by the Authority under the terms of the Development Agreement and identified as the "Downtown Crossing" in the Development Agreement, together with any Additional Projects.

"Authority System Budget" has the meaning set forth in Section 709 hereof.

"Authority System Revenue Fund" means the Authority System Revenue Fund designated as such and established and created by Section 502 hereof.

"Authorized Denomination" means, unless specified otherwise in the applicable Series Trust Indenture, \$5,000 or any integral multiple thereof within a maturity.

"Authorized Officer" means the chairman, vice chairman or secretary of the Authority, and any other of its members, officers, agents, or employees duly authorized by resolution of the Authority to perform the act or sign document in question.

"Balloon Maturity" means, except in the case of Bond Anticipation Obligations, a principal amount payable on a Principal Installment Date (reduced by the amount scheduled to be retired by prepayment or mandatory sinking fund redemption prior to such Principal Installment Date) that is 50% or more of the aggregate principal amount of the related Series of Bonds.

"Bankruptcy Related Event" means (a) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Authority or any of its debts, or of a substantial part of the assets of the Authority System, under any Insolvency Law, or (ii) the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for the Authority for a substantial part of the assets of the Authority, and, in any case referred to in the foregoing subclauses (i) and (ii), such proceeding or petition shall continue undismissed for 60 days or an order or decree approving or ordering any of the foregoing shall be entered; or (b) the Authority shall (i) apply for or consent to the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for the Authority or for a substantial part of the assets of the Authority System, or (ii) generally not be paying its debts as they become due unless such debts are the subject of a bona fide dispute, or become unable to pay its debts generally as they become due, or (iii) make a general assignment for the benefit of creditors, or (iv) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition with respect to it described in clause (a) of this definition, or (v) commence a voluntary proceeding under any Insolvency Law, or file a voluntary petition seeking liquidation, reorganization, an arrangement with creditors or an order for relief under any Insolvency Law, or (vi) file an answer admitting the material allegations of a petition filed against it in any proceeding referred to in the foregoing subclauses (i) through (v), inclusive, of this clause (b), or (vii) take any action for the purpose of effecting any of the foregoing.

"Beneficial Owner" means, with respect to the Bonds, a person owning a Beneficial Ownership Interest therein, as evidenced to the satisfaction of the Trustee.

"Beneficial Ownership Interest" means the beneficial right to receive payments and notices with respect to a Series of Bonds which are held by a Depository under a Book Entry System.

"Biennium" means the fiscal period beginning on July 1 of an even-numbered year and ending on June 30 of the next following even-numbered year.

"Bond" or "Bonds" means any bonds or any other evidences of the obligation to repay borrowed money issued or incurred by the Authority from time to time pursuant to Article II of this General Trust Indenture and the terms of the Series Trust Indentures. The term "Bond" or "Bonds" includes, without limitation, notes, Bond Anticipation Obligations, commercial paper, Hedge Payments, and other securities, contracts or obligations incurred through lease, installment purchase or other agreements, including any Reimbursement Agreements, or certificates of participation therein, in each case to the extent secured by this General Trust Indenture. The terms "Bond" and "Bonds" includes First Tier Bonds, Second Tier Bonds, Third Tier Bonds and Subordinate Bonds and may, if provided in a Series Trust Indenture, include Credit Provider Bonds.

"Bond Anticipation Obligations" means Bonds issued in anticipation of the sale of a Series of Bonds in a principal amount not exceeding the principal amount of such Series of Bonds and payable from the proceeds of the sale of the Series of Bonds in anticipation of which such Bond Anticipation Obligations are issued, which may be payable, in whole or in part, from Pledged Receipts, at the discretion of the Authority, as set forth in a Supplemental Trust Indenture.

"Bond Counsel" means an attorney or firm or firms of attorneys of national recognition, selected or employed by the Authority, experienced in the field of municipal bonds whose opinions are generally accepted by purchasers of municipal bonds.

"Bond Interest Payment Date" means, with respect to each Series of Bonds, each date set forth in the applicable Series Trust Indenture with respect to that Series of Bonds on which interest is payable.

"Bond Payment Date" means any Bond Interest Payment Date or Bond Principal Payment Date.

"Bond Principal Payment Date" means, with respect to each Series of Bonds, each date set forth in the applicable Series Trust Indenture with respect to that Series of Bonds on which principal is payable by reason of Sinking Fund Installments or maturity.

"Bond Register" means the registration books of the Trustee on which are maintained the names and addresses of the Holders.

"Bondholder" means the person in whose name a Bond is registered; provided that a Series Trust Indenture may provide that other persons may be deemed to be the Bondholder of all or a portion of the Series of Bonds authorized thereby, including but not limited to the Credit Provider for those Bonds. A Hedge Provider shall only be considered a Bondholder to the extent specified in a Series Trust Indenture.

"Book Entry Form" or "Book Entry System" means, with respect to the Bonds, a form or system, as applicable, under which (i) the Beneficial Ownership Interests may be transferred only through a book entry and (ii) physical Bond certificates in fully registered form are registered only in the name of a Depository or its nominee as Bondholder, with the physical Bond certificates "immobilized" in the custody of the Depository. The Book Entry System maintained by and the responsibility of the Depository and not maintained by or the responsibility of the Authority or the Trustee is the record that identifies, and records the transfer of the interests of, the owners of book entry interests in the Bonds.

"Business Day" means, unless specified otherwise in the applicable Series Trust Indenture, any day of the week other than Saturday, Sunday or a day on which commercial banks located in the Commonwealth or in the jurisdiction in which the principal office of the Trustee, the Credit Provider or the Hedge Provider, if applicable, is located are required or authorized to remain closed or on which the New York Stock Exchange is closed.

"Capital Appreciation Bonds" means any Series of Bonds all the interest on which is compounded and accumulated at the rates and on the dates set forth in a Series Trust Indenture and is payable only upon redemption or on the maturity date of those Bonds.

"Chairman" means the chairman of the Authority.

"Certified Interest Rate" means a fixed rate of interest, determined by an investment banking or financial advisory firm selected by the Authority, as the rate of interest (i) Bonds having interest payable at a variable interest rate (or Hedge Payments or Hedge Receipts determined pursuant to a variable rate formula) would bear if such Bonds (or Hedge Payments or Hedge Receipts ) had interest payable at a fixed rate of interest, assuming the same maturities, terms and provisions (other than interest rate) as the proposed Bonds (or Hedge Payments or Hedge Receipts) or (ii) Bonds would bear if issued on the date of issuance of Bond Anticipation Obligations or Bonds having a Balloon Maturity as provided under the definition of Annual Debt Service.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, together with all applicable rulings and regulations promulgated thereunder.

"Commonwealth" means the Commonwealth of Kentucky.

"Completion Bonds" means any Bonds issued for the purpose of financing the completion of the acquisition, construction, renovation, rehabilitation or equipping of the Project to the extent necessary to provide a completed and fully equipped Project (which may include, but shall not be limited to, capitalized interest, required reserves, and/or costs of issuing those Completion Bonds).

"Consulting Engineer" means an independent engineer or engineering firm, or an affiliate thereof, nationally recognized as being experienced with determining the costs of construction, operation, maintenance, repair, and/or replacement of facilities similar to the Authority System.

"Convertible Capital Appreciation Bonds" means Bonds which initially are issued as Capital Appreciation Bonds, but later convert to Bonds on which interest is paid periodically. Convertible Capital Appreciation Bonds shall be Capital Appreciation Bonds until the conversion date and from and after that conversion date shall no longer be Capital Appreciation Bonds but shall be treated as having a principal amount equal to their Accreted Value on the conversion date.

"Cost" means:

(a) The cost of construction of the Project, including the acquisition of land, rights-of-way, property, rights in land, easements, and interests acquired by the authority for construction of the Project;

(b) The cost of preparing land or property, including demolishing or removing any buildings or structures, and the cost of acquiring any lands to which those buildings or structures may be moved;

(c) The pro-rata value of all machinery and equipment used in construction of the Project;

(d) Financing charges and provisions for working capital in an amount the authority determines to be reasonable;

(e) Interest prior to and during construction and, if approved by the Authority, for a period up to two (2) years after completion of construction;

(f) The cost of traffic estimates and of engineering, financial and legal services, plans, specifications, surveys, estimates of cost and revenues, or other expenses necessary or incidental to determining the feasibility or practicability of constructing any Project;

(g) The cost and expense of the relocation or removal of public utilities impacted by the Project, including the cost of installing the facilities in a new location, the cost of any lands or any rights or interests in lands, and the cost of any other rights acquired to accomplish the relocation or removal;

(h) Administrative expenses and any other expenses that are necessary for or incidental to the construction of the Project, the financing of the construction, and the placing of the Project in operation;

(i) The cost of maintenance of the completed Project; and

(j) Any other "cost," as defined in the Act.

Any obligation or expense incurred by and reimbursed to the Authority in connection with any of the items of cost set out in this subsection may be regarded as a part of Cost.

"Costs of Issuance" means only the costs of issuing a Series of Bonds as designated by the Authority; including, but not being limited to, the fees and charges of the financial advisors or underwriters, bond counsel, trustee, rating agencies, bond and official statement printers, credit enhancement charges, charges associated with a Credit Facility or a Hedge Facility, and such other fees and expenses normally attendant to an issue of Bonds.

"Cost of Issuance Fund" means the Cost of Issuance Fund so designated and established for a Series of Bonds in accordance with this General Trust Indenture and a Series Trust Indenture.

"Credit Facility" or "Credit Facilities" means, with respect to a Series of Bonds, a letter of credit, line of credit, municipal bond insurance, surety policy, standby bond purchase agreement, direct purchase or similar agreement or other form of credit enhancement and/or liquidity support, which may include self-liquidity provided by the Authority, if any, for that Series of Bonds, provided for in the applicable Series Trust Indenture, including any alternate Credit Facility with respect to that Series of Bonds delivered in accordance with provisions of the Series Trust Indenture providing for the issuance of that Series of Bonds.

"Credit Provider" means, with respect to a Series of Bonds, the provider of a Credit Facility, which may be the Commonwealth.

"Credit Provider Bonds" means any Bonds purchased with funds provided under a Credit Facility for so long as those Bonds are held by or for the account of, or are pledged to, the applicable Credit Provider in accordance with the applicable Series Trust Indenture.

"Debt Service Accounts" means the First Tier Debt Service Account, the Second Tier Debt Service Account, the Third Tier Debt Service Account and any Debt Service Account established for Subordinate Bonds.

"Debt Service Fund" means the Fund so designated and established and created by Section 502 hereof.

"Debt Service Reserve Requirement" or "Debt Service Reserve Requirements" means the amount or amounts, if any, required to be on deposit in the First Tier Common Debt Service Reserve Account, the First Tier Bankruptcy Debt Service Reserve Account, the Second Tier Common Debt Service Reserve Account, or any Series Debt Service Reserve Account, as applicable, specified in the Series Trust Indenture governing the issuance of and securing the related Series of Bonds; provided that the Debt Service Reserve Requirement for the First Tier Bankruptcy Debt Service Reserve Account shall be an amount, determined as of the Business Day preceding each Bond Payment Date, that will be sufficient, together with amounts on deposit in each First Tier Debt Service Account and each Third Tier Debt Service Account, to pay the principal of and interest coming due on all Outstanding First Tier Bonds and TIFIA Bonds on the next Bond Payment Date.

"Debt Service Reserve Accounts" means the First Tier Common Debt Service Reserve Account, the First Tier Bankruptcy Debt Service Reserve Account, the Second Tier Common Debt Service Reserve Account and any Series Debt Service Reserve Accounts.

"Default" means any occurrence, circumstance or event, or any combination thereof, which, with the lapse of time and/or giving of notice, would constitute an Event of Default.

"Defeasance Obligations" means any of the following:

(a) non-callable direct obligations of the United States of America, non-callable and non prepayable direct federal agency obligations the timely payment of principal of and interest on which is fully and unconditionally guaranteed by the United States of America, non-callable direct obligations of the United States of America which have been stripped by the United States Treasury itself or by any Federal Reserve Bank (not including "CATS," "TIGRS" and "TRS" unless the Authority obtains a confirmation that the Bonds defeased thereby shall be rated in the highest rating category by the Rating Agencies then rating the Bonds to be defeased) and the interest components of REFCORP bonds for which the underlying bond is non-callable (or non-callable before the due date of such interest component) for which separation of principal and interest is made by request to the Federal Reserve Bank of New York in book entry form, and shall exclude investments in mutual funds and unit investment trusts;

(b) non-callable obligations, timely maturing and bearing interest, to the extent that the full faith and credit of the United States of America are pledged to the timely payment thereof;

(c) certificates rated in the highest category by the Rating Agencies then rating the Bonds to be defeased evidencing ownership of the right to the payment of the principal of and interest on obligations described in clause (b), provided that such obligations are held in the custody of a bank or trust company satisfactory to the

Trustee in a segregated trust account in the trust department separate from the general assets of such custodian; and

(d) 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) timely payment of which is fully secured by a fund consisting only of cash or obligations of the character described in clause (a), (b) or (c) which fund may be applied only to the payment when due of such bonds or other obligations and (iii) which are rated in the highest category by the Rating Agencies then rating the Bonds to be defeased.

"Direct Participant" means a Participant as defined in the Letter of Representations.

"Depository" means any securities depository that is a clearing agency under federal law operating and maintaining, together with its participants a Book Entry System to record beneficial ownership of a Series of Bonds, and to effect transfers of such Bonds, in Book Entry Form, and includes DTC.

"Development Agreement" means the Bi-State Development Agreement dated as of [\_\_\_\_\_] 1, 2012 among the Authority, the Transportation Cabinet, INDOT and IFA, as amended and supplemented from time to time.

"Downtown Crossing" has the meaning set forth in the Development Agreement, as more fully described in Appendix A to the Development Agreement.

"DTC" means The Depository Trust Company, (a limited purpose trust company), New York, New York.

"Emergency Repair Bonds" means any Bonds issued for the purpose of financing Costs of repairs to any portion of the Authority System if the Transportation Cabinet has determined that an emergency exists or is threatened which makes those repairs necessary to restore that portion of the Authority System to a safe operating condition due to damage as a result of fire, flood, earthquake, other disaster, or otherwise.

"Event of Default" means any one or more of those events set forth in Section 1002.

"Federal Credit Payments" means amounts which the Authority or the Holders are entitled to receive as a subsidy or tax credit payable by the United States Treasury to the Authority or the Holders in respect of interest on any Bonds issued as Tax-Advantaged Bonds.

"Fiduciary" or "Fiduciaries" means the Trustee, any Paying Agent or Agents, or any of them, as may be appropriate.

"First Tier Bankruptcy Debt Service Reserve Account" means the account of that name created hereby in the Debt Service Fund.

"First Tier Bonds" means Bonds payable from and secured by the First Tier Debt Service Account.

"First Tier Common Debt Service Reserve Account" means the account of that name created hereby in the Debt Service Fund.

"First Tier Debt Service Account" means the account of that name created in the Debt Service Fund.

"First Tier Debt Service Reserve Accounts" means the First Tier Common Debt Service Reserve Account, the First Tier Bankruptcy Debt Service Reserve Account and any Series Debt Service Reserve Account securing the payment of First Tier Bonds.

"Fiscal Year" means each annual period which begins on July 1 in any calendar year and ends on June 30 in the following calendar year, or such other period as may be designated from time to time in writing by an Authorized Officer of the Authority.

"Fitch" means Fitch, Inc., and its successors, if any, and if that corporation shall no longer perform the functions of a securities rating agency, "Fitch" means any other nationally recognized securities rating agency (other than Moody's and S&P) designated by the Authority .

"Funds and Accounts" means the funds and accounts established by this General Trust Indenture or any Series Trust Indenture.

"General Assembly" means the General Assembly of the Commonwealth.

"General O&M Expenses" means, to the extent permitted by the Act, expenses which are any and all recurring costs of maintaining the Authority System (not including M&R Expenses or Toll System Collection Expenses) in good operating order, including, but not limited to, regular and routine maintenance and compliance with applicable operations and maintenance standards and fees and expenses under a Reimbursement Agreement or Credit Facility that are not reimbursements for draws under a Credit Facility [these changes need to be made, but the original definition was taken from the Development Agreement, so must be resolved].

"General O&M Reserve Fund" means the General O&M Reserve Fund so designated and established and created by Section 502 hereof.

"General O&M Reserve Fund Requirement" means an amount equal to four months of budgeted General O&M Expenses for the current Fiscal Year as reflected in the Authority System Budget.

"General Reserve Fund" means the General Reserve Fund so designated and established and created by Section 502 hereof.

"General Trust Indenture" means this General Trust Indenture, dated as of April 1, 2013, and entered into between the Authority and the Trustee, as amended or supplemented from time to time.

"Ground Lease Agreements" means the ground lease agreements relating to certain properties that are a part of the System, between the Commonwealth, acting by and through its Governor and Finance and Administration Cabinet, and IFA, as amended and supplemented from time to time.

"Hedge Facility" means any payment agreement entered into by or for the Authority to effect any rate swap transaction, basis swap transaction, cap transaction, floor transaction, collar transaction, or similar transaction, which is intended to convert or limit the interest rate payable with respect to any Bonds, and which (i) is designated as a Hedge Facility to relate to all or part of one or more Series of Bonds; (ii) is with a Hedge Provider; and (iii) has a term not greater than the term of the designated Bonds or a specified date for mandatory tender or redemption of the designated Bonds.

"Hedge Payments" means the regularly scheduled payments to be paid to a Hedge Provider by the Authority under the terms of a Hedge Facility absent any termination, default or dispute in connection with that Hedge Facility.

"Hedge Provider" means an entity that is a party to a Hedge Facility with the Authority.

"Hedge Receipts" means regularly scheduled payments required to be paid to the Authority by a Hedge Provider under the terms of a Hedge Facility absent any termination, default or dispute in connection with that Hedge Facility.

"Hedge Termination Payment" means any payment required to be paid by the Authority or a Hedge Provider under the terms of a Hedge Facility, in connection with the termination thereof, tax gross-up payments, expenses, default interest, and any other losses, payments or indemnification obligations to be paid under a Hedge Facility, which payments are not Hedge Payments.

"IFA" means the Indiana Finance Authority.

"Indirect Participant" means a person utilizing the Book Entry System of the Depository by, directly or indirectly, clearing through or maintaining a custodial relationship with a Direct Participant.

"INDOT" means the Indiana Department of Transportation.

"Insolvency Laws" means the United States Bankruptcy Code, 11 U.S.C. §101 et seq., as from time to time amended and in effect, and any state bankruptcy, insolvency, receivership or similar law now or hereafter in effect in the Commonwealth.

"Interlocal Agreement" means the Interlocal Cooperation Agreement for the Design, Procurement, Construction, Financing, Tolling, Operation and Maintenance for the Louisville-Southern Indiana Ohio River Bridges Project, effective as of December 17, 2012, among the Authority, the Transportation Cabinet, INDOT and IFA, as amended and supplemented from time to time.

"Investment Obligations" means any investment authorized by KRS 42.500, as amended.

"Issue Date" means, with respect to Bonds of a particular Series, the date of the Bonds of such Series specified and determined by the Series Trust Indenture and Series Resolution authorizing such Bonds.

"Joint Board" means the board by that name created under the Interlocal Agreement.

"Lease Agreement" means a Lease Agreement with the Authority, as lessor and the Transportation Cabinet, as lessee entered into in accordance with the Act and the Development Agreement.

"Lease Payment Fund" means the Lease Payment Fund so designated and established and created by Section 502 hereof.

"Lease Payments" means payments from the Transportation Cabinet to the Authority under a Lease Agreement.

"Letter of Representations" means the Blanket Issuer Letter of Representations from the Authority to DTC, as it may be amended from time to time.

"M&R Expenses" means lifecycle costs and/or capital costs necessary to continue to maintain the Authority System in good operating order and that are not normally recurring costs.

"M&R Reserve Fund" means the M&R Reserve Fund so designated and established and created by Section 502 hereof.

"M&R Reserve Fund Requirement" means an amount determined by the Authority based on its projected long-term M&R Expense needs, in consultation with a Consulting Engineer.

"Maximum Annual Debt Service" means the maximum Annual Debt Service with respect to any Bonds for any Fiscal Year during the term of those Bonds.

"Moody's" means Moody's Investors Service, Inc., and its successors, if any, and if that corporation shall no longer perform the functions of a securities rating agency, "Moody's" means any other nationally recognized securities rating agency (other than Fitch and S&P) designated by the Authority.

"Outstanding" when used with reference to Bonds means, as of any date of determination, all Bonds that have been authenticated and delivered except: (a) Bonds that have been canceled by the Trustee or delivered to the Trustee for cancellation; (b) Bonds which are deemed paid and no longer Outstanding as provided in this General Trust Indenture; (c) Bonds in lieu of which other Bonds have been issued pursuant to the provisions of this General Trust Indenture relating to Bonds destroyed, stolen or lost; (d) after any tender date as may be provided for in the applicable Series Trust Indenture, any Bond held by a Bondholder who has given a tender notice or was required to tender that Bond in accordance with the provisions of the applicable Series Trust Indenture and which was not so tendered and for which sufficient funds for the payment of the purchase price of which have been deposited with the Trustee, or any tender agent appointed under the applicable Series Trust Indenture; and (e) for purposes of any consent or other action to be taken under this General Trust Indenture by the Holders of a specified percentage of principal amount of Bonds, Bonds held by or for the account of the Authority (unless all Bonds that would be "Outstanding" but for the provisions of this clause (e) are so held by or for the account of the Authority).

"Paying Agent" means any bank or trust company so designated, and its successor or successors hereafter appointed, as paying agent for the Bonds of any Series in the manner provided in this General Trust Indenture or any Series Trust Indenture.

"Pledged Receipts" means:

(a) Total System Revenue;

(b) Lease Payments; and

(c) all interest earned and gains realized on Investment Obligations except for (i) earnings and gains on any investments in the Rebate Fund and (ii) interest earned and gains realized on Investment Obligations which under the terms of this General Trust Indenture or a Series Trust Indenture specifically are required to remain in a particular Fund or Account that is not a part of the Trust Estate and therefor do not constitute Pledged Receipts.

"Principal Installment" for any Fiscal Year means, as of any date of calculation and with respect to any Series so long as any Bonds thereof are Outstanding:

(a) the principal amount of the Outstanding Bonds of said Series which mature in such Fiscal Year, reduced by the aggregate principal amount of such Bonds which would before such Fiscal Year be retired by reason of the payment when due and application in accordance with this General Trust Indenture of Sinking Fund Installments for the retirement of such Bonds; plus

(b) the unsatisfied balance of the Sinking Fund Installment, if any, due during such Fiscal Year for the Bonds of such Series.

"Principal Installment Date" means, for each Series, the date upon which each Principal Installment on the Bonds of such Series shall be payable pursuant to a Series Trust Indenture.

"Project" means, collectively, the acquisition, construction, renovation, rehabilitation and equipping of (a) the Downtown Crossing and (b) each Additional Project.

"Project Fund" means the Project Fund so designated and established for a Series of Bonds in accordance with this General Trust Indenture and a Series Trust Indenture.

"Projected Toll Rate Schedule" means the projection of future Tolls periodically prepared in accordance with this General Trust Indenture.

"Rating Agency" means Fitch, Moody's or S&P.

"Rebate Fund" means the Rebate Fund so designated and established and created by Section 502 hereof for the purpose of complying with the provisions of Section 148 of the Code.

"Record Date" means, unless otherwise provided in a Series Trust Indenture with respect to any Bond, the fifteenth day of the calendar month next preceding an Bond Interest Payment Date applicable to that Bond; and means with respect to any Bonds for which there has been a default in the payment of interest due on the Bonds on any Bond Interest Payment Date, the special record date established by the Trustee, which shall be at least 10 and not more than 15 days before the date set for payment of the defaulted interest, notice of which shall be mailed by the Trustee to the Holders of such Bonds not fewer than 10 days before such special record date.

"Redemption Date" means the date set forth in a Series Trust Indenture on which Bonds of a Series authorized by such Series Trust Indenture may be called for redemption.

"Redemption Fund" means the Redemption Fund so designated and established and created by Section 502 hereof.

"Redemption Price" means, with respect to any Bond, the principal amount thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to any Series Trust Indenture pursuant to which the same was issued.

"Refunding Bonds" means all Bonds, whether issued in one or more Series, authenticated and delivered on original issuance pursuant to Section 206 hereof in lieu of or in substitution for Bond Anticipation Obligations and Bonds theretofore issued by the Authority.

"Registrar" means the registrar maintaining the registration books for any Series of Bonds, and unless otherwise provided in a Series Trust Indenture means the Trustee.

"Reimbursement Agreement" means, with respect to a Series of Bonds, any agreement or agreements relating to the issuance by the Credit Provider or Credit Providers of a letter of credit, in each case between a Credit Provider or Credit Providers and the Authority under or pursuant to which a Credit Facility for that Series of Bonds is issued that sets forth the obligations of the Authority to the Credit Provider or Credit Providers and the obligations of the Credit Provider or Credit Providers to the Authority, and any agreement that replaces a Reimbursement Agreement.

"Remarketing Agent" means, with respect to a Series of Bonds, the placement or remarketing agent or agents, if any, at the time serving in that role under a Remarketing Agreement and designated by the Authority as the Remarketing Agent with respect to a Series of Bonds, and any successor thereto.

"Remarketing Agreement" means the remarketing agreement, if any, with respect to a Series of Bonds, between the Authority and the Remarketing Agent as from time to time amended and supplemented, or if that remarketing agreement shall be terminated, then any other agreement which may from time to time be entered into with any Remarketing Agent with respect to the remarketing or placement of that Series of Bonds.

"Rent" means Rent as defined in the Lease Agreement.

"S&P" means Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, and its successors, if any, and if that corporation shall no longer perform the functions of a securities rating agency, "S&P" means any other nationally recognized securities rating agency (other than Fitch and Moody's) designated by the Authority .

"Second Tier Bonds" means Bonds payable from and secured by the Second Tier Debt Service Account.

"Second Tier Common Debt Service Reserve Account" means the account of that name created hereby in the Debt Service Fund.

"Second Tier Debt Service Account" means the account of that name created hereby in the Debt Service Fund to secure payment of Second Tier Bonds.

"Second Tier Debt Service Reserve Accounts" means the Second Tier Common Debt Service Reserve Account and any Series Debt Service Reserve Account securing the payment of Second Tier Bonds.

"Section 129 Agreement" means the Agreement executed in July of 2012 by and among the Federal Highway Administration, the Transportation Cabinet, the Authority, INDOT and IFA.

"Series" means all of the Bonds authenticated and delivered on original issuance in a simultaneous transaction under a particular Series Trust Indenture, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to this General Trust Indenture, regardless of variations in maturity, interest rate, Sinking Fund Installments or other provisions.

"Series Debt Service Reserve Account" means an Account for a Series of Bonds so designated and established and created in accordance with the provisions of Sections 502 and 507 hereof and a Series Trust Indenture.

"Series of Bonds or "Bonds of a Series" or words of similar import, means the Series of Bonds issued pursuant to a particular Series Trust Indenture.

"Series Resolution" means a resolution of the Authority authorizing the issuance of a Series of Bonds in accordance with the terms and provisions hereof, adopted by the Authority in accordance with Section 203 hereof.

"Series Trust Indenture" means a trust indenture providing for the issuance of a particular Series of Bonds.

"SIFMA Index" means, on any date, a rate determined on the basis of the seven-day high grade market index of tax-exempt variable rate demand obligations, as produced by Municipal Market Data and published or made available by the Securities Industry & Financial Markets Association ("SIFMA") or any person acting in cooperation with or under the sponsorship of SIFMA, or if such index is no longer available "SIFMA Index" shall refer to a comparable index identified as being comparable by the Authority .

"Sinking Fund Installments" means the scheduled payments of installments of principal established for Bonds by redemption; and for any Fiscal Year, means as of any date of calculation and with respect to the Outstanding Bonds of any Series, the amount of money required by a Series Trust Indenture to be paid for the redemption of Bonds scheduled to occur in such Fiscal Year.

"Subordinate Bonds" shall mean any bond or bonds issued by the Authority pursuant to Section 205 of this General Trust Indenture and a Series Trust Indenture secured by the Pledged Receipts, including bonds issued to refund or advance refund any other obligations of the Authority and may include bonds, notes, certificates of indebtedness, installment sales contracts, capitalized leases, bond or grant anticipation notes, trust units, certificates of participation, scheduled payments under a Credit Facility or Hedge Facility.

"Supplemental Trust Indenture" means any trust indenture supplemental to or amendatory of this General Trust Indenture or any Series Trust Indenture adopted by the Authority in accordance with Article VIII and Article IX.

"System" means the bridge and highway system identified as the Louisville-Southern Indiana Ohio River Bridges Project in the Development Agreement and any improvements or additions thereto, including any Additional Project.

"Tax-Advantaged Bonds" means any Bonds that are designated by the Authority as Bonds with respect to which the Authority is eligible to receive Federal Credit Payments or the holders of which are eligible to receive a federal tax credit under any federal subsidy or credit program available under the Code.

"Tax-Exempt Bonds" means any Bond the interest on which is excludable from gross income of the Beneficial Owner for purposes of federal income tax.

"Taxable Bonds" means Bonds, the interest on which is includable in gross income of the Bondholders thereof for purposes of federal income taxation.

"Third Tier Bonds" means Bonds payable from and secured by the Third Tier Debt Service Account.

"Third Tier Debt Service Account" means the account of that name created hereby in the Debt Service Fund to secure payment of Third Tier Bonds.

"Tier" means the level of security and pledge preference with respect to Pledged Receipts applicable to a Series of Bonds as provided in a Series Trust Indenture.

"TIFIA" means the Transportation Infrastructure Finance and Innovation Act of 1998, as amended, or any other legislation pursuant to which the United States provides loans or other forms of credit assistance similar to that available under TIFIA.

"TIFIA Bond" means any Bond that may be issued pursuant to a Series Trust Indenture to evidence a TIFIA Loan to the Authority. Except as otherwise provided in Section 1012, any TIFIA Bond shall be a Third Tier Bond.

"TIFIA Bondholder" means the United States Department of Transportation, acting by and through the Federal Highway Administrator.

"TIFIA Loan" means the loan or credit support provided pursuant to a TIFIA Loan Agreement.

"TIFIA Loan Agreement" means a loan or other agreement that shall be entered into by and between the TIFIA Bondholder and the Authority in the event the Authority issues a TIFIA Bond.

"Toll Policy Agreement" means the Toll Policy Agreement relating to Tolls, among the Authority, the Transportation Cabinet, INDOT and IFA, as amended and supplemented from time to time.

"Toll Rate Schedule" means the schedules of Tolls adopted from time to time in accordance with the Toll Policy Agreement.

"Toll Revenue" means the amount payable to the Authority under the Development Agreement from the gross amount of all Tolls, administrative fees, violation charges, incidental charges, penalties and other charges collected through a collection process with respect to the System.

"Toll System Collection Expenses" means operation and maintenance expenses incurred by the Toll Operator that are allocable to the Authority under the Development Agreement and paid from toll revenues and other sources available to IFA and the Authority.

"Tolling Body" means the Tolling Body under the Toll Policy Agreement.

"Tolling O&M Reserve Fund" means the Tolling O&M Reserve Fund so designated and established and created by Section 502 hereof.

"Tolling System Reserve Fund Requirement" means an amount equal to six months of budgeted Toll System Collection Expenses for the current Fiscal Year as reflected in the Authority System Budget.

"Tolls" means all toll receipts payable to or collected by the Authority in respect of the System, as provided in the Development Agreement.

"Total System Expenses" means General O&M Expenses, M&R Expenses and Toll System Collection Expenses.

"Total System Revenue" means (i) Toll Revenue plus (ii) investment earnings required to be deposited (or if related to a calculation with respect to future deposits, as estimated by the Authority to be deposited) in the Authority System Revenue Fund under the terms of this Indenture.

"Traffic and Revenue Report" means a report of the Traffic Consultant setting forth the estimated Toll Revenue for the System or any part of the System that is payable to the Authority under the Development Agreement.

"Traffic Consultant" means any traffic and revenue consultant or firm of traffic and revenue consultants of national recognition with expertise and experience regarding the operation, management and financing of, and the collection of revenues from, bridges and toll roads, selected and employed by the Authority from time to time.

"Transportation Cabinet" means the Kentucky Transportation Cabinet acting by and through its Secretary or designee of its Secretary.

"Trust Estate" means all property, rights, and other assets from time to time granted and assigned to the Trustee under the Granting Clauses hereof.

"Trustee" means the Trustee appointed pursuant to Section 1101, and its successor or successors, and any other corporation which may at any time be substituted in its place pursuant to this General Trust Indenture or a co-Trustee appointed for any Series Trust Indenture.

Section 103. Construction of General Trust Indenture. In this General Trust Indenture, unless the context otherwise requires:

Articles and Sections referred to by number means the corresponding Articles and Sections of this General Trust Indenture.

Words of one gender shall be deemed and construed to include correlative words of the other gender. Words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, joint ventures, corporations, or other legal entities including public bodies, as well as natural persons.

The terms "hereby," "hereof", or "thereto", "herein", "hereunder", and any similar terms, as used in this Trust Indenture, refer to this General Trust Indenture or sections or subsections of this General Trust Indenture and the term "hereafter" means after the effective date of this General Trust Indenture.

Section 104. Effective Date of General Trust Indenture. This General Trust Indenture shall become effective upon its execution by an Authorized Officers of the Authority and the Trustee; provided, however, in the event of a conflict between the provisions of this General Trust Indenture and a Series Trust Indenture, the terms of the Series Trust Indenture shall prevail with regard to interpretations relating to said Series of all terms and conditions of Bonds issued prior to the date of said Series Trust Indenture. Notwithstanding anything contained herein to the contrary, the Trustee shall be entitled to rely exclusively on the provisions of this General Trust Indenture in its interpretation of its rights and duties hereunder, the rights and duties of the Authority, and the rights and security interests of the Bondholders.

(End of Article I)

## ARTICLE II

### AUTHORIZATION AND ISSUANCE OF BONDS

Section 201. Authorization For Trust Indenture. This General Trust Indenture is adopted pursuant to the Act and a resolution of the members of the Authority.

Section 202. Authorization of Bonds. For the purpose of providing funds to finance or refinance Costs of the Project, Bonds of the Authority are hereby authorized to be issued from time to time without limitation as to amount except as provided in this General Trust Indenture and as may be limited by law, and such Bonds shall be issued subject to the terms, conditions and limitations established in this General Trust Indenture and in one or more Series Trust Indentures as hereinafter provided. No Bonds shall be issued secured by the Pledged Receipts or the Trust Estate except in accordance with the provisions of this General Trust Indenture. The Bonds herein authorized shall be special obligations of the Authority, payable only from revenues and funds specifically pledged by the Authority for the payment of the principal of or Redemption Price, and interest on said Bonds. The Bonds shall contain on their face a statement as required by KRS 175B.065 that neither the Commonwealth nor the Authority is obligated to pay the bonds or the interest thereon except from the Authority's revenues and that neither the faith and credit nor the taxing power of the Authority is pledged to the payment of the principal of or the interest on the Bonds.

Section 203. Authorization For Bonds In Series; Contents of Series Trust Indentures. From time to time when authorized by this General Trust Indenture and subject to the terms, limitations and conditions established in this General Trust Indenture, the Authority may authorize the issuance of a Series of Bonds upon adoption of a Series Resolution and execution of a Series Trust Indenture, and the Bonds of any such Series may be issued and delivered upon compliance with the provisions of Article II and Article VIII hereof. The Bonds of each Series shall bear the title "Kentucky Public Transportation Infrastructure Authority Downtown Crossing Project Revenue Bonds," and, at the option of the Authority, such other designation as may be necessary to distinguish them from the Bonds of another Tier, Series and treatment for federal income tax purposes. Bonds of any Series may be authorized to be issued in the form provided by the Series Trust Indenture.

Each Series Trust Indenture shall specify and determine:

(a) the authorized principal amount of said Series of Bonds, including the principal amount of said Series of Bonds which are to be Taxable Bonds and the principal amount of said Series of Bonds which are to be Tax-Exempt Bonds, the Tier applicable to such Series of Bonds or if the Bonds are Subordinate Bonds, and the amount, if any, of Federal Credit Payments allocable to such Series of Bonds;

(b) the purpose for which such Series of Bonds are being issued, which shall be to provide funds for the purposes authorized by the Act and this General Trust Indenture or Series Trust Indenture, including one or more of the following:

- (i) for the payment of Costs of the Authority System;
- (ii) for the payment of Costs of Issuance of such Series of Bonds;

(iii) for the redemption of Bonds and related purposes as provided in and under the conditions and subject to the provisions and limitations of Section 206, if applicable;

(iv) for deposit to a Debt Service Reserve Account, if applicable ; and

(v) for payment of the principal of or Redemption Price, and interest on any Bond Anticipation Obligations, and in such event, the Series Resolution shall provide for the establishment of a special account into which the proceeds of sale of such Series of Bonds in whole or in part shall be deposited in trust for such payments;

(c) the title and designation of, the manner of numbering and lettering, and the denomination or denominations of the Bonds of such Series;

(d) the date or dates of maturity and the amounts thereof, including any Sinking Fund Installments, and the Issue Date of the Bonds of such Series;

(e) the interest rate or rates or the manner of determining such rate or rates of the Bonds of such Series and the Bond Interest Payment Dates of such Bonds;

(f) the Redemption Price or Redemption Prices and the Redemption Date or Redemption Dates and other terms of redemption (if any) of any of the Bonds of such Series;

(g) the creation, funding and application of any special Funds and Accounts particularly applicable to that Series of Bonds;

(h) the provisions for the acquisition of a Credit Facility and/or Hedge Facility, if applicable, and the termination provisions relating thereto;

(i) if the Paying Agent is to be different from the Paying Agent then serving under the General Trust Indenture, the Paying Agent or Paying Agents for such Bonds, subject to Section 1102;

(j) the manner in which Bonds of such Series are to be sold and provisions for the sale thereof; and

(k) any other provisions deemed advisable by the Authority, not in conflict with or in substitution for the provisions of this General Trust Indenture or any Series Trust Indenture under which Bonds remain Outstanding.

Section 204. Conditions to Issuance of Bonds. The Authority is hereby authorized to issue Bonds in one or more Series upon satisfaction of the conditions set forth in Sections 202 and 203 hereof as well as the additional conditions set forth in this Section 204.

The following conditions shall be met and complied with at the time of issuance of a Series of Bonds.

(a) The Trustee shall certify that, as of the date of issuance of the Series of Bonds, there is no deficiency in the Debt Service Fund and the Authority shall certify that no Default or Event of Default has occurred and is continuing, unless such Default or Event of Default will be cured by the issuance of the Series of Bonds; and

(b) Except for the issuance of Refunding Bonds which satisfy the test in Section 206, there shall be on file with the Trustee a certificate(s) or report(s) of the Traffic Consultant, Consulting Engineer and Transportation Cabinet, as applicable, evidencing that, based upon reasonable assumptions, after the issuance of the proposed Bonds, at least one of the following tests shall be satisfied with respect to the proposed Bonds:

(i) If the proposed Bonds are First Tier Bonds, there shall be on file with the Trustee:

(A) (1) a certificate of the Authority stating the Total System Revenue for (i) the most recent Fiscal Year for which audited financial statements are available or (ii) any 12 consecutive month period in the immediately prior 18 months, and (2) a certificate of the Authority stating that the Total System Revenue shown in the certificate of the Authority described in (1) above was at least equal to (i) 175% of the Maximum Annual Debt Service for all then-Outstanding First Tier Bonds, (ii) 150% of the Maximum Annual Debt Service for all then-Outstanding First Tier Bonds and Second Tier Bonds, (iii) 125% of the Maximum Annual Debt Service for all then-Outstanding First Tier Bonds, Second Tier Bonds and Third Tier Bonds, (iv) 110% of the Maximum Annual Debt Service for all then Outstanding First Tier Bonds, Second Tier Bonds, Third Tier Bonds and Subordinate Bonds, and (v) 100% of the aggregate amount of the required payments described in subsections (a) through (i) of Section 504 in the applicable Fiscal Year (taking into account the First Tier Bonds proposed to be issued and excluding any Bonds being refunded); or

(B) (1) a certificate of the Traffic Consultant stating, based upon reasonable assumptions, the projected Toll Revenue for the then-current Fiscal Year and each subsequent Fiscal Year through the last scheduled maturity of all Outstanding Bonds following the issuance of the additional First Tier Bonds, (2) a certificate of the Consulting Engineer stating, based upon reasonable assumptions, the projected Total System Expenses for the then-current Fiscal Year and each subsequent Fiscal Year through the last scheduled maturity of all Outstanding Bonds following the issuance of the additional First Tier Bonds, and (3) a certificate of the Authority stating that, based upon the information contained in the certificates described in (1) and (2) above, the projected Total System Revenue for the then-current Fiscal Year and each subsequent Fiscal Year through the last scheduled maturity of all Outstanding Bonds following the issuance of the proposed First Tier Bonds will be equal to or greater than (i) 175% of Annual Debt Service on First Tier Bonds, (ii) 150% of Annual Debt Service on First Tier Bonds and Second Tier Bonds, (iii) 125% of Annual Debt Service on First Tier Bonds, Second Tier Bonds and Third

Tier Bonds, (iv) 110% of Annual Debt Service on First Tier Bonds, Second Tier Bonds, Third Tier Bonds and Subordinate Bonds, and (v) 100% of the aggregate amount of the required payments described in subsections (a) through (i) of Section 504 in the applicable Fiscal Year (taking into account the First Tier Bonds proposed to be issued and excluding any Bonds being refunded).

(ii) If the proposed Bonds are Second Tier Bonds, there shall be on file with the Trustee:

(A) (1) a certificate of the Authority stating the Total System Revenue for (i) the most recent Fiscal Year for which audited financial statements are available or (ii) any 12 consecutive month period in the immediately prior 18 months, and (2) a certificate of the Authority stating that the Total System Revenue shown in the certificate of the Authority described in (1) above, was at least equal to (i) 150% of the Maximum Annual Debt Service for all then-Outstanding First Tier Bonds and Second Tier Bonds, (ii) 125% of the Maximum Annual Debt Service for all then-Outstanding First Tier Bonds, Second Tier Bonds and Third Tier Bonds, (iii) 110% of the Maximum Annual Debt Service for all then Outstanding First Tier Bonds, Second Tier Bonds, Third Tier Bonds and Subordinate Bonds, and (iv) 100% of the aggregate amount of the required payments described in subsections (a) through (i) of Section 504 in the applicable Fiscal Year (taking into account the Second Tier Bonds proposed to be issued and excluding any Bonds being refunded); or

(B) (1) a certificate of the Traffic Consultant stating, based upon reasonable assumptions, the projected Toll Revenue for the then-current Fiscal Year and each subsequent Fiscal Year through the last scheduled maturity of all Outstanding Bonds following the issuance of the additional First Tier Bonds, (2) a certificate of the Consulting Engineer stating, based upon reasonable assumptions, the projected Total System Expenses for the then-current Fiscal Year and each subsequent Fiscal Year through the last scheduled maturity of all Outstanding Bonds following the issuance of the additional Second Tier Bonds, and (3) a certificate of the Authority stating that, based upon the information contained in the certificates described in (1) and (2) above, the projected Total System Revenue for the then-current Fiscal Year and each subsequent Fiscal Year through the last scheduled maturity of all Outstanding Bonds following the issuance of the proposed Second Tier Bonds will be equal to or greater than (i) 150% of Annual Debt Service on First Tier Bonds and Second Tier Bonds, (ii) 125% of Annual Debt Service on First Tier Bonds, Second Tier Bonds and Third Tier Bonds, (iii) 110% of Annual Debt Service on First Tier Bonds, Second Tier Bonds, Third Tier Bonds and Subordinate Bonds, and (iv) 100% of the aggregate amount of the required payments described in subsections (a) through (i) of Section 504 in the applicable Fiscal Year (taking into account the Second Tier Bonds proposed to be issued and excluding any Bonds being refunded).

(iii) If the proposed Bonds are Third Tier Bonds, there shall be on file with the Trustee:

(A) (1) a certificate of the Authority stating the Total System Revenue for (i) the most recent Fiscal Year for which audited financial statements are available or (ii) any 12 consecutive month period in the immediately prior 18 months, and (2) a certificate of the Authority stating that the Total System Revenue shown in the certificate of the Authority described in (1) above, was at least equal to (i) 125% of the Maximum Annual Debt Service for all then-Outstanding First Tier Bonds, Second Tier Bonds and Third Tier Bonds, (ii) 110% of the Maximum Annual Debt Service for all then Outstanding First Tier Bonds, Second Tier Bonds, Third Tier Bonds and Subordinate Bonds, and (iii) 100% of the aggregate amount of the required payments described in subsections (a) through (i) of Section 504 in the applicable Fiscal Year (taking into account the Third Tier Bonds proposed to be issued and excluding any Bonds being refunded); or

(B) (1) a certificate of the Traffic Consultant stating, based upon reasonable assumptions, the projected Toll Revenue for the then-current Fiscal Year and each subsequent Fiscal Year through the last scheduled maturity of all Outstanding Bonds following the issuance of the additional Third Tier Bonds, (2) a certificate of the Consulting Engineer stating, based upon reasonable assumptions, the projected Total System Expenses for the then-current Fiscal Year and each subsequent Fiscal Year through the last scheduled maturity of all Outstanding Bonds following the issuance of the additional Third Tier Bonds, and (3) a certificate of the Authority stating that, based upon the information contained in the certificates described in (1) and (2) above, the projected Total System Revenue for the then-current Fiscal Year and each subsequent Fiscal Year through the last scheduled maturity of all Outstanding Bonds following the issuance of the proposed Third Tier Bonds will be equal to or greater than (i) 125% of Annual Debt Service on First Tier Bonds, Second Tier Bonds and Third Tier Bonds, (ii) 110% of Annual Debt Service on First Tier Bonds, Second Tier Bonds, Third Tier Bonds and Subordinate Bonds, and (iii) 100% of the aggregate amount of the required payments described in subsections (a) through (i) of Section 504 in the applicable Fiscal Year (taking into account the Third Tier Bonds proposed to be issued and excluding any Bonds being refunded).

(iv) If the proposed Bonds are Completion Bonds, there shall be on file with the Trustee:

(A) a certificate of the Authority stating that the principal amount of such Completion Bonds does not exceed 10% of the aggregate principal amount of Bonds originally issued to finance that Project;

(B) a certificate of the Consulting Engineer setting forth the amount estimated to be needed to complete the Project to be financed with the Completion Bonds; and

(C) a certificate of the Authority stating that issuance of the Completion Bonds is necessary for the completion of the Project identified in the certificate delivered pursuant to (B) above, and that the proceeds of the Completion Bonds, together with other funds available therefor, will provide sufficient money for the completion of that Project.

(v) If the proposed Bonds are Emergency Repair Bonds, there shall be on file with the Trustee a certificate of the Consulting Engineer stating that (A) the Costs for which those Emergency Repair Bonds are to be issued are necessary to restore a portion of the Authority System to a safe operating condition, and (B) the net proceeds of those Emergency Repair Bonds are not in excess of the amount necessary to pay the Costs of the emergency repairs.

(vi) When (i) Bonds are to be issued after the date that an Authorized Officer notifies the Trustee in writing that an Additional Project has been or will be added to the Authority System and (ii) the Total System Revenue is not sufficient to satisfy the requirements of subsection (b)(i)(A), (b)(ii)(A) or (b)(iii)(A) above, as applicable, then the certificate of the Traffic Consultant set forth in subsection (b)(i)(B)(1), (b)(ii)(B)(1) or (b)(iii)(B)(1) above, as applicable, may include the Toll Revenue projected to result from such Additional Project. [In addition, prior to the issuance of Bonds to pay the Costs of an Additional Project, the Authority shall deliver to the Trustee an amendment or supplement to the Lease Agreement providing that the Additional Project will be subject to the Lease Agreement under the same terms and conditions as the then existing Project.]

Section 205. Conditions to Issuance of Subordinate Bonds and Bond Anticipation Obligations. The Authority is hereby authorized to issue Subordinate Bonds for any Project upon satisfaction of the conditions set forth in Sections 202 and 203 hereof as well as the additional conditions set forth in this Section 205.

Subordinate Bonds shall only be issued under this General Trust Indenture if (i) the Series Trust Indenture authorizing the issuance of such Subordinate Bonds expressly provides that such Subordinate Bonds are secured by the Trust Estate on a basis subordinate and inferior to the pledges made to the Holders of First Tier Bonds, Second Tier Bonds and Third Tier Bonds, (ii) no Default or Event of Default hereunder shall have occurred and be continuing, unless such Default or Event of Default will be cured by the issuance of the Series of Bonds, and (iii) there shall have been first delivered to the Trustee a certificate demonstrating that, after giving effect to the issuance of such Series of Subordinate Bonds, the Total System Revenue for (A) the most recent Fiscal Year for which audited financial statements are available or any 12 consecutive month period in the immediately prior 18 months, and (B) a certificate of the Authority stating that the Total System Revenue shown in the certificate of the Authority described in (A) above, was at least equal to (i) 110% of the Maximum Annual Debt Service for all then Outstanding First Tier Bonds, Second Tier Bonds and Third Tier Bonds and Subordinate Bonds (taking into account the Subordinate Bonds proposed to be issued and excluding any

Bonds being refunded) and (ii) 100% of the aggregate amount of the required payments described in subsections (a) through (i) of Section 504 in the applicable Fiscal Year. Each Series of Subordinate Bonds issued under authority of this Section 205 shall state on their face that such Series of Subordinate Bonds is being issued on a basis subordinate and inferior as to the pledge of Pledged Receipts to all Outstanding First Tier Bonds, Second Tier Bonds and Third Tier Bonds and all Series of First Tier Bonds, Second Tier Bonds and Third Tier Bonds which may thereafter be issued in compliance with this General Trust Indenture.

No payment on Subordinate Bonds shall be made from the Trust Estate during any period in which any Event of Default under Section 1002(a), (b), (c) or (d) hereof shall have occurred and be continuing.

Notwithstanding any provision of Section 204, and as additional authority, whenever the Authority shall have authorized or made provision for the issuance of a Series of Bonds that satisfies the requirements of Section 204, the Authority may by resolution authorize the issuance of Bond Anticipation Obligations in a principal amount not exceeding the principal amount of such Series. Upon the issuance of Bond Anticipation Obligations in compliance with the provisions of this paragraph, proceeds of the Series of Bonds in anticipation of which such Bond Anticipation Obligations are issued may be pledged for the payment of the principal of such Bond Anticipation Obligations and any such pledge shall have priority over any other pledge created by this General Trust Indenture or any Series Trust Indenture. The proceeds of sale of such Bond Anticipation Obligations shall be applied to the purposes for which the related Series of Bonds are authorized, and, if the resolution or resolutions authorizing such Bond Anticipation Obligations so provides, to the payment of interest and other costs in connection with the sale and issuance of such Bond Anticipation Obligations.

#### Section 206. Provisions for Refunding Bonds.

(a) One or more Series of Refunding Bonds may be authenticated and delivered to refund all Outstanding Bonds or any Series of Outstanding Bonds or any part of one or more Series of Outstanding Bonds or any other bonds or obligations of the Authority. If a Series of Refunding Bonds are being issued for the purpose of refunding all or a portion of one or more Series of Bonds of the same Tier as the Series of Refunding Bonds to be issued, or a senior Tier (i.e., the number of the Tier of the Series of Refunding Bonds is equal to or greater than the number of the Tier of the Bonds to be refunded), the Authority shall deliver to the Trustee evidence that the Annual Debt Service (taking into account the issuance of the proposed Bonds, but excluding the Bonds to be refunded with the proceeds of the proposed Refunding Bonds) will not increase by more than \$5,000 in any Fiscal Year through the last scheduled maturity of Outstanding Bonds following the issuance of the Series of Refunding Bonds. Any Series of Refunding Bonds shall be issued in a principal amount sufficient, together with other moneys available therefor, to accomplish such refunding and to make such deposits required by the provisions of the Act, this Section and of the Series Resolution and Series Trust Indenture authorizing said Series of Refunding Bonds.

A Series of Refunding Bonds may be issued without meeting the requirements of the preceding paragraph so long as the requirements of Section 204 are satisfied.

(b) The Bonds of the Series of Refunding Bonds may be authenticated and delivered only upon receipt by the Trustee (in addition to the receipt by it of the documents required by this Article II) of:

(i) irrevocable instructions to the Trustee, satisfactory to it, to give due notice of redemption of all the Bonds to be refunded on the Redemption Date specified in such instructions;

(ii) instructions to the Trustee, satisfactory to it to provide the notice as required in Section 603 to the Holders of Outstanding Bonds being refunded;

(iii) Either:

(A) moneys in an amount sufficient to effect payment at the applicable Redemption Price of the Bonds to be refunded, together with accrued interest on such Bonds to the Redemption Date, shall either be held by the Trustee or any one or more of the Paying Agents in a separate account irrevocably in trust for the payment of the Bonds being refunded, or

(B) Defeasance Obligations in such principal amounts, having such maturities, bearing such interest, and otherwise having such terms and qualifications as shall be necessary to comply with the provisions of subsection (b) of Section 1201 and any moneys required pursuant to said subsection (with respect to all Outstanding Bonds or any part of one or more Series of Outstanding Bonds being refunded) shall be held by the Trustee or any one or more of the Paying Agents in a separate account irrevocably in trust and used only as provided in said subsection; and

(iv) A certificate of an Authorized Officer containing such additional statements as may be reasonably necessary to show compliance with the requirements of this subsection, and the Trustee shall be entitled to rely on such certificate.

(c) The Trustee shall furnish to the Authority at the time and delivery of the Series of Refunding Bonds a certificate or verification report stating that it holds in trust the moneys and/or Defeasance Obligations required to effect such redemption on the date specified in such certificate or verification report.

(d) Any balance of the proceeds of the Bonds of each such Series shall be deposited in such Funds or Accounts as shall be specified in a certificate of an Authorized Officer specifying such deposits.

(e) Any moneys received by the Authority from the Authority or any other source, which receipt is conditioned upon the Authority using such moneys for the redemption of any Outstanding Bonds shall be deemed to be and treated as the proceeds of a Series of Refunding Bonds and the Authority shall deliver to the Trustee the documents and moneys or obligations required by the provisions of subsections (i), (ii) and (iii) of subsection (b) hereof and shall do all other acts and things necessary to

accomplish the redemption of such Bonds, in accordance with applicable provisions of this Section.

Section 207. Additional Conditions Precedent to Authentication and Delivery of a Series of Bonds. Except as permitted by Sections 310 and 311, the Registrar shall authenticate and deliver, to or upon the order of the Authority, any of the Bonds authorized to be issued pursuant to this General Trust Indenture, any Series Trust Indenture and any Series Resolution only upon receipt by the Trustee of:

(a) A copy of this General Trust Indenture, the applicable Series Trust Indenture and the applicable Series Resolution, each certified by an Authorized Officer of the Authority;

(b) The written order of the Authority as to the delivery of such Bonds signed by an Authorized Officer describing such Bonds to be authenticated and delivered, designating the purchaser or purchasers to whom such Bonds are to be delivered, and stating the purchase price of such Bonds;

(c) A Counsel's opinion stating that in the opinion of such Counsel this General Trust Indenture, the applicable Series Trust Indenture and the applicable Series Resolution authorizing the Series of Bonds have been duly and lawfully adopted by the Authority, that this General Trust Indenture, the applicable Series Trust Indenture and the applicable Series Resolution are in full force and effect and are valid and binding upon the Authority and enforceable in accordance with their terms; that this General Trust Indenture and the applicable Series Trust Indenture creates a valid pledge of the Pledged Receipts and any other funds, assets and revenues of the Authority pledged for the payment of such Bonds; and upon the execution, authentication and delivery thereof, that the Bonds of such Series will be duly and validly issued and will constitute valid and binding obligations of the Authority entitled to the benefits of this General Trust Indenture, the applicable Series Trust Indenture and the applicable Series Resolution;

(d) If the Series of Bonds then to be issued are to be secured in whole or in part by any Lease Payments, an executed opinion of counsel for the Transportation Cabinet to the effect, inter alia, that (i) the execution, making and performance of the Lease Agreement securing such Series of Bonds has been duly authorized by all necessary action of the Transportation Cabinet and the Lease Agreement has been duly executed and delivered by the Transportation Cabinet in accordance with its terms; (ii) no provision in the Lease Agreement violates any provision of the Kentucky Revised Statutes governing the Transportation Cabinet or any regulations under which the Transportation Cabinet operates, or, to the knowledge of such counsel, results in the breach of, or constitutes a default under, any agreement, indenture or other instrument or judicial decree, consent decree or other governmental order to which the Transportation Cabinet is a party or by which it or its properties may be bound; (iii) the execution, making and performance of the Lease Agreement by the Transportation Cabinet is not subject to any authorization, consent, approval or review of any governmental body or regulatory authority not theretofore obtained or effected, as required; and (iv) to such counsel's knowledge, based upon diligent inquiry and investigation, there is no litigation pending or threatened against the Transportation

Cabinet or otherwise which would prevent or significantly impair the transactions contemplated by the Lease Agreement;

(e) An executed opinion of the attorney for the Authority stating that (i) the Authority is an independent de jure municipal corporation and political subdivision, governmental agency and instrumentality of the Commonwealth, existing pursuant to authority of the Act; (ii) the Authority has full and lawful authority pursuant to the Act to authorize and issue the Bonds; (iii) the Authority has full and lawful authority to issue the Bonds and to make the proceeds of the Bonds available to pay Costs of the Authority System, as provided in the Act; (iv) the Authority has not been made the subject of any suit, or threatened by any litigation, which could affect its authority to issue the Bonds or enter into the Series Trust Indenture or any applicable Lease Agreement, Credit Facility and/or Hedge Facility; and (v) the Series Trust Indenture and any applicable Lease Agreement, Credit Facility and/or Hedge Agreement have been duly authorized and delivered by the Authority pursuant to all proper corporate action of the Authority; and

(f) Such further documents, moneys and securities as are required by the provisions of this Article, Article VII, Article VIII or the applicable Series Trust Indenture adopted pursuant to Article VIII.

Section 208. Delivery of Bonds. After their authorization by a Series Resolution, Bonds of a Series may be executed by or on behalf of the Authority and delivered to the Registrar for authentication, and upon compliance by the Authority with the special requirements, if any, set forth in such Series Resolution and with the requirements of this Article II, the Trustee shall thereupon authenticate and deliver such Bonds to or upon the order of the Authority.

(End of Article II)

## ARTICLE III

### GENERAL TERMS AND PROVISIONS OF BONDS

Section 301. Date of Bonds. Each Bond shall be dated as of, and bear interest as provided in the applicable Series Trust Indenture.

Section 302. Interest Payment Dates. Interest on each Bond shall be payable as provided in the applicable Series Trust Indenture.

Section 303. Principal Installment Dates. The date when each Principal Installment with respect to a Series of Bonds shall be payable shall be set forth in the applicable Series Trust Indenture.

Section 304. Medium of Payment and Form. Unless otherwise provided in a Series Trust Indenture, the Bonds shall be payable, with respect to principal or Redemption Price or purchase price, if any, and interest, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

Notwithstanding any provision of this General Trust Indenture or of any Bond to the contrary, the Trustee or any Paying Agent, as the case may be, shall upon the written direction of any Bondholder, as of the applicable Record Date, of a Bond or Bonds in the minimum aggregate principal amount of \$1,000,000 make all payments to that Bondholder of interest on the Bond or Bonds or any part thereof by wire transfer of federal funds to an account in a bank or trust company organized under the laws of Canada or the United States of America or any state or province thereof designated by such Bondholder. Any payment of interest pursuant to such wire transfer shall constitute payment thereof pursuant to, and for all purposes of, this General Trust Indenture. Such payment by wire transfer shall be at the expense of the Bondholder or of the Authority, as the Trustee may, in each case, elect.

Bonds shall be issued only in fully registered form, and shall be dated on the date or dates set forth in the applicable Series Trust Indenture.

Section 305. 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 General Trust Indenture as may be necessary or desirable to comply with custom, or otherwise, as may be determined by the Authority prior to the delivery thereof.

Section 306. Execution. The Bonds shall be executed in the name and on behalf of the Authority by the facsimile signature of the Chairman of the Authority and a facsimile of the corporate seal of the Authority shall be imprinted, engraved or otherwise reproduced thereon, and attested by the facsimile signature of an Authorized Officer or by an employee of the Authority as may be directed by the Series Resolution authorizing the issuance thereof, or in such other manner as may be required by law. In case any one or more of the officers or employees who shall have signed or sealed any of the Bonds shall cease to be such officer or employee before the Bonds so signed and sealed shall have been actually delivered, such Bonds may, nevertheless, be delivered as herein provided, and may be issued as if the persons who signed or sealed such Bonds had not ceased to hold such office or be so employed. Any Bond 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 in or employment by

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 or employment.

Notwithstanding anything contained in this General Trust Indenture to the contrary, no Bond issued under the provisions hereof shall be a legal or binding obligation of the Authority unless and until it has been duly authenticated by the manual signature of the duly authorized representative of the Registrar in accordance with Section 314 hereof.

Section 307. Interchangeability of Bonds. The Bonds shall be subject to exchange and registration of transfer as provided in the applicable Series Trust Indenture.

Section 308. Negotiability, Transfer and Registration. All the Bonds issued under this General Trust Indenture shall be negotiable as provided in the Act, subject to the provisions for registration and transfer contained in this General Trust Indenture and in the Bonds unless otherwise provided in a Series Trust Indenture. So long as any of the Bonds shall remain Outstanding, the Registrar shall maintain and keep books for the registration and transfer of Bonds; and, upon presentation of any Bonds for such purpose at said office, the Registrar 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. So long as any of the Bonds remain Outstanding, the Authority shall make all necessary provisions to permit the exchange of Bonds at the corporate trust office of the Registrar.

Any Series Trust Indenture may provide that a Series of Bonds may be originally issued only to a Depository to be held in a Book Entry System and that: (a) such Series of Bonds shall be registered in the name of the Depository or its nominee, as Bondholder, and immobilized in the custody of the Depository; (b) unless otherwise requested by the Depository, there shall be a single Bond certificate for each maturity; and (c) such Series of Bonds shall not be transferable or exchangeable, except for transfer to another Depository or another nominee of a Depository, without further action by the Authority as set forth in the next succeeding paragraph of this Section. While the Bonds of a Series are in book entry only form, Bonds of such Series in the form of physical certificates shall only be delivered to the Depository or its agent.

So long as a Book Entry System is in effect for a Series of Bonds, except as hereinafter provided with respect to Beneficial Ownership Interests, the Authority and Trustee shall recognize and treat the Depository, or its nominee, as the Bondholder of such Series of Bonds for all purposes, including payment of principal or Redemption Price or purchase price, if any, and interest on such Series of Bonds, and the transmittal of notices and other communications by the Depository to the Direct Participants in whose Depository account the Series of Bonds are recorded, and such crediting and transmittal by Direct Participants to Indirect Participants or Beneficial Owners and by Indirect Participants to Beneficial Owners, are the respective responsibilities of the Depository and the Direct Participants and Indirect Participants and are not the responsibility of the Authority or the Trustee; provided, however, that the Authority and the Trustee understand that neither the Depository or its nominee shall provide any consent requested of Holders pursuant to this General Trust Indenture, and that the Depository will mail an omnibus proxy (including a list identifying the Direct Participants) to the Authority which assigns the Depository's, or its nominee's, voting rights to the Direct Participants to whose accounts at the Depository the Bonds are credited as of the record date for mailing of requests for such consents. Upon receipt of such omnibus proxy, the Authority shall promptly provide such omnibus proxy (including the list identifying the Direct Participants attached thereto) to the

Trustee, who shall then treat such Direct Participants as Holders of the Bonds for purposes of obtaining any consents pursuant to the terms of this General Trust Indenture.

As long as any Series of Bonds are registered in the name of a Depository, or its nominee, the Trustee agrees to comply with the terms and provisions of the Letter of Representations, including the provisions of the Letter of Representations with respect to any delivery of such Series of Bonds to the Trustee, which provisions shall supersede the provisions of this General Trust Indenture with respect thereto.

If any Depository determines not to continue to act as a Depository for a Series of Bonds held in a Book Entry System, the Authority may attempt to have established a securities depository/Book Entry System relationship with another Depository under this General Trust Indenture. If the Authority does not or is unable to do so, the Authority and the Trustee, after the Trustee has made provision for notification of the Beneficial Owners by appropriate notice to the then Depository, shall permit withdrawal of the Series of Bonds from the Depository and shall authenticate, if applicable, and deliver Bond certificates in fully registered form to the assignees of the Depository or its nominee or to the Beneficial Owners. Such withdrawal, authentication and delivery shall be at the cost and expense (including costs of printing or otherwise preparing and delivering such replacement Bonds) of the Authority.

Section 309. Ownership of Bonds. Except as otherwise specifically provided in Section 308 hereof, the person in whose name a Bond is registered upon the registration books shall be deemed and treated as the absolute owner thereof, whether such Bond shall be overdue or not, for all purposes; and payment of, or on account of, the interest, principal or Redemption Price or purchase price, if any, of such Bond shall be made only to, or upon the order of, such Bondholder, but such registration may be changed as provided in the applicable Series Trust Indenture. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Section 310. Regulations With Respect to Exchange and Transfers. In all cases in which the privilege of exchanging Bonds or registering the transfer of Bonds is exercised, the Authority shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of this General Trust Indenture or any Series Trust Indenture. 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, fee or other governmental charge required to be paid with respect to such exchange or registration of transfer, and, except (a) with respect to the delivery of definitive Bonds in exchange for temporary Bonds, (b) in the case of a Bond issued upon the first exchange or transfer of a Bond or Bonds surrendered for such purpose after the first authentication and delivery of any of the Bonds of the same Tier and Series, or (c) as otherwise provided in this General Trust Indenture or any Series Trust Indenture, may charge a sum sufficient to pay the cost of preparing each new Bond issued upon such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

Section 311. Bonds Mutilated Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Authority shall execute and the Trustee shall authenticate and deliver a new Bond of like Tier, Series, maturity and principal amount as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bond, or in lieu of and in substitution

for the Bond destroyed, stolen or lost, upon filing with the Authority evidence satisfactory to the Authority and the Trustee that such Bond has been destroyed, stolen or lost, 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 in connection therewith. All Bonds so surrendered to the Trustee shall be cancelled by it and evidence of such cancellation shall be given to the Authority.

Section 312. Preparation of Definitive Bonds; Temporary Bonds. Until the definitive Bonds of any Series are prepared, the Authority may execute, in the same manner as is provided in Section 306, and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds, except as to the denominations thereof and as to exchangeability, one or more temporary Bonds with such omissions, insertions and variations as may be appropriate to temporary Bonds. The Authority at its own expense shall prepare and execute and, upon the surrender of such temporary Bonds for exchange, without charge to the Bondholder, deliver and exchange therefor, at the corporate trust office of the Trustee, definitive Bonds, of the same Tier, Series, aggregate principal amount and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds issued pursuant to this General Trust Indenture or any Series Trust Indenture.

All temporary Bonds surrendered in exchange for a definitive Bond or Bonds shall be forthwith cancelled by the Trustee.

Section 313. Authentication of Bonds. Each Bond shall bear thereon a Certificate of Authentication, substantially in the form set forth in the applicable Series Trust Indenture. Only such Bonds as shall bear thereon such Certificate of Authentication, substantially in the form set forth in the Bond, duly executed by the Registrar, shall be entitled to any right or benefit under this General Trust Indenture or any Series Trust Indenture.

The execution of a Certificate of Authentication by the Registrar upon any Bond shall be conclusive and the only evidence that the original Bond or certificate so authenticated has been duly authenticated and delivered under this General Trust Indenture and that Bondholder is entitled to the benefit of this General Trust Indenture. The authentication of any Bond by the Registrar, shall in itself constitute the acceptance by the Trustee of the trusts created by this General Trust Indenture.

Section 314. Form of Bonds. The Bonds shall be substantially in the form set forth in the applicable Series Trust Indenture. No Series of Bonds may impair the security of any Bonds secured by this General Trust Indenture or any prior Series Trust Indenture.

(End of Article III)

## ARTICLE IV

### APPLICATION OF BOND PROCEEDS

Section 401. Application of Bond Proceeds. All proceeds of the Bonds of any Series to be issued, upon their issuance, sale and delivery, shall be deposited into the applicable Funds or Accounts specified, in accordance with the provisions of the Series Trust Indenture authorizing the issuance of the Bonds of such Series. Such proceeds shall be applied solely for purposes for which amounts in said Funds and Accounts, respectively, may be applied in accordance with the provisions of the Series Resolution and this General Trust Indenture and the applicable Series Trust Indenture.

Accrued interest, if any, received upon the delivery of any Series of Bonds shall be deposited, as hereinafter provided, in the applicable Account of the Debt Service Fund.

(End of Article IV)

## ARTICLE V

### ESTABLISHMENT OF FUNDS AND ACCOUNTS; APPLICATION OF PLEDGED RECEIPTS

Section 501. The Pledge Effected By This General Trust Indenture. Subject to the Granting Clauses,

(a) There are hereby pledged for the payment of the principal of, interest on, Redemption Price of, and purchase price of the Bonds, and obligations due under Credit Facilities, Reimbursement Agreements and Hedge Facilities, in accordance with their terms and the provisions of this General Trust Indenture subject only to the provisions of this General Trust Indenture permitting the application thereof for or to the purposes and on the terms and conditions set forth in this General Trust Indenture, (i) the proceeds of sale of the Bonds to the extent not required to be utilized for payment of Bond Anticipation Obligations or otherwise as provided herein, (ii) Investment Obligations acquired from Bond proceeds or by application of moneys in Funds and Accounts (subject to the limitations of (iv) below), (iii) the Pledged Receipts, (iv) all Funds and Accounts created and established pursuant to this General Trust Indenture and any Series Trust Indenture, except for the Rebate Fund, the General O&M Reserve Fund, the M&R Reserve Fund, the Tolling O&M Reserve Fund and the General Reserve Fund, and (v) such other funds and moneys, including Federal Credit Payments, as are pledged to the payment of Bonds or a Series of Bonds under the provisions of any Series Trust Indenture.

(b) Except as otherwise provided for in Section 1012 or in a Series Trust Indenture, all Bonds issued hereunder and at any time Outstanding shall be equally and ratably secured, with the same right, pledge and preference with all other Outstanding Bonds of the same Tier, without preference, priority or distinction on account of the date or dates or the actual time or times of the issuance or maturity of the Bonds of the same Tier. Bonds issued under this General Trust Indenture shall have a right, pledge and preference to payment from Pledged Receipts in the following order of priority: (1) First Tier Bonds; (2) Second Tier Bonds; and (3) Third Tier Bonds. Section 1012 describes the circumstances under which TIFIA Bonds will be deemed to be and will automatically become First Tier Bonds. The fees and expenses under a Reimbursement Agreement or Credit Facility that are not reimbursements of draws under the Credit Facilities shall be payable as General O&M Expenses and Hedge Termination Payments shall be secured solely from the General Reserve Fund. Nothing herein shall be construed to preclude the creation of separate reserve funds or the obtaining of separate surety bonds, insurance policies and other Credit Facilities and Hedge Facilities for any Series of Bonds, which may or may not be pledged to the payment of other Series of Bonds.

(c) All Bonds of a particular Series shall in all respects be equally and ratably secured and shall have the same right and pledge preference established for the benefit of that Series of Bonds, including, without limitation, rights to the Funds and Accounts securing payment of that Series of Bonds. Amounts drawn under a Credit Facility and Hedge Payments with respect to a particular Series and all other amounts held in accounts established with respect to that Series pursuant to the provisions of this Article

and the Series Resolution and Series Trust Indenture providing for the terms of that Series shall be applied solely to make payments on that Series of Bonds.

(d) The proceeds of the Bonds, the Investment Obligations, the Pledged Receipts and all Funds and Accounts created and established pursuant to this General Trust Indenture and any Series Trust Indenture, except as provided in subsection (a) of this Section 501 above, and moneys and securities therein, hereby pledged, as well as other funds and moneys pledged pursuant to Series Trust Indentures, including Federal Credit Payments, shall immediately be subject to the lien of the pledge of Section 501 hereof without any physical delivery thereof or further act, and the lien of said pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority, irrespective of whether such parties have notice thereof.

Notwithstanding the pledges set forth herein, only Pledged Receipts that are not Federal Credit Payments shall be applied to the payment of the principal of or interest on TIFIA Bonds.

Nothing contained herein shall prevent the Authority from issuing additional obligations with a pledge position that is subordinate to the pledge position of the Third Tier Bonds.

Section 502. Establishment of Funds and Accounts. The Authority under the terms of this General Trust Indenture upon the effective date of this General Trust Indenture hereby formally establishes and affirms separate and apart from all other funds and accounts of the Authority, the following special trust funds and the following Accounts within such Funds:

- (a) Authority System Revenue Fund, to be held by the Trustee
- (b) Project Fund, to be held by the Authority
- (c) Cost of Issuance Fund, to be held by the Trustee
- (d) Debt Service Fund, to be held by the Trustee
  - (i) First Tier Debt Service Account;
  - (ii) First Tier Common Debt Service Reserve Account;
  - (iii) Second Tier Debt Service Account;
  - (iv) Second Tier Common Debt Service Reserve Account;
  - (v) Third Tier Debt Service Account;
- (e) Redemption Fund, to be held by the Trustee
- (f) Tolling O&M Reserve Fund, to be held by the Trustee
- (g) General O&M Reserve Fund, to be held by the Trustee
- (h) M&R Reserve Fund, to be held by the Trustee
- (i) Lease Payment Fund, to be held by the Trustee
- (j) General Reserve Fund, to be held by the Trustee

(k) Rebate Fund, to be held by the Trustee

(l) Such other Funds and Accounts as are created by a Series Trust Indenture not inconsistent with the requirements hereof, including without limitation a Series Debt Service Reserve Account, a First Tier Bankruptcy Debt Service Reserve Account upon the occurrence of a Bankruptcy Related Event, and Funds and Accounts relating to the purchase and payment of Bonds secured by Credit Facilities.

Each of the above Funds and Accounts, in addition to other Accounts from time to time established, shall be held and maintained by the Trustee or the Authority, as applicable, pursuant to the provisions of this General Trust Indenture and any Series Trust Indenture.

Section 503. Deposit and Application of Funds. Pledged Receipts and other moneys received by the Authority shall be deposited in the Funds and Accounts, as follows:

(a) Except as provided in Subsections (b), (c), (d), (e), (f) and (g) below or not otherwise required to be deposited in another Fund or Account by the terms of this General Trust Indenture, all Pledged Receipts and other moneys received by the Authority shall be deposited in the Authority System Revenue Fund.

(b) Rent shall be deposited, when received, in the following Funds in the order of priority set forth below. To the extent that Rent is sufficient only to partially provide for one of the purposes described in (i), (ii), (iv) and (v) the available amount shall be allocated on a pro rata basis among the Series of Bonds in the applicable Tier:

Prior to any Bankruptcy Related Event or when a Bankruptcy Related Event that has occurred no longer exists:

(i) To each First Tier Debt Service Reserve Account without priority among Series secured thereby, the amount required for the balance therein to equal the applicable Debt Service Reserve Requirement.

(ii) To each Second Tier Debt Service Reserve Account without priority among Series secured thereby, the amount required for the balance therein to equal the applicable Debt Service Reserve Requirement.

Upon and during the continuance of a Bankruptcy Related Event:

(iii) To the First Tier Debt Service Reserve Bankruptcy Account, the amount required for the balance therein to equal the applicable Debt Service Reserve Requirement.

(iv) To each First Tier Debt Service Reserve Account other than the First Tier Debt Service Reserve Bankruptcy Account, without priority among Series secured thereby, the amount required for the balance therein to equal the applicable Debt Service Reserve Requirement.

(v) To each Second Tier Debt Service Reserve Account without priority among Series secured thereby, the amount required for the balance therein to equal the applicable Debt Service Reserve Requirement.

(c) Additional Rent received with respect to the Tolling O&M Reserve Fund Requirement under Section 4.06(i) of the Lease Agreement shall be deposited, when received, in the Tolling O&M Reserve Fund.

(d) Additional Rent received with respect to the General O&M Reserve Fund Requirement under Section 4.06(ii) of the Lease Agreement shall be deposited, when received, in the General O&M Reserve Fund.

(e) Additional Rent received with respect to the M&R Reserve Fund Requirement under Section 4.06(iii) of the Lease Agreement shall be deposited, when received, in the M&R Reserve Fund.

(f) Investment earnings from the investment of moneys in any Fund and Account shall be transferred to the Authority System Revenue Fund; provided that (i) investment earnings from the investment of moneys in the Project Fund and the Rebate Fund shall be deemed at all times to be a part of such Funds and the income or interest earned, gains realized or losses suffered by such Funds due to the investment thereof shall be retained in, credited or charged thereto as the case may be and (ii) amounts required to be transferred to the Rebate Fund shall be transferred thereto at the times and in the amounts, from the applicable Funds or Accounts, to comply with the requirements of the Code.

(g) Pledged Receipts and amounts to be deposited in Funds and Accounts created by a Series Trust Indenture, including Federal Credit Payments, may be deposited and transferred in accordance with the requirements of such Series Trust Indenture.

(h) Amounts in the Tolling O&M Reserve Fund, the General O&M Reserve Fund, the M&R Reserve Fund (in excess of their respective requirements as set forth in Sections 509, 510 and 511, respectively) and in the General Reserve Fund shall be transferred to the Debt Service Fund as provided in Section 507.

Section 504. Application of Amounts in the Authority System Revenue Fund. Amounts in the Authority System Revenue Fund shall be applied on the 25th day of each month (or, if such 25th day is not a Business Day, on the next Business Day) solely for the purposes, in the amounts, and at the times set forth in this Section. The Trustee shall make payments and transfer or reserve funds, as applicable, in the order of priority set forth below, but as to each purpose, only within the limitations with respect thereto and only after payment has been brought current for every preceding purpose described in the following listing. To the extent that amounts available in the Authority System Revenue Fund are sufficient only to partially provide for one of the purposes described in (a) - (e), the available amount shall be allocated on a pro rata basis among the Series of Bonds in the applicable Tier. For purposes of this Section, Accreted Value shall be treated as "principal." With respect to individual Series of Bonds, each related Series Trust Indenture shall specify the month in which the deposits required by this Section 504 into the respective Debt Service Accounts are to commence.

(a) To the First Tier Debt Service Account, the following amounts with respect to each Series of First Tier Bonds, taking into account amounts already on deposit therein:

(i) If interest (or Hedge Payments) on the Series of First Tier Bonds is payable monthly, an amount equal to the interest (or Hedge Payments) coming due on that Series of First Tier Bonds on the next succeeding Bond Interest Payment Date for that Series;

(ii) If interest (or Hedge Payments) on the Series of First Tier Bonds is payable other than monthly, an amount equal to the amount of interest coming due on that Series of First Tier Bonds on the next Bond Interest Payment Date divided by the number of months to and including such Bond Interest Payment Date (for example, if interest is payable semiannually, 1/6th of the next interest payment shall be deposited each month beginning in the month that the preceding Bond Interest Payment Date occurred); and

(iii) The principal of the Series of First Tier Bonds coming due on the next date for payment of principal of that Series of First Tier Bonds divided by the number of months to and including such principal payment date (for example, if principal is payable annually, 1/12th of the next principal payment shall be deposited each month beginning in the month that the preceding Bond Principal Payment Date occurred).

(b) To the First Tier Debt Service Reserve Accounts the amount, if any, necessary to restore the amounts on deposit therein to the applicable Debt Service Reserve Requirement(s), or to reimburse a Credit Provider for the draw on a Credit Facility in the First Tier Debt Service Reserve Account; provided that such amount shall be deposited in 12 equal, consecutive, monthly installments, the first such installment to be due in the calendar month next succeeding the month in which the applicable deficiency arose. If in any month amounts are not available in the Authority System Revenue Fund to make such deposit, the Trustee shall so notify the Transportation Cabinet.

(c) To the Second Tier Debt Service Account, the following amounts with respect to each Series of Second Tier Bonds, taking into account amounts already on deposit therein:

(i) If interest (or Hedge Payments) on the Series of Second Tier Bonds is payable monthly, an amount equal to the interest (or Hedge Payments) coming due on that Series of Second Tier Bonds on the next succeeding Bond Interest Payment Date for that Series;

(ii) If interest (or Hedge Payments) on the Series of Second Tier Bonds is payable other than monthly, an amount equal to the amount of interest coming due on that Series of Second Tier Bonds on the next Bond Interest Payment Date divided by the number of months to and including such Bond Interest Payment Date; and

(iii) The principal of the Series of Second Tier Bonds coming due on the next date for payment of principal of that Series of Second Tier Bonds divided by the number of months to and including such principal payment date.

(d) To the Second Tier Debt Service Reserve Accounts the amount, if any, necessary to restore the amounts on deposit therein to the applicable Debt Service Reserve Requirement(s), or to reimburse a Credit Provider for the draw on a Credit Facility in the Second Tier Debt Service Reserve Account; provided that such amount shall be deposited in 12 equal, consecutive, monthly installments, the first such installment to be due in the calendar month next succeeding the month in which the applicable deficiency arose. If in any month amounts are not available in the Authority System Revenue Fund to make such deposit, the Trustee shall so notify the Transportation Cabinet.

(e) To the Third Tier Debt Service Account, the following amounts with respect to each Series of Third Tier Bonds, taking into account amounts already on deposit therein:

(i) If interest (or Hedge Payments) on the Series of Third Tier Bonds is payable monthly, an amount equal to the interest (or Hedge Payments) coming due on that Series of Third Tier Bonds on the next succeeding Bond Interest Payment Date for that Series;

(ii) If interest (or Hedge Payments) on the Series of Third Tier Bonds is payable other than monthly, an amount equal to the amount of interest coming due on that Series of Third Tier Bonds on the next Bond Interest Payment Date divided by the number of months to and including such Bond Interest Payment Date; and

(iii) The principal of the Series of Third Tier Bonds coming due on the next date for payment of principal of that Series of Third Tier Bonds divided by the number of months to and including such principal payment date;

provided that, only Pledged Receipts that are not Federal Credit Payments shall be applied to the payment of the principal of or interest on TIFIA Bonds.

(f) To the Tolling O&M Reserve Fund, an amount necessary to maintain a balance therein equal to the amount determined in accordance with Section 509.

(g) To the General O&M Reserve Fund, an amount necessary to maintain a balance therein equal to the amount determined in accordance with Section 510.

(h) To the M&R Reserve Fund, an amount necessary to maintain a balance therein equal to the amount determined in accordance with Section 511.

(i) To the Lease Payment Fund, the amount, if any, required to fund or repay Lease Payments, as provided in each Lease Agreement then in force and effect.

(j) To the General Reserve Fund, all remaining amounts.

Section 505. Cost of Issuance Fund. The Trustee shall establish and create a Cost of Issuance Fund for each Series of Bonds and shall identify each such separate Fund by inserting in the designation therefor the year, letter or other designation of the Bonds of such Series. There shall be deposited from time to time in the Cost of Issuance Fund established for each

Series the amount of moneys necessary to pay the Costs of Issuance of such Series specified and determined in the Series Trust Indenture authorizing the issuance of such Series. The Trustee shall from time to time pay out moneys from the Cost of Issuance Fund to pay any Costs of Issuance, free and clear of any lien or pledge or assignment in trust created by this Article, for the purpose of paying in the manner herein authorized any Costs of Issuance of the Series for which such Fund was established. The Trustee shall keep and maintain complete and detailed records with respect to each Cost of Issuance Fund, which shall include a separate accounting with respect to funds and moneys in each Cost of Issuance Fund.

At such time as all moneys due to be disbursed from a Cost of Issuance Fund have been so disbursed and paid, and the Trustee has received a certificate executed by an Authorized Officer of the Authority to such effect, any balance in such Fund shall be transferred by the Trustee to the Account of the Redemption Fund or the Account of the Debt Service Fund established for the Series of Bonds issued to fund such Account, as directed by an Authorized Officer.

Section 506. Project Fund.

(a) The Authority shall establish and create a Project Fund for each Series of Bonds and shall identify each such separate Fund by inserting in the designation therefor the year, letter or other designation of the Bonds of such Series. The Project Fund shall be held by the Authority in accordance with the provisions of Section 175B.075 of the Act.

(b) Moneys credited to the Project Fund shall be expended only for the purpose of paying Costs of the Project, subject to the provisions and restrictions of this Section and the particular Series Trust Indenture. The Authority shall from time to time pay out moneys from the Project Fund to pay any Costs of the Project, free and clear of any lien or pledge or assignment in trust created by this Article, for the purpose of paying in the manner herein authorized any Costs of the Project:

(c) The Authority shall keep and maintain complete and detailed records with respect to each Project Fund.

(d) The Authority shall invest and reinvest the moneys in the Project Fund as provided in Section 515. All Investment Obligations purchased shall be held by the Authority and shall be deemed at all times to be part of the applicable Project Fund.

Section 507. Debt Service Fund.

(a) First Tier Debt Service Account.

(i) Amounts in the First Tier Debt Service Account shall be used to pay the principal of and interest on the First Tier Bonds when due in accordance with the terms of the related Series Trust Indenture. However, if so provided in the Series Trust Indenture creating a Series of First Tier Bonds, while there is a Credit Facility in effect with respect to that Series of First Tier Bonds, amounts in the First Tier Debt Service Account may be used to reimburse the Credit Provider of that Credit Facility for interest, principal or Redemption Price, respectively, made to Holders of those First Tier Bonds with funds provided by that Credit

Provider to the extent that those reimbursement obligations of the Authority are secured as First Tier Bonds by this General Trust Indenture. Amounts in the First Tier Debt Service Account shall be pledged to Holders of First Tier Bonds.

(ii) In the event that on the Business Day preceding any Bond Payment Date the amount in the First Tier Debt Service Account shall be less than the amount required for payment of the interest on and the principal of the Outstanding First Tier Bonds due and payable on that Bond Payment Date, the Trustee shall withdraw (to the extent permitted with respect to each Fund or Account) the amount necessary to increase the amount on deposit in the First Tier Debt Service Account to the requirement therefor from, in the following order: (1) the General Reserve Fund; (2) the Lease Payment Fund; (3) the M&R Reserve Fund (but only to the extent provided in Section 511 hereof); (4) the General O&M Reserve Fund (but only to the extent provided in Section 510 hereof); (5) the Tolling O&M Reserve Fund (but only to the extent provided in Section 509 hereof); (6) the First Tier Debt Service Reserve Account, if any, that secures the applicable Series of Bonds; and (7) any other money of the Authority legally available therefor.

(iii) When First Tier Bonds are redeemed or purchased, the amount, if any, in the First Tier Debt Service Account that has been deposited to pay interest thereon shall be applied to the payment of accrued interest in connection with that redemption or purchase. Whenever the aggregate amount in the First Tier Debt Service Account and the First Tier Debt Service Reserve Accounts is sufficient to redeem all of the Outstanding First Tier Bonds and to pay interest accrued to the Redemption Date, the Authority shall redeem all First Tier Bonds on the applicable Redemption Date at the applicable Redemption Price. Any amounts remaining in the First Tier Debt Service Account and the First Tier Debt Service Reserve Accounts after payment in full of the principal or Redemption Price, and interest on the First Tier Bonds (or provision for payment thereof) shall be transferred to the Authority System Revenue Fund.

(b) First Tier Debt Service Reserve Accounts.

(i) Pursuant to any Series Trust Indenture providing for the issuance of a Series of First Tier Bonds, the Authority may:

(A) provide that the Series will be secured by the First Tier Common Debt Service Reserve Account,

(B) establish a Series Debt Service Reserve Account, which shall have its own Debt Service Reserve Requirement, and provide that the Series will be secured by that Series Debt Service Reserve Account, or

(C) provide that the Series will not be secured by any Debt Service Reserve Account.

(ii) Subject to the provisions of subsection (i) above, amounts in a First Tier Debt Service Reserve Account other than amounts in a First Tier Bankruptcy Debt Service Reserve Account shall be used to pay debt service on the First Tier

Bonds secured by that First Tier Debt Service Reserve Account on the date such debt service is due when sufficient funds for that purpose are not available in the First Tier Debt Service Account and in any First Tier Bankruptcy Debt Service Reserve Account. Amounts in a First Tier Debt Service Reserve Account other than amounts in a First Tier Bankruptcy Debt Service Reserve Account shall be pledged to Holders of First Tier Bonds in accordance with subsection (i) above and as set forth in the applicable Series Trust Indenture for each Series of First Tier Bonds.

(iii) In lieu of or in addition to cash or investments, at any time the Authority may cause to be deposited to the credit of a First Tier Debt Service Reserve Account any form of Credit Facility, in an amount up to the related Debt Service Reserve Requirement, irrevocably payable to the Authority as beneficiary for the Holders of the First Tier Bonds secured by that First Tier Debt Service Reserve Account, provided that the Authority has received evidence satisfactory to it that (1) at the time of the initial delivery of the Credit Facility the Credit Provider has a credit rating in one of the two highest credit rating categories by two Rating Agencies then rating the Bonds of such Series, (2) the obligation of the Authority to reimburse the Credit Provider is secured in the same manner as withdrawals from the First Tier Debt Service Reserve Accounts and payment of fees and ordinary expenses of the Credit Provider that are not reimbursements for draws are subordinate to its obligation to pay debt service on the First Tier Bonds, (3) the term of the Credit Facility is at least 24 months, (4) except as provided in the next sentence of this subsection, the only condition to a drawing under the Credit Facility is insufficient amounts in the First Tier Debt Service Account when needed to pay debt service on the First Tier Bonds secured by that First Tier Debt Service Reserve Account or the expiration of the Credit Facility, and (5) the Credit Provider shall notify the Authority at least six months prior to expiration of the Credit Facility. If (A) the Authority receives an expiration notice with respect to the Credit Facility and the Credit Provider does not extend the expiration date of the Credit Facility or (B) the Authority receives notice of the termination of the Credit Facility, the Authority shall (X) provide a substitute Credit Facility that meets the requirements set forth in the foregoing sentences, (Y) deposit the applicable Debt Service Reserve Requirement to that First Tier Debt Service Reserve Account (1) in the manner provided in the Series Trust Indenture pursuant to which the relevant First Tier Bonds are issued, or (2) prior to the termination date in the case of receipt of a termination notice, or (Z) draw on the Credit Facility in the amount of the related Debt Service Reserve Requirement (1) in the manner provided in the Series Trust Indenture pursuant to which the relevant First Tier Bonds are issued, or (2) prior to the termination date in the case of receipt of a termination notice, and deposit those draw proceeds in the First Tier Debt Service Reserve Account.

(iv) Amounts, if any, released from a First Tier Debt Service Reserve Account upon deposit to the credit of that First Tier Debt Service Reserve Account of a Credit Facility pursuant to subsection (iii) above shall, upon designation by the Authority, accompanied by an Opinion of Bond Counsel that such use will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any Bonds secured by the relevant First Tier

Debt Service Reserve Account that are Tax-Exempt Bonds or the receipt of Federal Credit Payments by the Authority or federal tax credits by the Beneficial Owners in respect of any Bonds secured by the relevant First Tier Debt Service Reserve Account that are Tax-Advantaged Bonds, be transferred (1) to the First Tier Debt Service Account and used to pay principal of or to redeem those First Tier Bonds or (2) to the Project Fund with respect to the applicable Series of First Tier Bonds, and used for payment of Costs of the Project financed by that Series.

(v) In the event that amounts have been withdrawn from, or drawn on a Credit Facility in, a First Tier Debt Service Reserve Account for the purpose of paying principal and interest on the First Tier Bonds when due, the Authority shall replenish the amount on deposit, or reinstate the Credit Facility, in the applicable First Tier Debt Service Reserve Account in accordance with Section 504 until the amount therein is equal to the Debt Service Reserve Requirement for First Tier Bonds to which that First Tier Debt Service Reserve Account is pledged.

(c) Second Tier Debt Service Account.

(i) Amounts in the Second Tier Debt Service Account shall be used to pay the principal of and interest on the Second Tier Bonds when due in accordance with the terms of the related Series Trust Indenture. However, if so provided in the Series Trust Indenture creating a Series of Second Tier Bonds, while there is a Credit Facility in effect with respect to that Series of Second Tier Bonds, amounts in the Second Tier Debt Service Account may be used to reimburse the Credit Provider of that Credit Facility for interest, principal or Redemption Price, respectively, made to Holders of those Second Tier Bonds with funds provided by that Credit Provider to the extent that those reimbursement obligations of the Authority are secured as Second Tier Bonds by this General Trust Indenture. Amounts in the Second Tier Debt Service Account shall be pledged to Holders of Second Tier Bonds.

(ii) In the event that on the Business Day preceding any Bond Payment Date the amount in the Second Tier Debt Service Account shall be less than the amount required for payment of the interest on and the principal of the Outstanding Second Tier Bonds due and payable on that Bond Payment Date, the Trustee shall withdraw (to the extent permitted with respect to each Fund or Account) the amount necessary to increase the amount on deposit in the Second Tier Debt Service Account to the requirement therefor from, in the following order: (1) the General Reserve Fund; (2) the Lease Payment Fund; (3) the M&R Reserve Fund (but only to the extent provided in Section 511 hereof); (4) the General O&M Reserve Fund (but only to the extent provided in Section 510 hereof); (5) the Tolling O&M Reserve Fund (but only to the extent provided in Section 509 hereof); (6) the Second Tier Debt Service Reserve Account, if any, that secures the applicable Series of Bonds; and (7) any other money of the Authority legally available therefor.

(iii) When Second Tier Bonds are redeemed or purchased, the amount, if any, in the Second Tier Debt Service Account that has been deposited to pay

interest thereon shall be applied to the payment of accrued interest in connection with that redemption or purchase. Whenever the aggregate amount in the Second Tier Debt Service Account and the Second Tier Debt Service Reserve Accounts is sufficient to redeem all of the Outstanding Second Tier Bonds and to pay interest accrued to the Redemption Date at the applicable Redemption Price, the Authority shall redeem all Second Tier Bonds on the applicable Redemption Date. Any amounts remaining in the Second Tier Debt Service Account and the Second Tier Debt Service Reserve Accounts after payment in full of the principal or Redemption Price, and interest on the Second Tier Bonds (or provision for payment thereof) shall be transferred to the Authority System Revenue Fund.

(d) Second Tier Debt Service Reserve Accounts.

Pursuant to any Series Trust Indenture providing for the issuance of a Series of Second Tier Bonds, the Authority may:

(A) provide that the Series will be secured by the Second Tier Common Debt Service Reserve Account,

(B) establish a Series Debt Service Reserve Account, which shall have its own Debt Service Reserve Requirement, and provide that the Series will be secured by that Series Debt Service Reserve Account, or

(C) provide that the Series will not be secured by any Debt Service Reserve Account.

(i) Subject to the provisions of subsection (i) above, amounts in a Second Tier Debt Service Reserve Account shall be used to pay debt service on the Second Tier Bonds secured by that Second Tier Debt Service Reserve Account on the date such debt service is due when sufficient funds for that purpose are not available in the Second Tier Debt Service Account. Amounts in a Second Tier Debt Service Reserve Account shall be pledged to Holders of Second Tier Bonds in accordance with subsection (i) above and as set forth in the applicable Series Trust Indenture for each Series of Second Tier Bonds.

(ii) In lieu of or in addition to cash or investments, at any time the Authority may cause to be deposited to the credit of a Second Tier Debt Service Reserve Account any form of Credit Facility, in an amount up to the related Debt Service Reserve Requirement, irrevocably payable to the Authority as beneficiary for the Holders of the Second Tier Bonds secured by that Second Tier Debt Service Reserve Account, provided that the Authority has received evidence satisfactory to it that (1) at the time of the initial delivery of the Credit Facility the Credit Provider has a credit rating in one of the two highest credit rating categories by two Rating Agencies then rating the Bonds of such Series, (2) the obligation of the Authority to reimburse the Credit Provider is secured in the same manner as withdrawals from the Second Tier Debt Service Reserve Accounts and payment of fees and ordinary expenses of the Credit Provider that are not reimbursements for draws are subordinate to its obligation to pay debt service on the Second Tier Bonds, (3) the term of the Credit Facility is at least 24 months,

(4) except as provided in the next sentence of this subsection, the only condition to a drawing under the Credit Facility is insufficient amounts in the Second Tier Debt Service Account when needed to pay debt service on the Second Tier Bonds secured by that Second Tier Debt Service Reserve Account or the expiration of the Credit Facility, and (5) the Credit Provider shall notify the Authority at least six months prior to expiration of the Credit Facility. If (A) the Authority receives an expiration notice with respect to the Credit Facility and the Credit Provider does not extend the expiration date of the Credit Facility or (B) the Authority receives notice of the termination of the Credit Facility, the Authority shall (X) provide a substitute Credit Facility that meets the requirements set forth in the foregoing sentences, (Y) deposit the applicable Debt Service Reserve Requirement to that Second Tier Debt Service Reserve Account (1) in the manner provided in the Series Trust Indenture pursuant to which the relevant Second Tier Bonds are issued, or (2) prior to the termination date in the case of receipt of a termination notice, or (Z) draw on the Credit Facility in the amount of the related Debt Service Reserve Requirement (1) in the manner provided in the Series Trust Indenture pursuant to which the relevant Second Tier Bonds are issued, or (2) prior to the termination date in the case of receipt of a termination notice, and deposit those draw proceeds in the Second Tier Debt Service Reserve Account.

(iii) Amounts, if any, released from a Second Tier Debt Service Reserve Account upon deposit to the credit of that Second Tier Debt Service Reserve Account of a Credit Facility pursuant to subsection (iii) above shall, upon designation by the Authority, accompanied by an Opinion of Bond Counsel that such use will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any Bonds secured by the relevant Second Tier Debt Service Reserve Account that are Tax-Exempt Bonds or the receipt of Federal Credit Payments by the Authority or federal tax credits by the Beneficial Owners in respect of any Bonds secured by the relevant Second Tier Debt Service Reserve Account that are Tax-Advantaged Bonds, be transferred (1) to the Second Tier Debt Service Account and used to pay principal of or to redeem those Second Tier Bonds or (2) to the Project Fund with respect to the applicable Series of Second Tier Bonds, and used for payment of Costs of the Project financed by that Series.

(iv) In the event that amounts have been withdrawn from, or drawn on a Credit Facility in, a Second Tier Debt Service Reserve Account for the purpose of paying principal and interest on the Second Tier Bonds when due, the Authority shall replenish the amount on deposit, or reinstate the Credit Facility, in the applicable Second Tier Debt Service Reserve Account in accordance with Section 504 until the amount therein is equal to the Debt Service Reserve Requirement for Second Tier Bonds to which that Second Tier Debt Service Reserve Account is pledged.

(e) Third Tier Debt Service Account.

(i) Amounts in the Third Tier Debt Service Account shall be used to pay the principal of and interest on the Third Tier Bonds when due in accordance with the terms of the related Series Trust Indenture. However, if so provided in

the Series Trust Indenture creating a Series of Third Tier Bonds, while there is a Credit Facility in effect with respect to that Series of Third Tier Bonds, amounts in the Third Tier Debt Service Account may be used to reimburse the Credit Provider of that Credit Facility for interest, principal or Redemption Price, respectively, made to Holders of those Third Tier Bonds with funds provided by that Credit Provider to the extent that those reimbursement obligations of the Authority are secured as Third Tier Bonds by this General Trust Indenture. Amounts in the Third Tier Debt Service Account shall be pledged to Holders of Third Tier Bonds.

(ii) In the event that on the Business Day preceding any Bond Payment Date the amount in the Third Tier Debt Service Account shall be less than the amount required for payment of the interest on and the principal of the Outstanding Third Tier Bonds due and payable on that Bond Payment Date, the Trustee shall withdraw (to the extent permitted with respect to each Fund or Account) the amount necessary to increase the amount on deposit in the Third Tier Debt Service Account to the requirement therefor from, in the following order: (1) the General Reserve Fund; [(2) the Lease Payment Fund;] (3) the M&R Reserve Fund (but only to the extent provided in Section 511 hereof); (4) the General O&M Reserve Fund (but only to the extent provided in Section 510 hereof); (5) the Tolling O&M Reserve Fund (but only to the extent provided in Section 509 hereof); and (6) any other money of the Authority legally available therefor.

(iii) When Third Tier Bonds are redeemed or purchased, the amount, if any, in the Third Tier Debt Service Account that has been deposited to pay interest thereon shall be applied to the payment of accrued interest in connection with that redemption or purchase. Whenever the aggregate amount in the Third Tier Debt Service Account is sufficient to redeem all of the Outstanding Third Tier Bonds and to pay interest accrued to the Redemption Date, the Authority shall redeem all Third Tier Bonds on the applicable Redemption Date at the applicable Redemption Price. Any amounts remaining in the Third Tier Debt Service Account after payment in full of the principal or Redemption Price, and interest on the Third Tier Bonds (or provision for payment thereof) shall be transferred to the Authority System Revenue Fund.

(f) First Tier Bankruptcy Debt Service Reserve Account. Amounts in a First Tier Bankruptcy Debt Service Reserve Account shall be used to pay debt service on the First Tier Bonds and the Third Tier Bonds on the date such debt service is due, in accordance with the requirements of Section 1012, when sufficient funds for that purpose are not available in the First Tier Debt Service Account and the Third Tier Debt Service Account. Notwithstanding any other provision of this General Trust Indenture, amounts in a First Tier Bankruptcy Debt Service Reserve Account shall be pledged to Holders of First Tier Bonds and Third Tier Bonds without preference, priority or distinction on account of the particular Tier.

Section 508. Redemption Fund. The Trustee shall establish and create within the Redemption Fund such Accounts thereof as may be appropriate for the redemption of Outstanding Bonds or Bond Anticipation Obligations. There may be deposited in the applicable

Account, proceeds of Refunding Bonds, as provided in the Series Trust Indenture authorizing their issuance, allocated to the payment of the principal or Redemption Price, and interest, or purchase price of the Bonds or Bond Anticipation Obligations to be refunded, funded or retired through the issuance of such Refunding Bonds; amounts to be transferred thereto from any applicable Debt Service Reserve Account by order of an Authorized Officer and permitted hereunder; and any other amounts made available by the Authority for the purposes of the Redemption Fund. Amounts for the redemption of Bonds to be provided pursuant to Sinking Fund Installments set forth in a Series Trust Indenture authorizing such Series of Bonds shall not be deposited to the credit of the Redemption Fund, but shall be deposited to the credit of the applicable Account of the Debt Service Fund.

Any amounts in the Redemption Fund may be committed, by written instructions of an Authorized Officer, for the retirement of and for the redemption or purchase of particular Series of Bonds and, so long as so committed, shall be used solely for such purposes whether directly or through transfer to the applicable Account of the Debt Service Fund established for such Series of Bonds. Subject to the foregoing provisions of this Section, an Authorized Officer may cause moneys in the Redemption Fund to be used to purchase any Bonds at a price not greater than the principal amount (or Accreted Value) thereof plus accrued interest for cancellation and to redeem any Bonds in accordance with the redemption provisions of the applicable Series Trust Indenture. From moneys in the Redemption Fund, the Trustee shall transmit or otherwise disburse such amounts at such times as are required for the redemption or purchase for cancellation of Bonds. Any amounts in the Redemption Fund not required for the purposes thereof pursuant to a commitment theretofor made, may be transferred to the related Account of the Debt Service Fund or other related Account established for such Series of Bonds upon order of an Authorized Officer.

Section 509. Tolling O&M Reserve Fund. Upon receipt of Toll Revenue, the deposits to the Tolling O&M Reserve Fund required by Section 504 shall commence and shall be in an amount equal to the amount estimated by the Authority as being at least sufficient to pay Toll System Collection Expenses for the month following each such deposit (the "Monthly Tolling O&M Expense"). In addition to the amount required by the preceding sentence, there shall be deposited in the Tolling O&M Reserve Fund an amount equal to the Tolling System Reserve Fund Requirement divided by the number of months to the end of the first full Fiscal Year after the first deposit of funds in the Tolling O&M Reserve Fund. Once the amount in the Tolling O&M Reserve Fund is at least equal to the Tolling System Reserve Fund Requirement (without regard to the Monthly Tolling O&M Expense), the Trustee shall deposit into the Tolling O&M Reserve Fund the amount required for the balance therein to equal the Tolling O&M Reserve Fund Requirement plus the Monthly Tolling O&M Expense. If in any month there are insufficient amounts available in the Authority System Revenue Fund to make such deposit, the Trustee shall request the payment of Additional Rent in an amount equal to the amount that could not be deposited.

Amounts in the Tolling O&M Reserve Fund shall be (i) used by the Authority to pay Toll System Collection Expenses for the current Fiscal Year as reflected in the Authority System Budget and (ii) transferred to the Debt Service Fund in accordance with the priorities and provisions of Section 507, but only if after such transfer, the amount on deposit in the Tolling O&M Reserve Fund will be no less than the Tolling System Reserve Fund Requirement plus the Monthly Tolling O&M Expense for the following month.

Section 510. General O&M Reserve Fund. Upon receipt of Toll Revenue, the deposits to the General O&M Reserve Fund required by Section 504 shall commence and shall be in an amount equal to the amount estimated by the Authority as being at least sufficient to pay General O&M Expenses for the month following each such deposit (the "Monthly General O&M Expense"). In addition to the amount required by the preceding sentence, there shall be deposited in the General O&M Reserve Fund an amount equal to the General O&M Reserve Fund Requirement divided by the number of months to the end of the first full Fiscal Year after the first deposit of funds in the General O&M Reserve Fund. Once the amount in the General O&M Reserve Fund is at least equal to the General O&M Reserve Fund Requirement (without regard to the Monthly General O&M Expense), the Trustee shall deposit into the General O&M Reserve Fund the amount required for the balance therein to equal the General O&M Reserve Fund Requirement plus the Monthly General O&M Expense. If in any month there are insufficient amounts available in the Authority System Revenue Fund to make such deposit, the Trustee shall request the payment of Additional Rent in an amount equal to the amount that could not be deposited.

Amounts in the General O&M Reserve Fund shall be (i) used by the Authority to pay General O&M Expenses for the current Fiscal Year as reflected in the Authority System Budget and (ii) transferred to the Debt Service Fund in accordance with the priorities and provisions of Section 507, but only if after such transfer, the amount on deposit in the General O&M Reserve Fund will be no less than the General O&M Reserve Fund Requirement plus the Monthly General O&M Expense for the following month.

Section 511. M&R Reserve Fund. Upon receipt of Toll Revenue, the deposits to the M&R Reserve Fund required by Section 504 shall commence and shall be in an amount equal to the amount estimated by the Authority as being at least sufficient to pay M&R Expenses for the month following each such deposit (the "Monthly M&R Expense"). In addition to the amount required by the preceding sentence, there shall be deposited in the M&R Reserve Fund an amount equal to the M&R Reserve Fund Requirement divided by the number of months to the end of the first full Fiscal Year after the first deposit of funds in the M&R Reserve Fund. Once the amount in the M&R Reserve Fund is at least equal to the M&R Reserve Fund Requirement (without regard to the Monthly M&R Expense), the Trustee shall deposit into the M&R Reserve Fund the amount required for the balance therein to equal the M&R Reserve Fund Requirement plus the Monthly M&R Expense. If in any month there are insufficient amounts available in the Authority System Revenue Fund to make such deposit, the Trustee shall request the payment of Additional Rent in an amount equal to the amount that could not be deposited.

Amounts in the General O&M Reserve Fund shall be (i) used by the Authority to pay M&R Expenses for the current Fiscal Year as reflected in the then-current capital improvement program and Authority System Budget and to pay any other M&R Expenses that must be incurred to restore or maintain any portion of the Authority System in a safe operating condition due to damage as a result of fire, flood, earthquake, other disaster, or otherwise; (ii) transferred to the Debt Service Fund in accordance with the priorities and provisions of Section 507, but only if after such transfer, the amount on deposit in the M&R Reserve Fund will be no less than the M&R Reserve Fund Requirement plus the Monthly M&R Expense for the following month; and (iii) transferred to the Authority System Revenue Fund or General Reserve Fund in amounts determined by the Authority, if the amount in the M&R Reserve Fund exceeds the M&R Reserve Fund Requirement plus the Monthly M&R Expense for the following month.

Section 512. Lease Payment Fund. Amounts in the Lease Payment Fund shall be used to pay amounts then due from the Authority to the Transportation Cabinet under the Lease Agreement. Any amounts on deposit in the Lease Payment Fund that are not then required to make such payments to the Transportation Cabinet may be transferred to the Debt Service Fund in accordance with the provisions of Section 507.

Section 513. General Reserve Fund. Amounts in the General Reserve Fund shall be used by the Authority for any lawful purpose, including, but not limited to, paying expenses relating to the Authority System, providing for debt service on Bonds or as may otherwise be permitted by the Act or required by the Development Agreement, the Lease Agreement or the Interlocal Agreement, including, but not limited to, fees and expenses of Credit Providers, Hedge Termination Payments and the payment of the debt service (or Hedge Payments) on any Subordinate Bonds. Amounts withdrawn from the General Reserve Fund and deposited in the Authority System Revenue Fund in any Fiscal Year shall not be treated as Total System Revenue received in that Fiscal Year.

Section 514. Rebate Fund. Any earnings on any trust fund or account established under the terms of said General Trust Indenture or any Series Trust Indenture determined to be subject to the "rebate" requirements in favor of the United States of America imposed by Section 148 of the Code shall be paid as required by the Code to the United States, and the Trustee shall establish a separate trust account under this General Trust Indenture for the benefit of the United States of America designated as the "Rebate Fund", which shall be utilized for the collection and payment of earnings from "non-purpose investments" in excess of the amount which said investments would have earned at a rate equal to the "yield" on the applicable Bonds, plus any income attributable to such excess. The amounts deposited in the Rebate Fund are not pledged to Bondholders.

To the extent that any investment earnings are generated from any Fund or Account subject to said "rebate" requirements of the Code, the Authority shall calculate the excess income generated over the permitted "yield" and advise and direct the Trustee to remit any such excess to the United States of America on or before a date five years and thirty days from the date any Series of Bonds is delivered, and once every five years thereafter until the final maturity of the respective Series of Bonds; the last installment of rebate, to the extent required, to be made no later than sixty days following the date on which funds sufficient for the complete retirement of the last remaining Series of outstanding Bonds are deposited with the Paying Agent or any escrow agent if and to the extent required by the Code.

Section 515. Investment of Funds.

(a) Amounts on deposit in any Fund or Account shall be invested by the Trustee in Investment Obligations at the written direction of the Authority.

(b) Investment of moneys in the Debt Service Fund shall mature or be redeemable at the times and in the amounts necessary to provide moneys to pay the principal of, and interest on, Bonds as they become due, whether at stated maturity, by redemption, pursuant to any Sinking Fund Installments or otherwise. Each investment of moneys in the Cost of Issuance Fund, the Project Fund, the Authority System Revenue Fund, the General O&M Reserve Fund, the M&R Reserve Fund, the Tolling O&M Reserve Fund, the General Reserve Fund and the Rebate Fund, shall mature or

be redeemable without penalty at such time as may be necessary to make payments when necessary from such Fund. In the absence of any written direction from an Authorized Officer, the Trustee shall invest all funds in sweep accounts, money-market funds and similar short-term investments, provided that all such investments shall constitute Investment Obligations. The Trustee may trade with itself or its affiliates in the purchase and sale of securities for such investments.

(c) Except as otherwise provided for in this General Trust Indenture or any Series Trust Indenture:

(i) Investment Obligations purchased as an investment of moneys in any Fund and Account held by the Authority or the Trustee under the provisions of this General Trust Indenture shall be deemed at all times to be a part of such Fund or Account and the income or interest earned, gains realized or losses suffered by a Fund and Account due to the investment thereof shall be retained in, credited or charged thereto as the case may be unless required to be transferred to another Fund or Account by this General Trust Indenture or any Series Trust Indenture.

(ii) In computing the amount in all Funds, including the Accounts thereof, Investment Obligations purchased as an investment of moneys therein shall be valued at the lower of cost or fair market value. Valuation as of any date of computation shall include the amount of interest or gain accrued to such date.

(iii) The Trustee shall sell at the best price obtainable, or present for redemption or exchange, any Investment Obligation purchased by it as an investment pursuant to this General Trust Indenture or any Series Trust Indenture whenever it shall be necessary in order to provide moneys to meet any payment or transfer from the Fund or Account from which such investment was made. The Trustee shall advise the Authority in writing, on or before the last business day of each calendar month, of the details of all Investment Obligations held for the credit of each Fund or Account in its custody under the provisions of this General Trust Indenture or any Series Trust Indenture as of the end of the preceding month.

(iv) The Trustee shall keep the Authority fully advised as to the details of all such investments and shall comply with any directions of the Authority with respect to investments in Investment Obligations. Except as otherwise provided in this General Trust Indenture or any Series Trust Indenture, earnings and losses on Investment Obligations shall be credited to the Fund or Account with respect to which such investments were made (or pro-rated thereto) and shall become a part thereof for all purposes.

(d) It shall not be necessary for any Paying Agent to give security for the deposit of any moneys with it held in trust for the payment of principal of or Redemption Price, if any, or interest on any Bonds.

(End of Article V)

## ARTICLE VI

### REDEMPTION OF BONDS

Section 601. Privilege of Redemption and Redemption Price. Series of Bonds shall be redeemable, at such times, at such Redemption Prices and upon such terms as may be specified in the applicable Series Trust Indenture.

Section 602. Authority's Election to Redeem. Except in the case of redemption pursuant to any Sinking Fund Installments or pursuant to other mandatory redemption provided in a Series Trust Indenture, Bonds shall be redeemed only by written notice from the Authority to the Trustee of its election to redeem in accordance with the applicable Series Trust Indenture. The notice shall specify the places where the amounts due upon such redemption are payable, the Redemption Date and the principal amount of each maturity of each Series of redeemable Bonds to be redeemed and shall be given at least 45 days prior to the Redemption Date or such shorter period as shall be acceptable to the Trustee. In the event notice of redemption shall have been given to the Holders as provided in Section 603 hereof, the Authority shall, and hereby covenants that it will, on or prior to the Redemption Date pay to the Trustee for deposit in the appropriate account in the Debt Service Fund an amount in cash which, in addition to other moneys, if any, available therefor and held by the Trustee, will be sufficient to redeem at the Redemption Price thereof, plus interest accrued to the Redemption Date, all of the redeemable Bonds which the Authority has so elected to redeem, less an amount equal to one hundred percent (100%) of the principal amount of Bonds described in the next following paragraph.

The Authority shall have the option to deliver to the Registrar for cancellation Bonds subject to redemption in any aggregate principal amount and to receive a credit against the Sinking Fund Installment (and corresponding mandatory redemption obligation) of any such Bonds. That option shall be exercised by the Authority, on or before the 45th day preceding the applicable mandatory sinking fund redemption date, by furnishing the Trustee a certificate, executed by an Authorized Officer, setting forth the extent of the credit to be applied with respect to the subject Sinking Fund Installment, and the Bonds to be so credited. If the certificate and the Bonds to be credited are not timely furnished to the Trustee, the Sinking Fund Installment (and corresponding mandatory redemption obligation) shall not be reduced. Credit against the then current Sinking Fund Installment (and corresponding mandatory redemption obligation) also shall be received by the Authority for any Bonds which prior thereto have been redeemed (other than through the operation of the Sinking Fund Installment) or purchased for cancellation and canceled by the Trustee, to the extent not applied theretofore as a credit against any redemption obligation.

Section 603. Notice of Redemption. When the Trustee receives notice from the Authority of its election to redeem Bonds, or in order to carry out any Sinking Fund Installments or other mandatory redemption provisions of any Series Trust Indenture, the Trustee shall give notice of call for redemption, which notice shall identify (i) by designation, letters, numbers or other distinguishing marks, the Bonds or portions thereof to be redeemed, (ii) the Redemption Price to be paid, (iii) the date fixed for redemption and (iv) the place or places where the amounts due upon redemption are payable. The notice shall be given by the Trustee on behalf of the Authority by mailing a copy of the redemption notice by first class mail, postage prepaid, at least 30 days prior to the date fixed for redemption (or such shorter period as shall be acceptable to a Bondholder) to the Bondholder of each Bond subject to redemption in whole or in part at the

Bondholder's address shown on the Register on the fifteenth day preceding that mailing date; provided, that failure to receive notice by mailing, or any defect in that notice, as to any Bond shall not affect the validity of the proceedings for the redemption of any Bond. The Authority may direct the Trustee to give notice of such redemption that is conditioned upon the occurrence of an event or events.

Notice of any redemption hereunder with respect to Bonds held under a Book Entry System shall be given by the Registrar or the Trustee only to the Depository, or its nominee, as the Bondholder of such Bonds. Selection of book entry interests in the Bonds called for redemption is the responsibility of the Depository and any failure of any Direct Participant, Indirect Participant or Beneficial Owner to receive such notice and its contents or effect will not affect the validity of such notice or any proceedings for the redemption of such Bonds.

Section 604. Payment of Redeemed Bonds. Notice having been given in the manner provided in Section 603 hereof, the Bonds and portions thereof so called for redemption shall become due and payable on the Redemption Date at the Redemption Price, and, upon presentation and surrender thereof at the place or places specified in such notice, shall be paid at the Redemption Price.

If moneys for the redemption of all of the Bonds and portions thereof to be redeemed, together with interest accrued thereon to the Redemption Date, are held by the Trustee or any Paying Agent on the Redemption Date so as to be available therefor on that date and if notice of redemption shall have been deposited in the mail as aforesaid, then from and after the Redemption Date those Bonds and portions thereof called for redemption shall cease to bear interest and no longer shall be considered to be Outstanding hereunder.

If those moneys shall not be so available on the Redemption Date, or that notice shall not have been deposited in the mail as aforesaid, those Bonds and portions thereof shall continue to bear interest, until they are paid, at the same rate as they would have borne had they not been called for redemption.

Subject to Section 508 of this General Trust Indenture, all moneys deposited in the Debt Service Fund and held by the Trustee or Paying Agents for the redemption of particular Bonds shall be held in trust for the account of the Holders thereof and shall be paid to them respectively upon presentation and surrender of such Bonds.

Section 605. Partial Redemption. If fewer than all of the Outstanding Bonds of a Series that are stated to mature on different dates are called for redemption at one time, those Bonds which are called shall be called in such order as the Authority shall determine without regard to order of the maturities or the numbering of the Bonds of that Series to be redeemed. If fewer than all of the Bonds of a single maturity are to be redeemed, the selection of Bonds to be redeemed, or portions thereof, shall be made by lot by the Trustee in any manner which the Trustee or the Depository, if applicable, may determine. In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than the minimum authorized denomination are then Outstanding, each minimum authorized denomination thereof shall be treated as though it were a separate Bond of the minimum authorized denomination. If it is determined that one or more, but not all of the minimum authorized denominations represented by a Bond are to be called for redemption, then upon notice of redemption of an authorized denomination, the Bondholder of the Bond shall surrender the Bond to the Trustee (a) for payment of the

Redemption Price of such authorized denomination or face value called for redemption (including without limitation the interest accrued to the date fixed for redemption and any premium) and (b) for issuance, without charge to the Bondholder, of a new Bond or Bonds of the same Series, in an aggregate principal amount equal to the unmatured and unredeemed portion of, and bearing interest at the same rate and maturing on the same date as, the Bond surrendered.

Section 606. Variation of Redemption Redemptions. The provisions of this Article VI, insofar as they apply to issuance of any Series of Bonds, may be varied by the Series Trust Indenture providing for that Series of Bonds.

(End of Article VI)

## ARTICLE VII

### PARTICULAR COVENANTS OF THE AUTHORITY

Section 701. Effect of Covenants. The Authority hereby particularly covenants and agrees with the Trustee and with the Holders of the Bonds, and makes provisions which shall be a part of the contract with such Holders, to the effect and with the purposes set forth in the following Sections of this Article. The Authority covenants that it faithfully will perform at all times any and all covenants, undertakings, stipulations and provisions on its part to be performed as provided herein, in any Series Trust Indentures and in any Supplemental Trust Indentures, in each and every Bond executed, authenticated and delivered hereunder, in each Credit Facility and each Hedge Facility and in all proceedings of the Authority pertaining thereto.

Section 702. Payment of Bonds. The Authority shall duly and punctually pay or cause to be paid the principal of, or Redemption Price or purchase price, if any, of every Bond and the interest thereon, at the date and places in the manner herein provided, and solely and only from the Pledged Receipts; provided, that the Authority's payment obligations under this Indenture, the Bonds, any Credit Facilities and any Hedge Facilities shall be solely from Pledged Receipts and other funds and accounts constituting part of the Trust Estate.

Section 703. Offices for Servicing Bonds. The Authority shall at all times cause to be maintained an office or agency where Bonds may be presented for registration, transfer or exchange, and where notices, presentations and demands upon the Authority in respect of the Bonds or of this General Trust Indenture or any Series Trust Indenture may be served. Unless otherwise provided in an applicable Series Trust Indenture, the Authority hereby appoints the Trustee as its agent to maintain such office or agency for the registration, transfer or exchange of Bonds, and for the service of such notices, presentations and demands upon the Authority. The Authority hereby appoints the Paying Agents as its respective agents to maintain such offices or agencies for the payment of Bonds, as may be stipulated in any Series Trust Indenture.

Section 704. 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 resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights, assets and revenues herein pledged and assigned, or intended so to be, or which the Authority may hereafter become bound to pledge or assign.

Section 705. Powers as to Bonds and Pledge. The Authority may issue the Bonds and execute and deliver this General Trust Indenture and any Series Trust Indenture and pledge the income, revenues and assets pledged by this General Trust Indenture or any Series Trust Indenture in the manner and to the extent provided in this General Trust Indenture. The income, revenues and assets so pledged are and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge created by this General Trust Indenture or any Series Trust Indenture, and all official action on the part of the Authority to that end has been or will be duly and validly taken. The Bonds and the provisions of this General Trust Indenture or any Series Trust Indenture are and will be the valid and legally enforceable obligations of the Authority in accordance with their terms and the terms of this General Trust Indenture or any Series Trust Indenture. The Authority shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the income, revenues and

assets pledged under this General Trust Indenture or any Series Trust Indenture and all the rights of the Bondholders under this General Trust Indenture or any Series Trust Indenture against all claims and demands therefor of all persons whomsoever.

Section 706. Authority to Comply with and Require Compliance with Certain Agreements. To the extent failure to comply would result in a failure to comply with the debt coverage covenants set forth in Section 708, the Authority shall comply with the terms of the Development Agreement, the Interlocal Agreement, the Section 129 Agreement, the Toll Policy Agreement and the Ground Lease Agreements in all material respects.

To the extent necessary for the Authority to comply with the provisions of this General Trust Indenture and each Series Trust Indenture, the Authority shall, to the fullest extent provided and permitted by law, by legal action, mandamus, suit in equity, demand for specific performance, or otherwise, require the other parties to such Agreements to comply with the material terms of such Agreements. The Authority will not agree to the amendment of the Development Agreement, the Interlocal Agreement, the Section 129 Agreement, the Toll Policy Agreement and the Ground Lease Agreements if such amendment will impair the Authority's ability to comply with its obligations under this General Trust Indenture or any Series Trust Indenture.

Furthermore, the Authority covenants that it will continuously enforce the Lease Agreement to the maximum extent permitted by law, and will not consent to any modification of the Lease Agreement which would in any particular manner materially impair the security created for the owners of the Bonds under the Lease Agreement, this General Trust Indenture or any Series Trust Indenture.

The Authority shall give the Trustee prompt notice of the occurrence of any event of default under the Development Agreement, the Interlocal Agreement, the Section 129 Agreement, the Toll Policy Agreement, the Ground Lease Agreements and the Lease Agreement.

Section 707. Establishment and Collection of Tolls. The Authority covenants to use its best efforts to provide for (i) the setting and adjustment of the Toll Rate Schedule and maintenance of Tolls on the System at rates that will generate Total System Revenue sufficient to comply with the requirements of Section 708, (ii) Toll Rate Schedules, Tolls and Toll collection systems that maintain travel time, speed, and reliability and (iii) Tolls that maintain and optimize System performance, recognizing the need to maintain a financially prudent balance between System performance and the generation of revenue required for the purposes specified in Section 708. The Authority may allow for Tolls that (i) are adjusted to reflect inflation as measured by the consumer price index or as necessary to comply with Section 708 and with other requirements of this General Trust Indenture, (ii) provide for other Costs of the Project and (iii) vary for type of vehicle, time of day, traffic conditions, or other factors designed to improve performance of the System.

Section 708. Rate Covenant.

(a) The Authority, in accordance with the Development Agreement and the Toll Policy Agreement, shall use its best efforts to provide for the establishment, and shall charge and collect, Tolls for the privilege of traveling on the System, at rates

sufficient so that Total System Revenue are in an amount at least equal to (i), (ii), (iii), (iv) and (v):

(i) 150% of the Annual Debt Service with respect to all Outstanding First Tier Bonds;

(ii) 135% of the Annual Debt Service with respect to all Outstanding First Tier Bonds and Second Tier Bonds;

(iii) 125% of the Annual Debt Service with respect to all Outstanding First Tier Bonds, Second Tier Bonds and Third Tier Bonds;

(iv) 110% of the Annual Debt Service with respect to all Outstanding Bonds; and

(v) 100% of the aggregate amount of the required payments described in subsections (a) through (i) of Section 504 to the extent such payments have not been otherwise paid or provided for from Bond proceeds.

(b) The Authority will at least annually, prior to June 30 of each Fiscal Year, review the financial condition of the System, the anticipated Total System Expenses, Debt Service Requirements, various reserves and other costs of the Authority System, and proceed in a timely fashion to recommend to the Tolling Body for the adjustment of the Toll Rate Schedule as it determines is necessary to comply with subsection (a) above, provide sufficient Total System Revenue to fund amounts required to be deposited and maintained in the Funds and Accounts and comply with other relevant covenants in this General Trust Indenture.

(c) Prior to recommending any revision in the Toll Rate Schedule, the Authority, shall obtain: (i) a certificate of the Traffic Consultant stating, based upon reasonable assumptions and applying the revised Toll Rate Schedule, the projected Total System Revenue for the then-current Fiscal Year and each subsequent Fiscal Year through the last scheduled maturity of all then-Outstanding Bonds, (ii) a certificate of the Consulting Engineer stating, based upon reasonable assumptions, the projected Total System Expenses for the then-current Fiscal Year and each subsequent Fiscal Year through the last scheduled maturity of all Outstanding Bonds, and (iii) a certificate of an Authorized Representative stating that, based upon the information contained in the certificates described in (i) and (ii) above, the adoption of the revised Toll Rate Schedule will not cause the Authority to fail to comply with its covenants in this Section.

Any certificate delivered by the Traffic Consultant pursuant to this subsection shall be based on the opinion of the Traffic Consultant as to Total System Revenue to be derived by the Authority from the System under the terms of the Development Agreement and the Toll Policy Agreement (provided that investment and other income not related to Tolls shall be estimated by an Authorized Representative), and a certificate of an Authorized Representative stating the opinion of the Authority as to the amount of Total System Expenses paid or accrued during any pertinent Fiscal Year, assuming that the proposed Toll Rate Schedule had been in effect during the pertinent Fiscal Year.

(d) The failure in any Fiscal Year to obtain Total System Revenue in the amounts sufficient to enable the Authority to comply with subsection (a) above, which failure may continue during the succeeding Fiscal Year, shall not, in and of itself, constitute an Event of Default under this General Trust Indenture if (i) the Authority within 60 days after the end of the Fiscal Year requests the written recommendations of the Traffic Consultant as to how to increase Toll Revenue and/or the written recommendations of a Consulting Engineer as to how to reduce Total System Expenses in the following Fiscal Year to the level required to comply with subsection (a) above, (ii) within 60 days of the date of the request from the Authority, the Traffic Consultant and/or the Consulting Engineer provide to the Authority the written recommendations described in clause (i), and (iii) the Authority takes steps to implement those recommendations within 60 days after receipt thereof and diligently proceeds to substantially comply with the recommendations of the Traffic Consultant and/or the Consulting Engineer.

Section 709. Operating and Capital Budgets for the System.

(a) The Authority covenants that it will, for each Fiscal Year in each Biennium, prepare and adopt a Authority System Budget for Total System Expenses, Annual Debt Service, any required deposits to the Debt Service Reserve Accounts, capital repairs and replacements, and for other costs of the Authority System, and that the Authority System Budget shall be prepared in consultation with the Transportation Cabinet and shall provide for amounts sufficient to comply with the covenants in this Article VII. To the extent practicable, each Authority System Budget shall separately identify:

- (i) the Tolling System Reserve Fund Requirement;
- (ii) the General O&M Reserve Fund Requirement;
- (iii) the M&R Reserve Fund Requirement;
- (iv) monthly deposit requirements into the Funds and Accounts to be made in accordance with Section 504; and
- (v) the source of funds for such deposits from (i) Total System Revenue, (ii) the General Reserve Fund, if any, and (ii) Lease Payments, if any; and

(b) In conjunction with the preparation of each Authority System Budget, the Authority, in consultation with the Traffic Consultant, shall prepare a Projected Toll Rate Schedule for the purpose of setting and adjusting Tolls. The Projected Toll Rate Schedule shall include but not be limited to (1) an estimate of the Total System Revenue that will be required under the Authority System Budget; (2) an estimate of the projected increases in Total System Revenue that will be required as the result of estimated future changes in Total System Expenses and scheduled or anticipated future changes in Annual Debt Service requirements of the Authority System; and (3) the related proposed schedule or schedules (which may include alternative schedules) of Toll rates that are projected to be necessary to produce Total System Revenue required for the Authority System Budget.

(c) The Authority shall amend and revise the Authority System Budget from time to time to reflect changes in circumstances that will affect the monthly deposits required by Section 504, including the monthly deposits to the Lease Payment Fund for payment to the Transportation Cabinet of amounts required under the Lease Agreement, and shall promptly send each such amendment or revision to the Trustee.

Section 710. Operation and Maintenance of the System. The Authority covenants that it will (a) maintain and operate the Authority System in an efficient and economical manner, (b) maintain the Authority System in good repair and will make all necessary repairs, renewals and replacements, to the extent funds are available therefor; and (c) comply with laws and all rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to the Authority System, subject to the right of the Authority to contest the same in good faith and by appropriate legal proceedings. The Authority further covenants that it will use its best efforts to permit the operators of the System that are not part of the Authority System to maintain and operate that portion of the System in the same manner that is required for the Authority System by this Section.

Section 711. Construction and Completion of Authority System. The Authority covenants that it will proceed with diligence to (a) construct and complete each part of the Authority System that it is required to construct and complete under the Development Agreement in accordance with the Development Agreement and any other Project financed with Bonds to the extent authorized by applicable law, and in conformity with law, with all requirements of governmental authorities having jurisdiction and the policies, rules and regulations of the Commonwealth and (b) enforce any contracts relating to the construction of the Authority System and any other Project financed with Bonds.

Section 712. Engagement of Consultants. The Authority covenants to employ or cause the employment of a traffic and revenue consultant or firm of traffic and revenue consultants of national recognition with expertise and experience in the operation, management and financing of, and collection of revenues from, toll bridges and roads to perform any functions of the Traffic Consultant hereunder. The Authority further covenants to employ an independent engineer or engineering firm, in each case experienced in determining the costs of operations and maintenance and costs of repair and replacement of facilities similar to the System to perform any functions of the Consulting Engineer hereunder.

Section 713. Insurance. The Authority covenants that it will keep any part of the Authority System and its use and operation thereof insured (including through self-insurance pool insurance) at all times in such amounts, subject to such exceptions and deductibles and against such risks, as are customary for similar facilities, including business interruption insurance for a period of at least twelve (12) months, but in no event at levels less than required by Appendix G to the Development Agreement. All insurance policies shall be carried with a responsible insurance company or companies authorized to do business in the Commonwealth or shall be provided under a self-insurance program; any self-insurance program shall be actuarially sound in the written opinion of an accredited actuary, which opinion shall be filed with the Authority at least annually. At any time and from time to time, the Authority may elect to terminate self-insurance of a given type. Upon making such election, the Authority shall obtain and maintain comparable commercial insurance.

The Authority covenants that it will take actions as it deems necessary to demand, collect and sue for any proceeds that may become due and payable to it under any insurance policy. To the extent that the Authority receives insurance payments under a business interruption insurance policy, those amounts shall be deposited into the Authority System Revenue Fund. To the extent that the Authority receives liquidated damages for delayed completion under a construction contract relating to the acquisition or construction of the Project, unless otherwise needed to complete the construction of the Project, those amounts shall be deposited into the Authority System Revenue Fund or the Redemption Fund, as directed by an Authorized Officer.

Section 714. Damage of Destruction. Immediately after any damage to or destruction of any part of the Authority System that materially adversely affects the Total System Revenue, the Authority will promptly cause the repair, reconstruction or replacement of the damaged or destroyed property or to otherwise ameliorate the adverse impact on Total System Revenue; provided, however, nothing in this Section shall require the Authority to expend, for that repair, reconstruction or replacement, amounts other than Total System Revenue, insurance proceeds and Bond proceeds available therefor, and any other funds available for those purposes under this General Trust Indenture.

Section 715. Financial Records and Statements. The Authority covenants that it will maintain books and accounts reflecting the operations of the Authority System separately from other accounts, in accordance with Accounting Principles. The books and records of the Authority System may form a part of the books and records of the Commonwealth but shall be maintained as separate accounts. The Authority shall maintain accurate records showing all collections of Tolls and all payments made into and out of the Funds and Accounts, and those records shall be made available for inspection at any reasonable time by the Holders of not less than 25% of the Outstanding Bonds.

In addition, the Authority covenants that, subject to any applicable requirements of KRS175B.100, as amended, as soon as practicable, but in no event more than two hundred ten (210) days after the last day of each Fiscal Year, beginning with the Fiscal Year ending June 30, 2016, it will prepare or cause to be prepared a financial report of the results of operations of the Authority System for that Fiscal Year (all or a portion of which may be part of the Commonwealth's comprehensive annual financial report) in accordance with Accounting Principles, containing independently audited financial statements and the independent auditor's report on the financial statements for the end of that Fiscal Year.

The Authority shall deliver to the Trustee within 90 days after the close of each Fiscal Year, a certificate signed by an Authorized Officer stating that during such Fiscal Year, and as of the date of such certificate, no Default or Event of Default has occurred and is continuing, or if such a Default or Event of Default is happening or existing, specifying the nature and period of such event or condition and what action the Authority has taken, is taking or proposes to take with respect thereto.

Section 716. Sale, Lease or Other Disposition of Property Comprising Authority System.

- (a) Except as provided in the Lease Agreement, the Authority covenants so long as any Bonds are Outstanding under this General Trust Indenture that it will not

sell or otherwise dispose of any real estate or personal property comprising a portion of the Authority System (a "disposition") unless:

(i) the Authority determines, as evidenced by a certificate filed with the Trustee, that such property (A) has become obsolete or worn out or is reasonably expected to become so within one year after the date of disposition, (B) is no longer used or useful in the operation of the System or in the generation of Toll Revenue or (C) is to be or has been replaced by other property; or

(ii) the Authority determines, as evidenced by a certificate filed with the Trustee, that the disposition will not materially adversely affect the Total System Revenue; or

(iii) there shall be on file with the Trustee:

(A) a certificate of the Traffic Consultant stating, based upon reasonable assumptions, the projected Toll Revenue following the proposed disposition (taking into account changes in Toll Revenue, if any, expected as a result of the proposed disposition) for the then-current Fiscal Year and each subsequent Fiscal Year through the last scheduled maturity of all Outstanding Bonds;

(B) a certificate of the Consulting Engineer stating, based upon reasonable assumptions, the estimated Total System Expenses following the proposed disposition (taking into account any changes in Total System Expenses, if any, expected as a result of the proposed disposition) for the then-current Fiscal Year and each subsequent Fiscal Year through the last scheduled maturity of all Outstanding Bonds; and

(C) a certificate of the Authority stating that, based upon the information contained in the certificates described in (A) and (B) above, the projected Total System Revenue following the proposed disposition for the then-current Fiscal Year and each subsequent Fiscal Year through the last scheduled maturity of all Outstanding Bonds will be equal to or greater than (i) 175% of Annual Debt Service on First Tier Bonds, (ii) 150% of Annual Debt Service on First Tier Bonds and Second Tier Bonds, (iii) 125% of Annual Debt Service on First Tier Bonds, Second Tier Bonds and Third Tier Bonds, (iv) 110% of Annual Debt Service on First Tier Bonds, Second Tier Bonds Bonds, Third Tier Bonds and Subordinate Bonds; and (v) 100% of the aggregate amount of the required payments described in subsections (a) through (i) of Section 504 in the applicable Fiscal Year.

The proceeds of the sale or disposition permitted by this Section shall be deposited in the Authority System Revenue Fund or in the Redemption Fund, as directed by an Authorized Officer, and any such proposed redemption shall be reflected in the certificate of the Authority described in clause (C) above.

(b) The Authority will not lease any real estate or personal property comprising a portion of the Authority System unless it determines, as evidenced by a

certificate of an Authorized Officer filed with the Trustee, that the lease will not materially adversely affect its ability to comply with the requirements of Section 708.

(c) Without intending to limit the foregoing, but subject to the requirements of the Code with respect to Tax-Exempt Bonds, the Authority also may enter into contracts or other forms of agreement for the use of any real estate comprising a portion of the Authority System including, but not limited to, rights-of-way for telephone, telegraph, optic fiber and other forms of communication, electric, gas transmission and other lines, towers, or facilities for utilities, and other uses that do not materially adversely affect the operation of the Authority System and the payments received in connection with the same shall, to the extent permitted by law, constitute Total System Revenue. The Authority also covenants to ensure that all necessary real property filings will be made in connection with any lease or other agreement relating to the use of real estate comprising a portion of the System to protect the interest of the Authority in that property.

Section 717. Compliance With Conditions Precedent. Upon the Issue Date of any of the Bonds, all conditions, acts and things required by law or by this General Trust Indenture, any Series Trust Indenture or a Series Resolution to exist, to have happened or to have been performed precedent to or in the issuance of such Bonds, shall exist, shall have happened and have been performed, and such Bonds, together with all other indebtedness of the Authority, shall be within every debt and other limit prescribed by law.

Section 718. Waiver of Laws. The Authority shall not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of any stay or extension law now or at any time hereafter in force which may affect the covenants and agreements contained in this General Trust Indenture or any Series Trust Indenture or in the Bonds, and all benefit or advantage of any such law or laws is hereby expressly waived by the Authority.

Section 719. Maintenance of Corporate Existence. To the extent permitted by law, the Authority covenants and agrees that it will maintain its corporate existence and will not merge with or into any other entity in a manner that will materially and adversely affect its ability to comply with its obligations under this General Trust Indenture, all Series Trust Indentures and all Supplemental Trust Indentures and, to the extent permitted by law, any successor entity must assume all of the obligations of the Authority under this General Trust Indenture, all Series Trust Indentures and all Supplemental Trust Indentures and all other applicable agreements, including, without limitation, the Lease Agreement, the Development Agreement and the Interlocal Agreement.

Section 720. 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 interest by the purchase or funding of such Bonds or interest, or by any other arrangement, and in case the maturity of any of the Bonds or the time for payment of interest shall be extended, such Bonds or interest shall be entitled in case of any default under this General Trust Indenture or any Series Trust Indenture to the benefit of this General Trust Indenture or any Series Trust Indenture or to any payment out of any assets of the Authority or the Funds and Accounts (excluding funds held in trust for the payment of particular Bonds or interest pursuant to this General Trust Indenture) held by any Fiduciary except subject to the prior payment of the principal of all Bonds issued and outstanding, the maturity of which has occurred and has not been extended and of such portion of the accrued interest on the Bonds as

shall not be represented by such extended interest. Nothing herein shall be deemed to limit the right of the Authority to issue Bonds as provided in this General Trust Indenture or any Series Trust Indenture, and such issuance shall not be deemed to constitute an extension of the maturity of any Bond or of the time of payment of any interest.

Section 721. Tax Covenants. The Authority covenants that it shall not take any action, or fail to take any action, or permit any action to be taken on its behalf or cause or permit any circumstance within its control to arise or continue, if any such action or inaction would adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Tax-Exempt Bonds under Section 103 of the Code.

Section 722. Covenants of State's Parties and Joint Board. Unless consent to an amendment is obtained in the same manner provided, or as otherwise permitted, for the amendment of this General Trust Indenture under Article IX, the Authority shall not consent to any material modification to, permit any material failure to comply with, or fail to pursue any remedies available for any material failure of compliance with, the following provision of the Toll Policy Agreement:

(a) The State's Parties and the Joint Board, as provided in the Development Agreement, the Interlocal Agreement and the Toll Policy Agreement, do hereby pledge to and agree with the Authority and their respective successors and assigns, and the holders of any Bonds or other obligations, including, without limitation, obligations of Credit Providers and Hedge Providers and TIFIA loans, the States' Parties and the Joint Board will (a) take all actions necessary and convenient to permit the Authority to fulfill the terms of any agreements made by it with the holders of any Bonds or other obligations, including, without limitation, obligations of Credit Providers and Hedge Providers and TIFIA loans, and (b) not limit or alter the rights and powers vested in the Authority to fulfill the terms of any such agreements or in any way impair the rights and remedies of such holders until such Bonds or other obligations, including, without limitation, obligations of Credit Providers and Hedge Providers and TIFIA loans, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses for which the Authority are liable in connection with any action or proceeding by or on behalf of such holders, are fully met and discharged.

(b) The Tolling Body, as provided in the Development Agreement, the Interlocal Agreement and the Toll Policy Agreement, does hereby pledge to and agree with the Authority and the holders of any Bonds or other obligations, including, without limitation, obligations of Credit Providers and Hedge Providers and TIFIA loans, that the Tolling Body will (a) take all actions necessary and convenient to permit the Authority to fulfill the terms of any agreements made by any of them with the holders of any Bonds or other obligations, including, without limitation, obligations of Credit Providers and Hedge Providers and TIFIA loans, and (b) not limit or alter the rights and powers vested in the Authority to fulfill the terms of any such agreements or in any way impair the rights and remedies of such holders until such Bonds or other obligations, including, without limitation, obligations of Credit Providers and Hedge Providers and TIFIA loans, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses for which the Authority are liable in connection with any action or proceeding by or on behalf of such holders, are fully met and discharged.

"State's Parties" means the State of Indiana acting by and through the INDOT and IFA, and the Commonwealth acting by and through the Transportation Cabinet, and the Authority, and their respective successors and assigns.

(End of Article VII)

## ARTICLE VIII

### SUPPLEMENTAL TRUST INDENTURES

Section 801. Supplemental Trust Indentures Effective Without Consent of Bondholders. Notwithstanding any other provision of this Article VIII, or Article IX, the Authority may execute and deliver at any time from time to time Supplemental Trust Indentures for any one or more of the following purposes, and any such Supplemental Trust Indentures shall become effective in accordance with its terms upon the filing with the Trustee of a copy thereof certified by an Authorized Officer:

(a) To add additional covenants and agreements of the Authority for the purpose of further securing the payment of the Bonds, provided such additional covenants and agreements are not contrary to or inconsistent with the covenants and agreements of the Authority contained in this General Trust Indenture;

(b) To prescribe further limitations and restrictions upon the issuance of Bonds and the incurring of indebtedness by the Authority which are not contrary to or inconsistent with the limitations and restrictions thereon theretofore in effect;

(c) To surrender any right, power or privilege reserved to or conferred upon the Authority by the terms of this Trust Indenture, provided that the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Authority contained in this General Trust Indenture;

(d) To confirm as further assurance any pledge under and the subjection to any lien, claim or pledge created or to be created by the provisions of this General Trust Indenture;

(e) To obtain or maintain any ratings on any Bonds from any Rating Agency;

(f) To provide for the issuance of additional Bonds, including (without limitation) any modifications or amendments required to grant to or otherwise secure for the Holders of such Bonds a parity interest in the security granted to the Holders of any then Outstanding Bonds in accordance with Section 204 hereof or to authorize any Subordinate Bonds in accordance with Section 205 hereof;

(g) To modify any of the provisions of this General Trust Indenture or any Series Trust Indenture in any other respects, provided that such modifications shall not be effective until after all Bonds of any Series of Bonds Outstanding as of the date of execution and delivery of such Series Trust Indentures or Supplemental Trust Indenture shall cease to be Outstanding, and all Bonds issued under such Series Trust Indentures or Supplemental Trust Indentures shall contain a specific reference to the modifications contained in such subsequent Series Trust Indentures or Supplemental Trust Indentures;

(h) To preserve the excludability from gross income for federal income tax purposes of the interest paid on any Tax-Exempt Bonds theretofore issued under this General Trust Indenture;

(i) With the consent of the Trustee, to cure any ambiguity or defect or inconsistent provision in this Trust Indenture or to insert such provisions clarifying matters or questions arising under this General Trust Indenture or any Series Trust Indenture as are necessary or desirable in the event any such modifications are not contrary to or inconsistent with this General Trust Indenture or any Series Trust Indenture as theretofore in effect;

(j) For any other purpose provided that any such amendment or modification does not materially adversely affect the rights of Bondholders affected thereby; or

(k) To make any other change, provided that the Trustee shall have received evidence satisfactory to it that such amendment or modification will not, in and of itself, cause any withdrawal or reduction in the ratings then borne by any Outstanding Bonds.

A Supplemental Trust Indenture for the purposes described in this Section shall be effective upon the execution thereof by the Authority and the Trustee and delivery thereof to the Trustee.

Section 802. Supplemental Trust Indentures Effective With Consent of Bondholders. In addition to modifications or amendments permitted by Section 801 hereof, the provisions of this General Trust Indenture or any Series Trust Indenture may also be modified or amended at any time or from time to time by a Supplemental Trust Indenture, subject to the consent of the Bondholders in accordance with and subject to the provisions of Article IX hereof.

Section 803. General Provision Relating to Supplemental Trust Indentures. This General Trust Indenture or any Series Trust Indenture shall not be modified or amended in any respect except in accordance with and subject to the provisions of this Article VIII and Article IX. Nothing contained in this Article VIII or Article IX shall affect or limit the rights or obligations of the Authority to adopt, make, do, execute or deliver any resolution, act or other instrument pursuant to the provisions of Section 704 or the right or obligation of the Authority to execute and deliver to the Trustee or any Paying Agent any instrument elsewhere in this General Trust Indenture or any Series Trust Indenture provided or permitted to be delivered to the Trustee or any Paying Agent; including the execution and delivery of Series Trust Indentures to provide for the issuance of a Series of Bonds as described in Article II.

A copy of every Supplemental Trust Indenture adopted by the Authority when filed with the Trustee shall be accompanied by a Counsel's Opinion stating that such Supplemental Trust Indenture has been duly and lawfully adopted in accordance with the provisions of this General Trust indenture, is authorized or permitted by this General Trust indenture and is valid and binding upon the Authority and enforceable in accordance with its terms.

The Trustee is hereby authorized to accept delivery of a certified copy of any Supplemental Trust Indenture permitted or authorized pursuant to the provisions of this General Trust Indenture and to make all further agreements and stipulations which may be contained therein, and, in taking such action, the Trustee shall be fully protected in relying on Counsel's opinion that such Supplemental Trust Indenture is authorized or permitted by the provisions of this General Trust Indenture.

No Supplemental Trust Indenture changing, amending or modifying any of the rights or obligations of any Fiduciary may be adopted by the Authority without the written consent of the Fiduciary affected thereby.

(End of Article VIII)

## ARTICLE IX

### AMENDMENTS OF GENERAL TRUST INDENTURE AND SERIES TRUST INDENTURES

Section 901. Powers of Amendment. Any modification or amendment of this General Trust Indenture or any Series Trust Indenture and of the rights and obligations of the Authority and of the Holders of the Bonds in any particular pursuant to Section 802, may be made by a Supplemental Trust Indenture, with the written consent given as provided in Section 902, (a) of the Holders of at least fifty-one percent (51%) in principal amount of the Bonds Outstanding at the time such consent is given, or (b) in case less than all of the several Series of Bonds then outstanding are affected by the modification or amendment, of the Holders of a majority in principal amount of the Bonds of each Series so affected and outstanding at the time such consent is given, with Accreted Value being treated as "principal" for purposes making such determination; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified series and maturity remain Outstanding, the consent of the Holders 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; and provided, further, no such modification or amendment (i) shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount, the Accreted Value or the Redemption Price or purchase price thereof or in the rate of interest thereon without the consent of such Bondholder, or (ii) shall reduce the percentages or otherwise affect the classes of Bonds the consent of the Holders of which is required to effect any such modification or amendment, or (iii) shall permit the creation of a claim or lien upon, or a pledge of, the Trust Estate ranking prior to or on a parity with the claim, lien and pledge created by the General Trust Indenture as security as to a particular Tier other than as provided in this General Trust Indenture or any Series Trust Indenture, or a preference or priority of the Bonds of any Tier over any other Bonds of that Tier or a reduction in the percentage of Bonds the consent of the Holders of which is required for any modification of this General Trust Indenture without the unanimous consent of the Holders. For the purposes of this Section, a Series or Tier shall be deemed to be affected by a modification or amendment of this General Trust Indenture or any Series Trust Indenture if the same adversely affects or diminishes the rights of the Holders of the Bonds of such Series or Tier. The Trustee may in its discretion determine whether or not, in accordance with the foregoing provisions, Bonds of any particular Series or Tier or maturity would be adversely affected by any modification or amendment of this General Trust Indenture and any such determination shall be binding and conclusive on the Authority and all Holders. The Trustee may receive a Counsel's Opinion as conclusive evidence as to whether Bonds of any particular Series or Tier or maturity would be so affected by any such modification or amendment of this General Trust Indenture or any Series Trust Indenture.

Section 902. Consent of Bondholders. The Authority may at any time adopt a Supplemental Trust Indenture making a modification or amendment permitted by the provisions of Section 802 to take effect when and as provided in this Section. A copy of such Supplemental Trust Indenture (or brief summary thereof or reference thereto in form approved by the Trustee) together with a request to Bondholders for their consent thereto in form satisfactory to the Trustee, shall promptly after adoption be mailed by the Authority to Bondholders (but failure to mail such copy and request shall not affect the validity of the Supplemental Trust Indenture when consented to as in this Section provided). Such Supplemental Trust Indenture shall not be

effective unless and until (a) there shall have been filed with the Trustee (i) the written consents of Holders of the percentages of Outstanding Bonds specified in Section 901 and (ii) a Counsel's Opinion stating that such Supplemental Trust Indenture has been duly and lawfully adopted and filed by the Authority in accordance with the provisions of this General Trust Indenture, is authorized or permitted by this General Trust Indenture, and is valid and binding upon the Authority and enforceable in accordance with its terms, and (b) a notice thereof shall have been mailed to all Holders. A certificate of the Trustee that it has examined such proof and that such proof is sufficient in accordance with Section 1202 shall be conclusive that the consents have been given by the Holders of the Bonds described in such certificate or certificates of the Trustee. Any such consent shall be binding upon the Bondholder of the Bonds giving such consent and, anything in Section 1202 to the contrary notwithstanding, upon any subsequent Bondholder of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent Bondholder has notice thereof), unless such consent is revoked in writing by the Bondholder giving such consent or a subsequent Bondholder thereof by filing with the Trustee, prior to the time when the written statement of the Trustee provided in this Section is filed, such revocation. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee to the effect that no revocation thereof is on file with the Trustee. At any time after the Holders of the required percentages of Bonds shall have filed their consent to the Supplemental Trust Indenture, the Trustee shall make and file with the Authority a written statement that the Holders of such required percentages of Bonds have filed such consents. Such written statement shall be conclusive that such consents have been so filed. At any time thereafter, notice, stating in substance that the Supplemental Trust Indenture (which may be referred to as a Supplemental Trust Indenture adopted by the Authority on a stated date, a copy of which is on file with the Trustee) has been consented to by the Holders of the required percentages of Bonds and will be effective as provided in this Section, shall be given to Bondholders by the Authority by mailing such notice to Bondholders. A transcript, consisting of the papers required or permitted by this Section to be filed with the Trustee, shall be proof of the matters therein stated. Such Supplemental Trust Indenture making such amendment or modification shall be deemed conclusively binding upon the Authority, the Fiduciaries and the Holders of all Bonds.

Section 903. Mailing of Notice. Any provision in this Article for the mailing of a notice or other document to Bondholders shall be fully complied with if it is mailed postage prepaid to each Bondholder at their respective addresses appearing upon the registry books of the Authority. In the event that the Bonds are held in book-entry form, notice need only be sent to the Depository

Section 904. Modifications by Unanimous Action. Notwithstanding anything contained in Article VIII or in the foregoing provisions of this Article IX, the rights and obligations of the Authority and of the Holders of the Bonds and the terms and provisions of the Bonds or of this General Trust Indenture or any Series Trust Indenture may be modified or amended in any respect upon the adoption of a Supplemental Trust Indenture by the Authority and the consent of the Holders of all of the Bonds then Outstanding, such consent to be given as provided in Section 902 except that no notice to Bondholders either by mailing or publication shall be required; provided, however, that no such modification or amendment shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto.

Section 905. Exclusion of Bonds. Bonds owned or held by or for the account of the Authority shall not be deemed outstanding for the purpose of consent or other action or any

calculation of Outstanding Bonds provided for in this General Trust Indenture, and the Authority shall not be entitled with respect to such Bonds to give any consent or take any other action provided for in this General Trust Indenture. At the time of any consent or other action taken under this General Trust Indenture, the Authority shall furnish the Trustee a certificate of an Authorized Officer, upon which the Trustee may rely, describing all Bonds so to be excluded.

Section 906. Notation on Bonds. Bonds authenticated and delivered after the effective date of any action taken as provided in Article VIII or this Article IX may, and if the Trustee so determines, shall, bear a notation by endorsement or otherwise in form approved by the Authority and the Trustee as to such action, and in that case upon demand of the Bondholder of any Bond Outstanding at such effective date and upon presentation of his Bond for such purpose at the principal office of 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 and delivered, and upon demand of the Bondholder of any Bond then Outstanding shall be exchanged, without cost to such Bondholder, for Bonds of the same Series and maturity then outstanding, upon surrender of such Bonds.

(End of Article IX)

## ARTICLE X

### DEFAULT AND REMEDIES

Section 1001. Trustee to Exercise Powers of Statutory Trustee. The Trustee shall be and hereby is vested with all of its rights, powers and duties of a trustee permitted to be secured pursuant to the Act, and any right of Bondholders to secure appointment of a trustee is hereby abrogated.

Section 1002. Events of Default. In addition to any events declared in a Series Trust Indenture to be an "Event of Default" on the Bonds, each of the following events is hereby declared an "Event of Default":

(a) The Authority shall default in the payment of any Principal Installment of or Redemption Price or purchase price, if any, on any Bond when and as the same shall become due, whether at maturity or upon call for redemption or otherwise;

(b) payment of any installment of interest on any Bond shall not be made when and as the same shall become due;

(c) The Authority shall default in the payment of any Hedge Payment or any payment representing the reimbursement of a draw under a Credit Facility with respect to any Bond when and as the same shall become due;

(d) The Transportation Cabinet shall default in the payment of Additional Rent under the Lease Agreement when and as the same shall become due;

(e) If the Authority defaults in the observance and performance of any other of the covenants, conditions and agreements on the part of the Authority set forth in this General Trust Indenture and such default or defaults have continued for a period of 60 days after the Authority has received from the Holders of not less than 25% in principal amount of the Outstanding Bonds, a written notice specifying and demanding the cure of that default, however, (i) if the default in the observance and performance of any other of the covenants, conditions and agreements is one which cannot be completely remedied within the 60 days after written notice has been given, it shall not be an Event of Default with respect to the Bonds as long as the Authority has taken active steps within the 60 days after written notice has been given to remedy the default and is diligently pursuing that remedy, and (ii) as provided in Section 708(d), the failure of the System in any Fiscal Year to produce Total System Revenue in the amounts sufficient to enable the Authority to comply with Section 708(a) shall not, in and of itself, constitute an Event of Default under this General Trust Indenture if the Authority complies with the provisions set forth in Section 708(d), unless such failure to comply with Section 708(a) continues for a period of thirty-six (36) consecutive months;

(f) If the Transportation Cabinet defaults in the observance and performance of any other of the covenants, conditions and agreements on the part of the Transportation Cabinet set forth in the Lease Agreement and such default or defaults have continued for a period of 60 days after the Authority has received from the Holders of not less than 25% in principal amount of the Outstanding Bonds, a written notice specifying and demanding the cure of that default, however, if the default in the

observance and performance of any other of the covenants, conditions and agreements is one which cannot be completely remedied within the 60 days after written notice has been given, it shall not be an Event of Default with respect to the Bonds as long as the Authority and the Transportation Cabinet have taken active steps within the 60 days after written notice has been given to remedy the default and are diligently pursuing that remedy; or

- (g) The occurrence of a Bankruptcy Related Event.

### Section 1003. Remedies.

(a) Unless otherwise provided in a Series Trust Indenture upon the happening and continuance of any Event of Default specified in subsections (a), (b), (c), (d) and (g) of Section 1002, the Trustee shall proceed, or upon the happening and continuance of any Event of Default specified in subsection (e) or (f) of Section 1002, the Trustee may proceed, and upon the written request of the Holders of not less than twenty-five percent (25%) in principal amount of the Outstanding Bonds shall proceed, in its own name, subject to the provisions of this Section 1003, to protect and enforce its rights and the rights of the Bondholders by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, whether for the specific performance of any covenant or agreement contained in this General Trust Indenture or in aid of the execution of any power granted therein or in the Act or for the enforcement of any legal or equitable rights or remedies as the Trustee, being advised by its counsel, shall deem most effectual to protect and enforce such rights or to perform any of its duties under this General Trust Indenture or any Series Trust Indenture.

(b) In the enforcement of any rights and remedies under this General Trust Indenture or any Series Trust Indenture, the Trustee shall be entitled to sue for, enforce payment on and receive any and all amounts then or during any default becoming, and at any time remaining, due and unpaid from the Authority for principal, Redemption Price, purchase price, interest or otherwise, under any provision of this General Trust Indenture or any Series Trust Indenture or of the Bonds, with interest on overdue payments at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings hereunder and under the Bonds, without prejudice to any other right or remedy of the Trustee or of the Bondholders, and to recover and enforce a judgment or decree against the Authority, but solely as provided in this General Trust Indenture or the applicable Series Trust Indenture and in the Bonds for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect (but solely from moneys in the Debt Service Fund) in any manner provided by law, the moneys adjudged or decreed to be payable.

(c) Upon the occurrence of any Event of Default hereunder, the Trustee may request the Authority to transfer to its custody amounts on deposit in the Project Fund, and the Authority shall promptly provide for such transfer.

Section 1004. Priority of Payments After Default. In the event that upon the happening and continuance of any Event of Default, the funds held by the Fiduciaries shall be insufficient for the payment of any Principal Installment or Redemption Price or purchase price, if any, and

interest then due on the Bonds, such funds (other than funds held for the payment or redemption of particular Bonds which have theretofore become due at maturity or by call for redemption) and any other moneys received or collected by the Trustee acting pursuant to the Act and this Article X, after making provision for the payment of any expenses necessary in the opinion of the Trustee to protect the interests of the Holders of the Bonds, and for the payment of the charges and expenses and liabilities incurred and advances made by the Fiduciaries in the performances of their respective duties under this General Trust Indenture or any Series Trust Indenture, shall be applied in the following order of priority:

First, to the payment of the charges, expenses, advances and compensation of the Trustee and the charges, expenses, counsel fees, disbursements and compensation of its agents and attorneys;

Second, to the payment to the persons entitled thereto of all installments of interest past due or coming due on the Outstanding First Tier Bonds in the following six months in the order of maturity of those installments within the First Tier Bonds and, if the amount available shall not be sufficient to pay in full any installment or 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 within the First Tier Bonds;

Third, to the payment to the persons entitled thereto of the unpaid principal amounts of any Outstanding First Tier Bonds which shall have become due or which will become due in the following six months (other than Outstanding Bonds previously called for redemption for the payment of which money is held pursuant to the provisions hereto), whether at maturity or by proceedings for redemption or otherwise, in the order of their due dates and, if the amount available shall not be sufficient to pay in full the principal amounts due on the same date, then to the payment thereof ratably, according to the principal amounts due thereon to the persons entitled thereto, without any discrimination or preference;

Fourth, to the payment to the persons entitled thereto of all installments of interest past due or coming due on the Outstanding Second Tier Bonds in the following six months in the order of maturity of those installments within the Second Tier Bonds and, if the amount available shall not be sufficient to pay in full any installment or 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 within the Second Tier Bonds;

Fifth, to the payment to the persons entitled thereto of the unpaid principal amounts of any Outstanding Second Tier Bonds which shall have become due or which will become due in the following six months (other than Outstanding Bonds previously called for redemption for the payment of which money is held pursuant to the provisions hereto), whether at maturity or by proceedings for redemption or otherwise, in the order of their due dates and, if the amount available shall not be sufficient to pay in full the principal amounts due on the same date, then to the payment thereof ratably, according to the principal amounts

due thereon to the persons entitled thereto, without any discrimination or preference;

Sixth, to the payment to the persons entitled thereto of all installments of interest past due or coming due on the Outstanding Third Tier Bonds in the following six months in the order of maturity of those installments within the Third Tier Bonds and, if the amount available shall not be sufficient to pay in full any installment or 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 within the Third Tier Bonds;

Seventh, to the payment to the persons entitled thereto of the unpaid principal amounts of any Outstanding Third Tier Bonds which shall have become due or which will become due in the following six months (other than Outstanding Bonds previously called for redemption for the payment of which money is held pursuant to the provisions hereto), whether at maturity or by proceedings for redemption or otherwise, in the order of their due dates and, if the amount available shall not be sufficient to pay in full the principal amounts due on the same date, then to the payment thereof ratably, according to the principal amounts due thereon to the persons entitled thereto, without any discrimination or preference;

Eighth, to the payment of Subordinate Bonds coming due in the following six months;

Ninth, for continued application to the purposes and in the priority described in (a) through (h) above.

Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section, such moneys shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional money becoming available for such application in the future. The deposit of such moneys with the Fiduciaries, or otherwise setting aside such moneys in trust for the proper purpose, shall constitute proper application by the Trustee, and the Trustee shall incur no liability whatsoever to the Authority, to any Bondholder or to any other person for any delay in applying any such moneys, so long as the Trustee acts with reasonable diligence, having due regard for the circumstances, and ultimately applies the same in accordance with such provisions of this General Trust Indenture as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such moneys, it shall fix the date (which shall be a Bond Interest Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate for the fixing of any such date. The Trustee shall not be required to make payment to the Bondholder of any unpaid Bond unless such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 1005. Termination of Proceedings. In case any proceedings taken by the Trustee on account of any Event of Default shall have been discontinued or abandoned for any reason,

then in every such case the Authority, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been taken.

Section 1006. Bondholders' Direction of Proceedings. Unless otherwise provided in a Series Trust Indenture, anything in this General Trust Indenture or any Series Trust Indenture to the contrary notwithstanding, the Holders of the majority in principal amount of Bonds then outstanding shall have the right by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method of conducting all remedial proceedings to be taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law or the provisions of this General Trust Indenture or any Series Trust Indenture, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

Section 1007. Limitation on Rights of Bondholders. No Bondholder shall have any right to institute any suit, action, mandamus or other proceeding in equity or at law hereunder, or for the protection or enforcement of any right under this General Trust Indenture or any Series Trust Indenture or any right under the law unless such Bondholder shall have given to the Trustee written notice of the Event of Default or breach of duty on account of which such suit, action or proceeding is to be taken, and unless the Holders of not less than twenty-five percent (25%) in principal amount of the Bonds then Outstanding shall have made written request of the Trustee after the right to exercise such powers or right of action, as the case may be, shall have occurred, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers herein granted or granted under the law or to institute such action, suit or proceeding in its name and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the cost, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers under this General Trust Indenture or any Series Trust Indenture or for any other remedy hereunder or under law. It is understood and intended that no one or more Holders of the Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this General Trust Indenture or any Series Trust Indenture, or to enforce any right hereunder or under law with respect to the Bond or this General Trust Indenture or any series Trust Indenture, except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the benefit of all Holders. Nothing in this Article contained shall affect or impair the right of any Bondholder to enforce the payment of the principal of and interest on its Bonds, or the obligation of the Authority to pay the principal of and interest on each Bond issued hereunder to the Bondholder thereof at the time and place stated in said Bond.

Anything to the contrary notwithstanding contained in this Section, or any other provision of this General Trust Indenture or any Series Trust Indenture, each Bondholder by their acceptance thereof shall be deemed to have agreed that any court in its discretion may require, in any suit for the enforcement of any right or remedy under this General Trust Indenture or any Series Trust Indenture or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the reasonable cost of such suit, and that such court may in its discretion assess reasonable costs, including

reasonable attorneys' fees, against any party litigant in any such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this paragraph shall not apply to any suit instituted by the Trustee, to any suit instituted by any Bondholder, or group of Bondholders, holding at least twenty-five percent (25%) in principal amount of the Bonds Outstanding, or to any suit instituted by any Bondholders for the enforcement of the payment of the principal of, Redemption Price of, purchase price of, or interest on any Bond on or after the respective due date thereof expressed in such Bond.

Section 1008. Possession of Bonds By Trustee Not Required. All rights of action under this General Trust Indenture or any Series Trust Indenture or under any of the Bonds, enforceable by the Trustee, may be enforced by it without the possession of any of the Bonds or the production thereof at the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the Holders of such Bonds, subject to the provisions of this General Trust Indenture or any Series Trust Indenture.

Section 1009. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the Holders of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity by statute.

Section 1010. No Waiver or Default. No delay or omission of Trustee or of any Bondholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be waiver of any such default or any acquiescence therein; and every power and remedy given by this General Trust Indenture or any Series Trust Indenture to the Trustee and the Holders of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 1011. Notice of Event of Default. The Trustee shall give to the Bondholders notice of each Event of Default hereunder known to the Trustee within thirty (30) days after knowledge of the occurrence thereof, unless such Event of Default shall have been remedied or cured before the giving of such notice; provided that, except in the case of default in the payment of the Principal Installment of or Redemption Price, if any, or interest on any of the Bonds, the Trustee shall be protected in withholding such notice, if any, so long as the Trustee in good faith determines that the withholding of such notice is in the interest of the Bondholders. Each such notice of Event of Default shall be given by the Trustee by mailing written notice thereof: (i) to all Holders, as the names and addresses of such Holders appear upon the books for registration and transfer of Bonds as kept by the Trustee; (ii) to such Bondholders as have filed their names and addresses with the Trustee for that purpose; and (iii) to such other persons as is required by law.

Section 1012. TIFIA Bond Default Remedy. Upon the occurrence of an Event of Default described in Section [1002(g)], any then Outstanding TIFIA Bond will be deemed to be and will automatically become a First Tier Bond for all purposes of this General Trust Indenture, and, so long as such Event of Default continues, (i) the Trustee shall create a First Tier Bankruptcy Debt Service Reserve Account and apply amounts to be deposited therein and disbursed therefrom as provided in Sections 503(b) and 507(f) and (ii) the TIFIA Bondholder will be deemed to be the Bondholder of a First Tier Bond for purposes of the pledge of the Trust Estate set forth herein and the application of amounts in the Authority System Revenue Fund set

forth in Section 504 so that amounts deposited in the First Tier Debt Service Account are applied to the payment of the principal of and interest on TIFIA Bonds on the same basis as payment of principal of and interest on First Tier Bonds. Notwithstanding the other provisions of this Section, (i) amounts that are on deposit for the payment of First Tier Bonds in the First Tier Debt Service Account or the First Tier Debt Service Reserve Account other than a First Tier Bankruptcy Debt Service Reserve Account shall only be used to pay the scheduled payment of amounts then due (without regard to any acceleration) on First Tier Bonds and shall not be used to pay amounts due (without regard to any acceleration) on any TIFIA Bond; and (ii) any amounts on deposit for the payment of Second Tier Bonds, other Third Tier Bonds or Subordinate Bonds in the related Debt Service Account or Debt Service Reserve Account shall be used to pay, to the extent not otherwise paid, the scheduled payment of amounts then due (without regard to any acceleration) on the TIFIA Bonds, prior to the payment of amounts due on such Second Tier Bonds, other Third Tier Bonds or Subordinate Bonds.

(End of Article X)

## ARTICLE XI

### CONCERNING THE FIDUCIARIES

Section 1101. Trustee. [Trustee], a national banking association having powers of a trust company doing business and having a designated corporate trust office in the City of [City of Trustee], in the Commonwealth of [State of Trustee], is hereby appointed as Trustee. The Trustee shall signify its acceptance of the duties and obligations imposed upon it by the General Trust indenture or any Series Trust Indenture, by executing the Certificate of Authentication endorsed upon the Bonds, and, by executing such certificate upon any Bond, the Trustee shall be deemed to have accepted such duties and obligations upon the terms and conditions set forth in this General Trust Indenture. The Trustee shall not be responsible for any provisions contained in a Series Trust Indenture unless this Trustee has expressly accepted such trusts.

Section 1102. Appointment and Acceptance of Duties of Paying Agents. The Authority may appoint one or more Paying Agents for each Series in the Series Trust Indenture authorizing such Bonds, and may at any time or from time to time appoint one or more other Paying Agents in the manner and subject to the condition set forth in Section 1112 for the appointment of a successor Paying Agent. If no Paying Agent is so appointed, the Trustee shall be the Paying Agent for such Series.

Each Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this General Trust Indenture or any Series Trust Indenture by written instrument of acceptance executed and delivered to the Authority and the Trustee.

The corporate trust offices of the Paying Agent are hereby designated as the respective agencies of the Authority for the payment of the interest on and Principal Installments or Redemption Price or purchase price of the Bonds.

Section 1103. Responsibility of Fiduciaries. The recitals of fact contained herein and in the Bonds shall be taken as the statements of the Authority and no Fiduciary assumes any responsibility for the correctness of the same. No Fiduciary makes any representations as to the validity or sufficiency of the General Trust Indenture or of any Bonds issued thereunder or in respect of the security afforded by this General Trust Indenture, and no Fiduciary shall incur any responsibility in respect thereof. The Trustee shall, however, be responsible for its representation contained in the Certificate of Authentication executed by it on the Bonds. 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 responsibility or duty with respect to the application of any moneys paid to any other Fiduciary. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect 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 default.

Section 1104. Evidence on Which Fiduciaries May Act. Each Fiduciary shall be protected in acting upon any notice, resolution, 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 of 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 any Fiduciary shall deem necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, including payment of moneys out of any Fund or Account, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate signed by an Authorized Officer, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of the General Trust Indenture and any Series Trust Indenture in which said Fiduciary has accepted said trust upon the faith thereof, but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may deem reasonable. Except as otherwise expressly provided herein, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision hereof by the Authority to any Fiduciary shall be sufficiently executed if executed in the name of the Authority by an Authorized Officer.

Section 1105. Compensation. The Authority shall pay to each Fiduciary from time to time reasonable compensation for all services rendered under this General Trust Indenture or any Series Trust Indenture, 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 under this General Trust Indenture or any Series Trust Indenture. The Authority further agrees to indemnify and save each Fiduciary harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence or default.

Section 1106. Permitted Acts and Functions. The Trustee and any Paying Agent may become the owner of any Bonds, with the same rights it would have if it were not such Fiduciary. Any Fiduciary 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 Bondholders or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this General Trust Indenture, whether or not any such committee shall represent the Holders of a majority in principal amount of the Bonds then Outstanding.

Section 1107. Resignation of Trustee. The Trustee may at any time resign and be discharged of the duties and obligations created by the General Trust Indenture or any Series Trust Indenture by giving not less than sixty (60) days' written notice to the Authority and by mailing notice (specifying the date such resignation is to take effect) through regular United States mail, postage prepaid, to each Bondholder, and such resignation shall take effect upon the day specified in such notice unless (i) no successor has been appointed as provided in Section 1109, or (ii) previously a successor shall have been appointed, as provided in Section 1109, in which event such resignation shall take effect immediately on the appointment of such successor.

Section 1108. Removal of Trustee. The Trustee may and, if at any time so requested by an instrument or concurrent instruments in writing, filed with the Trustee and the Authority, and signed by the Holders of a majority in principal amount of the Bonds then Outstanding or their attorneys-in-fact duly authorized, excluding any Bonds held by or for the account of the Authority, shall, be removed by the Authority (so long as no Event of Default has occurred and is continuing) by an instrument or concurrent instruments in writing, filed with the Trustee and the Authority and signed by the Authority or the Holders, as appropriate. The Trustee may also

be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this General Trust Indenture with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the Application of the Authority or the Holders of not less than ten percent (10%) in aggregate principal amount of Outstanding Bonds. No such removal will be effective until a successor Trustee has been appointed and assumed the duties of Trustee as provided in Section 1109.

Section 1109. Appointment of Successor Trustee. In case at any time the Trustee 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 the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee, or of its property or affairs, the Authority covenants and agrees that it will thereupon appoint a successor Trustee. The Authority shall provide notice of any such appointment made by it within twenty (20) days after such appointment to Holders.

If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section within forty-five (45) days after the Trustee shall have given to the Authority written notice, as provided in Section 1107, or after a vacancy in the office of the Trustee shall have occurred by reason of its removal or inability to act, the Trustee or the Bondholder of any 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 provision of this Section 1109 in succession to the Trustee shall be a trust company or bank having the powers of a trust company within or outside the Commonwealth, having a capital and surplus aggregating at least One Hundred Million Dollars (\$100,000,000) if there be such a trust company or bank 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 General Trust Indenture or any Series Trust Indenture.

Section 1110. Transfer of Rights and Property to Successor Trustee. Any successor Trustee appointed under this General Trust Indenture shall execute, acknowledge and deliver to its predecessor Trustee, and also to the Authority, an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties, and all obligations of such predecessor Trustee, with like effect as if originally named as Trustee; but the Trustee ceasing to act shall nevertheless, on the written request of the Authority, or of the successor Trustee, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for the more fully and certainly vesting and confirming in such successor Trustee all the right, title and interest of the predecessor Trustee in and to any and all property held by it under this General Trust Indenture, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the Authority be required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged, and delivered by the Authority. Any such successor Trustee shall promptly notify the Paying Agents of its appointment as Trustee.

Section 1111. Merger or Consolidation. Any company into which any Fiduciary may be merged or converted or with which it may be consolidated or any company 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 trust company or bank which is qualified to be a successor to such Fiduciary under section 1109 or Section 1112 and shall be authorized by law to perform all duties imposed upon it by this General Trust Indenture or any Series Trust Indenture, shall be the successor to such Fiduciary without the execution or filing of any paper or the performance of any further act, anything herein or the contrary notwithstanding.

Section 1112. Resignation or Removal of the Paying Agents and Appointment of Successors. Any Paying Agent may at any time resign and be discharged of the duties and obligations created by this General Trust Indenture or any Series Trust Indenture by giving at least sixty (60) days' written notice to the Authority and the Trustee. Any Paying Agent may be removed at any time by an instrument filed with such Paying Agent and the Trustee and signed by an Authorized Officer of the Authority and (subject to the requirements of Section 703) shall be a trust company or bank having the powers of a trust company, having a capital and surplus aggregating at least One Hundred Million Dollars (\$100,000,000), and willing and able to accept the office of Paying Agent on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this General Trust Indenture.

In the event of the resignation or removal of any Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it to its successor, or if there be no successor then appointed, to the Trustee until such successor be appointed.

(End of Article XI)

## ARTICLE XII

### MISCELLANEOUS

#### Section 1201. Defeasance.

(a) If the Authority shall pay or cause to be paid, or there shall otherwise be paid, to Holders of the Bonds, such amounts as will, taking into account the investment earning therefrom, fully provide for all of the principal and interest and Redemption Price, if any, to become due on a particular Series of Bonds, at the times and the manner stipulated therein and in this General Trust Indenture or any Series Trust Indenture, and if the obligations of all Credit Providers under Credit Facilities and Reimbursement Agreements and Hedge Providers under Hedge Facilities related to those Series of Bonds have been fully paid and provided for, then and in that event as to that particular Series of Bonds the General Trust Indenture or any Series Trust Indenture shall cease, determine, and become null and void, and the covenants, agreements and other obligations of the Authority hereunder shall be satisfied and discharged for that particular Series of Bonds, and in such event, the Trustee shall, upon the request of the Authority, execute and deliver to the Authority all such instruments as may be desirable to evidence such discharge and satisfaction and the Fiduciaries shall pay over or deliver to the Authority all moneys or securities held by them pursuant to the General Trust Indenture or any Series Trust Indenture which are not required for the payment or redemption of such Series of Bonds not theretofore surrendered for such payment or redemption.

(b) Bonds or interest installments of a particular Series of Bonds for the payment or redemption of which moneys shall have been set aside and shall be held in trust by Fiduciaries (through deposit by the Authority of funds for such payment or redemption or otherwise) shall, at the maturity or Redemption Date thereof, be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section. Bonds of a particular Series shall, prior to the maturity or Redemption Date thereof, be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section if (i) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Authority shall have given to the Trustee in form satisfactory to it irrevocable instructions to provide notice of redemption in the manner prescribed in the applicable Series Trust Indenture, (ii) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Defeasance Obligations, the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient to pay when due the principal or Redemption Price, if any, 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 (iii) in the event said Bonds are not subject to redemption within the next 60 days, the Authority shall have given the Trustee in form satisfactory to it irrevocable instructions to notify the Holders of such Bonds of such redemption in the manner provided in the applicable Series Trust Indenture for giving notice of redemption. Neither Defeasance Obligations or moneys deposited with the Trustee 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 shall be held in trust for, the payment of the principal or Redemption Price, if any, and interest on said Bonds.

(c) Anything in this General Trust Indenture or any Series Trust Indenture to the contrary notwithstanding, any moneys held by a Fiduciary in trust for the payment and discharge of any of the Bonds which remain unclaimed for four (4) years after the date when all of the Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such monies were held by the Fiduciary at such date, or for four (4) years after the date of deposit of such monies with the Fiduciary after said date when all of the Bonds became due and payable, shall, subject to the provisions of Article VI hereof, at the written request of the Authority, be repaid by the Fiduciary to the Authority, as its absolute property and free from trust, and the Fiduciary shall thereupon be released and discharged.

Section 1202 Evidence of Signatures of Bondholders and Ownership of Bonds. Any request, consent or other instrument which this General Trust Indenture or any Series Trust Indenture may require or permit to be signed and executed by the Bondholders may be in one or more instruments of similar tenor, and shall be signed or executed by such Bondholders in person or by their attorneys appointed in writing. The fact and date of the execution by any Bondholder or his attorney of such instrument may be proved by a certificate, which need not be acknowledged or verified, of an officer of a loan or trust company satisfactory to the Trustee or of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. The authority of the person or persons executing any such instrument on behalf of a corporate Bondholder may be established without further proof if such instrument is signed by a person purporting to be the president or vice president of such corporation with corporate seal affixed and attested by a person purporting to be its secretary or an assistant secretary.

The ownership of Bonds and the amount, numbers and other identification, and date of holding the same shall be proved by the registry books. Any request, consent or vote of the Bondholder 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 any Fiduciary in accordance therewith.

Section 1203. Preservation and Inspection of Documents. All documents received by any Fiduciary under the provisions of this General Trust Indenture or any Series Trust Indenture shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Authority, any other Fiduciary and any Bondholder and their agents and their representatives, any of whom may make copies thereof.

Section 1204. Conflicts with Development Agreement. Should any conflict exist between the terms of the Development Agreement and the terms of this General Trust Indenture or any Series Trust Indenture, the Authority shall comply with the terms of the General Trust Indenture and the Series Trust Indenture and, in accordance with the terms of the Development Agreement, resolve such conflict by amending or supplementing the Development Agreement or, if necessary, pursuing the dispute resolution provisions of the Development Agreement.

Section 1205. Parties in Interest. Nothing in this General Trust Indenture or any Series Trust Indenture adopted pursuant to the provisions hereof, expressed or implied, is intended or shall be construed to confer upon or to give to any person or party other than the Authority, the Fiduciaries and the Holders of the Bonds, any rights, remedies or claims under or by reason of this General Trust Indenture or any Series Trust Indenture or any covenants, condition or stipulation thereof; and all covenants, stipulations, promises and agreements in this General Trust Indenture or any Series Trust Indenture contained by or on behalf of the Authority shall be for the sole and exclusive benefit of the Authority, the Fiduciaries and the Holders from time to time of the Bonds.

Section 1206. No Recourse Under General Trust Indenture, any Series Trust Indenture or on Bonds. All covenants, stipulations, promises, agreements and obligations of the Authority contained in this General Trust Indenture shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Authority and not of any member, officer, director or employee of the Authority in his individual capacity, and no recourse shall be had for the payment of the principal or Redemption Price of or interest on the Bonds or for any claim based thereon or on this General Trust Indenture or any Series Trust Indenture against any member, officer, director or employee of the Authority or any natural person executing the Bonds.

Section 1207. Severability. If any one or more of the covenants, stipulations, promises, agreements or obligations provided in this General Trust Indenture on the part of the Authority, or any Fiduciary to be performed should be determined by a court of competent jurisdiction to be contrary to law, then such covenants, stipulations, promises, agreements, obligations shall be deemed and construed to be severable from the remaining covenants, stipulations, promises, agreements and obligations herein contained and shall in no way affect the validity of the other provisions of this General. Trust Indenture.

Section 1208. Notice to Rating Agency. In addition to any other notices required to be given pursuant to the terms of this General Trust Indenture, written notice of each of the following events shall be given to each Rating Agency then rating the Bonds:

- (a) the execution and delivery of a Supplemental Trust Indenture pursuant to Article VIII of this General Trust Indenture; and
- (b) any amendment of this General Trust Indenture or any Series Trust Indenture pursuant to Article IX of this General Trust Indenture.

Section 1209. Headings. Any readings preceding the texts of the several Articles and Sections hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this General Trust Indenture, nor shall they affect its meaning, construction or effect.

Section 1210. Counterparts. This General Trust Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 1211. Effective Date. This General Trust Indenture shall take effect as of the date of its due and proper execution by the parties hereto.

Section 1212. Governing Law. This General Trust Indenture shall be deemed to be an agreement made under the laws of the Commonwealth and for all purposes shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky.

(End of Article XII)

WITNESS WHEREOF, the Kentucky Public Transportation Infrastructure Authority has caused this General Trust Indenture to be executed in its name and on its behalf by its Chairman, and attested by its Secretary, and [Trustee], the Trustee hereunder, has caused this General Trust Indenture to be executed in its name and on its behalf by its Trust Officer, all as of the day and year first above written.

**KENTUCKY PUBLIC TRANSPORTATION  
INFRASTRUCTURE AUTHORITY**

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

Attest:

\_\_\_\_\_  
Secretary

[TRUSTEE], as Trustee

By: \_\_\_\_\_  
Trust Officer