**THE MONMOUTH COUNTY IMPROVEMENT AUTHORITY**

**2025 GOVERNMENTAL LOAN REVENUE BOND RESOLUTION**

**(SOUTHEAST MONMOUTH MUNICIPAL UTILITIES AUTHORITY PROJECT)**

**Adopted November 13, 2025**

I hereby certify the attached to be a true copy of a Resolution adopted by the Monmouth County Improvement Authority at a meeting held on November 13, 2025

Geraldine Elias, Secretary to the Authority

## TABLE OF CONTENTS


ARTICLE I DEFINITIONS AND STATUTORY AUTHORITY ..... 1

Section 101. Definitions ..... 1

Section 102. Authority for the Resolution ..... 7

Section 103. Resolution to Constitute Contract ..... 7

ARTICLE II AUTHORIZATION AND ISSUANCE OF BONDS ..... 9

Section 201. Authorization of Bonds ..... 9

Section 202. General Provisions for Issuance of Bonds ..... 9

Section 203. Purpose of Bonds ..... 10

Section 204. The Bonds ..... 10

ARTICLE III GENERAL TERMS AND PROVISIONS OF BONDS ..... 11

Section 301. Obligation of Bonds; Medium of Payment; Form and Date; Letters and Numbers ..... 11

Section 302. Legends ..... 11

Section 303. Execution of Bonds ..... 11

Section 304. Authentication of Bonds ..... 12

Section 305. Transfer, Exchange and Registry of Bonds and Agency ..... 12

Section 306. Reissuance of Mutilated, Destroyed, Stolen or Lost Bonds ..... 13

Section 307. Temporary Bonds ..... 13

ARTICLE IV REDEMPTION OF BONDS ..... 14

Section 401. Privilege of Redemption and Redemption Price ..... 14

Section 402. Redemption ..... 14

Section 403. Redemption Otherwise than at Authority's Election or Direction ..... 14

Section 404. Selection of Bonds to be Redeemed ..... 14

Section 405. Notice of Redemption ..... 15

Section 406. Payment of Redeemed Bonds ..... 15

Section 407. Redemption of Portions of Bonds ..... 15

ARTICLE V ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF ..... 17

Section 501. The Pledge Effected by the Resolution ..... 17

Section 502. Establishment of Funds and Accounts ..... 17

Section 503. Loan Fund ..... 17

Section 504. Revenue Fund ..... 18
Section 505. Debt Service Fund ..... 18
Section 506. Rebate Fund ..... 19
Section 507. Cancellation and Destruction of Bonds ..... 19
ARTICLE VI DEPOSITORIES OF MONEYS, SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS ..... 20
Section 601. Depositories ..... 20
Section 602. Deposits ..... 20
Section 603. Investment of Certain Funds ..... 20
Section 604. Valuation and Sale of Investments ..... 21
ARTICLE VII PARTICULAR COVENANTS OF THE AUTHORITY ..... 23
Section 701. Payment of Bonds ..... 23
Section 702. Extension of Payment of Bonds ..... 23
Section 703. Offices for Servicing Bonds ..... 23
Section 704. Further Assurance ..... 23
Section 705. Power to Issue Bonds and Pledge Pledged Property ..... 23
Section 706. Creation of Liens ..... 24
Section 707. Accounts and Reports ..... 24
Section 708. Payment of Taxes and Charges ..... 25
Section 709. General ..... 25
Section 710. Tax Covenant ..... 25
ARTICLE VIII REMEDIES OF BONDHOLDERS ..... 26
Section 801. Events of Default ..... 26
Section 802. Accounting and Examination of Records After Default ..... 27
Section 803. Application of Pledged Property After Default ..... 27
Section 804. Proceedings Brought by Trustee ..... 29
Section 805. Restrictions on Bondholder's Action ..... 29
Section 806. Remedies Not Exclusive ..... 30
Section 807. Effect of Waiver and Other Circumstances ..... 30
Section 808. Notice of Default ..... 30
Section 809. Enforcement of County Guaranty ..... 30
ARTICLE IX CONCERNING THE FIDUCIARIES ..... 31
Section 901. Trustee; Appointment and Acceptance of Duties ..... 31

Section 902. Paying Agents; Appointment and Acceptance of Duties; Bond Registrar ..... 31
Section 903. Responsibilities of Fiduciaries ..... 31
Section 904. Evidence on Which Fiduciaries May Act ..... 32
Section 905. Compensation ..... 32
Section 906. Certain Permitted Acts ..... 33
Section 907. Resignation of Trustee ..... 33
Section 908. Removal of the Trustee ..... 33
Section 909. Appointment of Successor Trustee ..... 33
Section 910. Transfer of Right and Property to Successor Trustee ..... 34
Section 911. Merger or Consolidation ..... 34
Section 912. Adoption of Authentication ..... 35
Section 913. Resignation or Removal of Paying Agent or Bond Registrar and Appointment of Successor ..... 35
ARTICLE X SUPPLEMENTAL RESOLUTIONS ..... 36
Section 1001. Supplemental Resolutions Effective Upon Filing With the Trustee ..... 36
Section 1002. Supplemental Resolutions Effective Upon Consent of Trustee ..... 37
Section 1003. Supplemental Resolutions Effective With Consent of Bondholders ..... 37
Section 1004. General Provisions ..... 37
ARTICLE XI AMENDMENTS ..... 39
Section 1101. Mailing and Publication ..... 39
Section 1102. Powers of Amendment ..... 39
Section 1103. Consent of Bondholders ..... 39
Section 1104. Modifications by Unanimous Consent ..... 40
Section 1105. Exclusion of Bonds ..... 41
Section 1106. Notation on Bonds ..... 41
ARTICLE XII MISCELLANEOUS ..... 42
Section 1201. Defeasance ..... 42
Section 1202. Unclaimed Funds ..... 44
Section 1203. Evidence of Signatures of Bondholders and Ownership of Bonds ..... 45
Section 1204. Moneys Held for Particular Bonds ..... 46

Section 1205. Preservation and Inspection of Documents ..... 46
Section 1206. Parties Interested Herein ..... 46
Section 1207. No Recourse on the Bonds ..... 46
Section 1208. Publication of Notice; Suspension of Publication ..... 46
Section 1209. Severability of Invalid Provisions ..... 46
Section 1210. Holidays ..... 46
Section 1211. Notices ..... 47
Section 1212. Return of Borrower Bond ..... 47
Section 1213. Series Designation ..... 47
ARTICLE XIII LOANS ..... 48
Section 1301. Closing Procedure ..... 48
Section 1302. Loan Defaults ..... 48
Section 1303. Payment or Prepayment of Borrower Bond ..... 48
ARTICLE XIV BOND FORMS AND EFFECTIVE DATE ..... 50
Section 1401. Form of Bonds ..... 50
Section 1402. Form of Certificate of Authentication of Trustee or Bond Registrar ..... 61
Section 1403. Form of County Guaranty ..... 62
Section 1404. Effective Date ..... 62

**2025 GOVERNMENTAL LOAN REVENUE BOND RESOLUTION**

**(SOUTHEAST MONMOUTH MUNICIPAL UTILITIES AUTHORITY PROJECT)**

**RESOLUTION 2025-75**

NOW BE IT RESOLVED by The Monmouth County Improvement Authority as follows:

## ARTICLE I

## DEFINITIONS AND STATUTORY AUTHORITY

**Section 101. Definitions.** The following terms shall, for all purposes of the Resolution, have the following meanings:

**Account or Accounts** shall mean, as the case may be, each or all of the Accounts established in Section 502.

**Accountant's Certificate** shall mean a certificate signed by an independent certified public accountant of recognized standing or a firm of independent certified public accountants of recognized standing, selected by the Authority, who may be the accountant or firm of accountants who regularly audit the books of the Authority.

**Act** shall mean the County Improvement Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State of New Jersey, as amended and supplemented.

**Authority** shall mean The Monmouth County Improvement Authority, a public body corporate and politic organized and existing under the Act and created pursuant to a resolution of the Board of Chosen Freeholders of Monmouth County (currently known as the Board of County Commissioners) adopted on June 5, 1986, and any successor to its duties and functions.

**Authorized Authority Representative** shall mean any person or persons authorized to act on behalf of the Authority by a written certificate signed on behalf of the Authority by the Chairman or Vice Chairman of the Authority containing the specimen signatures of each such person.

**Authorized Denominations** shall mean $5,000 or any integral multiple of $5,000.

**Authorized Newspaper** shall mean a financial newspaper customarily published at least once a day for at least five days (other than legal holidays) in each calendar week, printed in the English language and of general circulation in the Borough of Manhattan, City and State of New York.

**Bond or Bonds** shall mean the outstanding Governmental Loan Revenue Bonds, Series 2025 (Monmouth County Guaranteed) (Southeast Monmouth Municipal Utilities Authority Project) authenticated and delivered under and pursuant to the Resolution.

**Bond Counsel** shall mean Gibbons P.C., or any other lawyer or firm of lawyers with experience and nationally recognized expertise in the field of municipal finance selected by the Authority.

**Bondholder or Holder of Bonds or Holder** shall mean any person who shall be the registered owner of any Bond or Bonds.

**Bond Purchase Agreement** shall mean the bond purchase agreement between the Authority and the Borrower, which agreement shall be in form and substance satisfactory to the Authority.

**Bond Registrar** shall mean the commercial bank or trust company organized under the laws of any state of the United States of America or national banking association appointed by the Authority to perform the duties of the Bond Registrar enumerated in the Resolution.

**Borrower** shall mean the Southeast Monmouth Municipal Utilities Authority, Wall, New Jersey.

**Borrower Bond** shall mean the bond of the Borrower purchased by the Authority pursuant to the Bond Purchase Agreement to evidence the Loan from the Authority to the Borrower.

**Business Day** shall mean any day that is not a Saturday, a Sunday or a legal holiday in the State or the State of New York or a day on which the Trustee, the Bond Registrar or any Paying Agent is legally authorized to close.

**Code** shall mean the Internal Revenue Code of 1986, as amended from time to time, and the applicable regulations thereunder.

**Cost of Issuance** shall mean the costs and expenses of the Authority and its agents and employees, including discounts to the underwriters, incurred in connection with the issuance and sale of the Bonds, including any fees and expenses of the Fiduciaries.

**County** shall mean the County of Monmouth, New Jersey.

**County Guaranty** shall mean the County's guaranty, pursuant to Section 80 of the Act, of the payment of principal and interest when due on the Bonds.

**Debt Service** for any period shall mean, as of any date of calculation and with respect to the Outstanding Bonds, an amount equal to the sum of (i) the interest accruing during such period on such Bonds except to the extent such interest is to be paid from deposits made from Bond proceeds into the Debt Service Fund, and (ii) that portion of each Principal Installment for such Bonds which would accrue during such period if such Principal Installment were deemed to accrue daily in equal amounts from the next preceding Principal Installment due date for such Bonds or, if there should be no preceding Principal Installment due date, from a date one year (or such lesser period as shall be appropriate if Principal Installments shall become due more frequently than annually) preceding the due date of such Principal Installment or from the date of issuance of the Bonds, whichever is later. Such interest and Principal Installments shall be calculated on the assumption that no Bonds Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment of each Principal Installment on the due date thereof. The calculations in the preceding sentence shall be made on the basis of a 30 day Month and 360 day year.

**Debt Service Fund** shall mean the Debt Service Fund established in Section 502.

**Debt Service Requirement** with respect to any Bonds and with respect to the next Interest Payment Date for such Bonds, shall mean, (i) in the case of an Interest Payment Date on which interest only shall be due, interest accrued and unpaid and to accrue to such date plus that portion of the Principal Installment or Installments for such Bonds which would accrue to such date if such Principal Installment or Installments be deemed to accrue in the manner provided in the definition of "Debt Service" set forth in Section 101, and (ii) in the case of an Interest Payment Date on which both interest and a Principal Installment or Installments shall be due, interest accrued and unpaid and to accrue to such date plus the Principal Installment or Installments due on such date.

**Defeasance Obligations** shall mean (a) direct non-callable obligations of the United States of America, (b) evidences of ownership of proportionate interests in future interest and principal payments on direct non-callable obligations of the United States of America held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and such underlying obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated, or (c) pre-refunded municipal obligations rated "AAA" and "Aaa" by S&P Global Ratings and Moody's Ratings, Inc., respectively.

**Depository** shall mean any bank or trust company selected by the Authority as a depository of moneys and securities held under the provisions of the Resolution and shall include the Trustee and the Paying Agent.

**Event of Default** shall have the meaning given to such term in Section 801.

**Fiduciary or Fiduciaries** shall mean the Trustee, the Depositories, the Paying Agents, the Bond Registrar, or any or all of them, as may be appropriate.

**Fiscal Year** shall mean the twelve (12) Month period commencing on August 1 of each year and ending at midnight on July 31 of the next succeeding year.

**Fund or Funds** shall mean, as the case may be, each or all of the Funds established in Section 502; provided, however, that such Funds do not constitute "funds" in accordance with generally accepted accounting principles.

**Interest Payment Date** shall mean each June 1 and December 1, commencing June 1, 2026, except as otherwise set forth in the Bond Purchase Agreement. In the event that an Interest Payment Date is not a Business Day, interest shall be paid on the next succeeding Business Day for interest accrued to the Interest Payment Date.

**Investment Securities** shall mean, to the extent permitted by law, (a) any direct and general obligation of or any obligation fully and unconditionally guaranteed by the United States of America, including obligations that do not pay current interest; (b) any bond, debenture, note, participation certificate or other evidence of indebtedness issued or guaranteed by any agency or corporation that has been created or may be created hereafter pursuant to an act of Congress as an agency or an instrumentality of the United States of America; (c) negotiable or nonnegotiable certificates of deposit issued by any bank, savings and loan association, trust company or national banking association (which may include any Fiduciary), and which certificates of deposit, except in the case of certificates of deposit issued by a bank, savings and loan association, trust company or national banking association (which may include any Fiduciary) either located in the State and eligible to accept deposits pursuant to the New Jersey Governmental Unit Deposit Protection Act or having capital stock and surplus of more than $100,000,000, shall be continuously secured by obligations described in clauses (a), (b) or (d) of this definition that shall have a market value (exclusive of accrued interest) at all times at least equal to the principal amount of such certificates of deposit and shall be lodged with the Trustee by the bank, the savings and loan association, the trust company or the national banking association (which may include any Fiduciary) issuing such certificates of deposit; (d) full faith and credit obligations of the State or of any political subdivision thereof or revenue obligations of the State or of any political subdivision thereof rated in the two highest applicable rating categories by any nationally recognized rating service; (e) deposits in interest bearing accounts in any bank, savings and loan association, trust

company or national banking association (which may include any Fiduciary) either located in the State and eligible to accept deposits pursuant to the New Jersey Governmental Unit Deposit Protection Act or having capital stock and surplus of more than $100,000,000; (f) shares or beneficial interests in an investment fund or trust and whose assets consist solely of obligations described in clauses (a) or (b) of this definition; (g) interests in the State of New Jersey Cash Management Fund or other similar common trust fund for which the New Jersey State Treasurer is the custodian; (h) any investment agreement with any bank, trust company or national banking association (which may include any Fiduciary) having a capital stock and surplus of more than $100,000,000 or with any government bond dealer reporting to, trading with and recognized as a primary dealer by the Federal Reserve Bank of New York or Philadelphia for the purchase of securities described in clause (a) or (b) above, provided such investment agreements shall be continuously secured by obligations described in clauses (a) or (b) of this definition having a market value at all times at least equal to the principal amount invested in such investment agreement; or (i) certificates that evidence ownership of the right to payments of principal or interest on obligations described in clause (a) hereof, provided that such obligations shall be held by the Trustee or in trust for the Trustee by a bank, trust company or national banking association having a capital stock and surplus of more than $200,000,000. The capital stock and surplus of any banking institution shall be determined by reference to its latest published financial statements.

**Loan** shall mean the loan by the Authority to the Borrower made, pursuant to the Bond Purchase Agreement, from moneys in the Loan Fund. For all purposes of this Resolution, the principal amount of the Loan shall be the principal amount specified in the Borrower Bond issued to the Authority in accordance with the Bond Purchase Agreement.

**Loan Fund** shall mean the Loan Fund established in Section 502.

**Loan Repayments** means any payment of the principal of or interest on the Loan payable by the Borrower pursuant to its Borrower Bond.

**Month** shall mean a calendar month.

**Outstanding** when used with reference to Bonds, shall mean, as of any date, Bonds theretofore or thereupon being authenticated and delivered under the Resolution except:

(i) Bonds canceled by the Trustee at or prior to such date;

(ii) Bonds (or portions of Bonds) for the payment or redemption of which moneys, equal to the principal amount or Redemption Price thereof, as the case may be, with interest to the date of maturity or redemption date, shall be held in trust under the Resolution and set aside for such payment or redemption (whether at or prior to the maturity or redemption date), provided that if such Bonds (or portions of Bonds) are to be redeemed,

notice of such redemption shall have been given or provision satisfactory to the Trustee shall have been made for the giving of such notice as provided in Article IV;

(iii) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to Article III or Section 407 or Section 1106; and

(iv) Bonds deemed to have been paid as provided in subsection 2 of Section 1201.

**Paying Agent** shall mean the commercial bank or trust company designated as paying agent for the Bonds by the Authority and its successor or successors hereafter appointed in the manner provided in the Resolution.

**Payment Date** shall mean any Interest Payment Date or date for payment of principal on the Bonds.

**Pledged Property** shall mean the Borrower Bond and the Revenues and Funds other than the Rebate Fund, including Investment Securities held in any such Fund hereunder, together with all proceeds and revenues of the foregoing and all of the Authority's right, title and interest in and to the foregoing, and all other moneys, securities or funds pledged for the payment of the principal or Redemption Price of and interest on the Bonds.

**Pooled Bonds Trustee** shall mean the trustee appointed pursuant to the Authority's 2025 Governmental Pooled Loan Revenue Bond Resolution.

**Principal Installment** shall mean, as of any date of calculation, (i) the principal amount of Bonds due on a certain future date for which no Sinking Fund Installments have been established, or (ii) the unsatisfied balance of any Sinking Fund Installments due on a certain future date for Bonds, plus the amount of the sinking fund redemption premiums, if any, which would be applicable upon redemption of such Bonds on such future date in a principal amount equal to said unsatisfied balance of such Sinking Fund Installments, or (iii) if such future dates coincide as to different Bonds, the sum of such principal amount of Bonds and of such unsatisfied balance of Sinking Fund Installments due on such future date plus such applicable redemption premiums, if any.

**Rebate Fund** shall mean the Rebate Fund established in Section 502.

**Record Date** shall mean the fifteenth day of the month next preceding (i) any Interest Payment Date (provided, however, if the Interest Payment Date is the 15$^{th}$ day of a month, the Record Date shall be the first day of the month in which the payment of interest is to be made) or (ii) any other date on which interest is to be paid with respect to the Bonds.

**Redemption Price** shall mean, with respect to any Bond, the principal amount thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or the Resolution.

**Resolution** shall mean this 2025 Governmental Loan Revenue Bond Resolution (Southeast Monmouth Municipal Utilities Authority Project) as from time to time amended or supplemented by Supplemental Resolutions in accordance with the terms hereof.

**Revenue Fund** shall mean the Revenue Fund established in Section 502.

**Revenues** shall mean (i) all Loan Repayments received by the Authority pursuant to the Borrower Bond, (ii) payments received under the County Guaranty, (iii) any other amounts received from any other source by the Authority and pledged by the Authority as security for the payment of Bonds, and (iv) interest or other investment earnings received or to be received on any moneys or securities held pursuant to the Resolution and paid or required to be paid into the Revenue Fund.

**Sinking Fund Installment** shall mean the amount of money required hereby or by any Supplemental Resolution of the Authority to be paid into the Debt Service Fund by the Authority toward the retirement of any Bonds but does not include any amount payable by reason only of a maturity of any Bonds.

**State** shall mean the State of New Jersey.

**Supplemental Resolution** shall mean any resolution supplemental to or amendatory of the Resolution adopted by the Authority in accordance with Article X hereof.

**Tax Certificate** shall mean the "Tax Certificate as to Arbitrage and Instructions as to Compliance with Provisions of Section 103(a) of the Internal Revenue Code of 1986" provided to the Authority by Gibbons P.C. on the date of issuance and delivery of the Bonds, as such certificate may be amended from time to time.

**Trustee** shall mean the financial institution appointed by the Authority to act as trustee hereunder prior to the issuance of the Bonds hereunder and any other trustee that at any time may be substituted in its place pursuant to the Resolution.

Except where the context otherwise requires, words importing the singular number shall include the plural number and vice versa, words importing persons shall include firms, associations, corporations, districts, agencies and bodies, and words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and vice versa. All times referenced herein shall be to New York City time unless otherwise specifically noted.

**Section 102. Authority for the Resolution.** This Resolution is adopted pursuant to the provisions of the Act.

**Section 103. Resolution to Constitute Contract.** In consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued hereunder by those who shall hold the same from time to time, the Resolution shall be deemed to be and shall constitute a contract between the Authority and the Holders from time to time of the Bonds; and the security interest granted and the pledge and assignment made in the Resolution and the covenants and agreements therein set forth to be performed on behalf of the Authority shall be for the equal benefit, protection and security of the Holders of any and all of the Bonds, all of which, regardless of the time or times of their authentication and delivery or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof, all except as expressly provided in or permitted by the Resolution.

## ARTICLE II

## AUTHORIZATION AND ISSUANCE OF BONDS

**Section 201. Authorization of Bonds.** The Resolution authorizes Bonds of the Authority to be designated as "Governmental Loan Revenue Bonds, Series 2025 (Monmouth County Guaranteed) (Southeast Monmouth Municipal Utilities Authority Project)." The Bonds shall be direct and special obligations of the Authority. The aggregate principal amount of the Bonds that may be executed, authenticated and delivered under the Resolution is not limited except as is or as hereafter may be provided in the Resolution or as may be limited by law.

**Section 202. General Provisions for Issuance of Bonds.** 1. The Bonds shall be executed by the Authority for issuance under the Resolution and shall be delivered to the Trustee or the Bond Registrar. Thereupon the Trustee or the Bond Registrar shall authenticate and shall deliver the Bonds to the Authority or upon its order, but only upon the receipt by the Trustee of:

(a) an opinion of Bond Counsel to the effect that, except insofar as it may be limited by bankruptcy, insolvency, debt adjustment, moratorium, reorganization or other similar laws affecting creditors' rights generally and the availability of any particular remedy, (i) the Authority has the right and the power under the Act, as amended to the date of such opinion, to adopt the Resolution; the Resolution has been duly and lawfully adopted by the Authority, is in full force and effect, is valid and binding upon the Authority and is enforceable in accordance with its terms and no other authorization for the Resolution is required; (ii) the Resolution creates the valid pledge that it purports to create of the Pledged Property; and (iii) the Bonds are valid, binding, direct and special obligations of the Authority as provided in the Resolution, enforceable in accordance with their terms and the terms of the Resolution and entitled to the benefits of the Resolution and of the Act as amended to the date of such opinion, and such Bonds have been duly and validly authorized and issued in accordance with law, including the Act as amended to the date of such opinion and in accordance with the Resolution;

(b) a written order as to the delivery of such Bonds signed by an Authorized Authority Representative, which order shall direct the application of the proceeds of such Bonds.

(c) a copy, duly certified by an Authorized Authority Representative, of the Resolution;

(d) duly executed and delivered Borrower Bond; and

(e) a fully executed copy of the County Guaranty;

2. After the original issuance of the Bonds, no Bonds shall be issued except in lieu of or in substitution for other Bonds pursuant to Article III or Section 405 or 1106.

**Section 203. Purpose of Bonds.** The Bonds shall be issued, authenticated and delivered to make the Loan.

**Section 204. The Bonds.** 1. A series of Bonds entitled to the benefit, the protection and the security of the Resolution is hereby authorized in the aggregate principal amount of not more than $4,000,000 for the purpose of making the Loan.

2. The Bonds shall be dated and shall bear interest from the date set forth in the certificate of Authorized Authority Representative, which date shall not be prior to December 1, 2025, or later than the date of the initial delivery of the Bonds, except as otherwise provided in Section 301. The Bonds shall mature on the dates and in the principal amounts, and shall bear interest payable semiannually on the Interest Payment Dates at the respective rates per annum, set forth in the Bond Purchase Agreement or certificate of an Authorized Authority Representative; provided that (i) the final maturity date shall not be later than December 1, 2046 and (ii) no interest rate shall exceed seven percent (7%) per annum.

3. The Bonds shall be issued in Authorized Denominations. Unless the Authority shall otherwise direct, the Bonds shall be lettered and numbered from one upward in order of maturities preceded by the letter "R" and/or such other letter as determined by the Trustee prefixed to the number. Subject to the provisions of this Resolution, the form of the Bonds and the Trustee's certificate of authentication shall be substantially in the form set forth in Sections 1401 and 1402.

4. The principal and Redemption Price of the Bonds shall be payable at the principal corporate trust office of the Paying Agent initially appointed by the Authority for the Bonds. The principal and Redemption Price of all Bonds shall also be payable at any other place which may be provided for such payment by the appointment of any other Paying Agent or Paying Agents as permitted by this Resolution. Interest on the Bonds shall be payable by check or draft of the Trustee, mailed or transmitted, respectively, to the Holders thereof as the same appear as of the Record Date on the books of the Authority maintained by the Trustee.

5. The Bonds shall be subject to redemption prior to maturity at the option of the Authority as set forth in a certificate of an Authorized Authority Representative.

6. The Bonds, to the extent set forth in a certificate of an Authorized Authority Representative, shall be subject to mandatory sinking fund redemption prior to maturity in Sinking Fund Installments on the redemption dates set forth in the certificate of an Authorized Authority Representative, at the principal amount thereof together with accrued interest to the date of redemption. The Authority shall cause to be deposited in the Debt Service Fund on or before each sinking fund payment date an amount sufficient to redeem, and the Authority shall cause to be redeemed, the principal amounts of Bonds on the sinking fund payment dates as set forth in the certificate of an Authorized Authority Representative.

## ARTICLE III

## GENERAL TERMS AND PROVISIONS OF BONDS

**Section 301. Obligation of Bonds; Medium of Payment; Form and Date; Letters and Numbers.** 1. The Bonds shall be payable, with respect to principal or Redemption Price and interest solely from the Pledged Property.

2. The Bonds shall be payable with respect to principal or Redemption Price, and interest in any coin or currency of the United States of America that at the time of payment is legal tender for the payment of public and private debts.

3. Any Bonds shall be issued in the form of fully registered Bonds.

4. Each Bond shall be lettered and numbered as provided in this Resolution or the Supplemental Resolution authorizing such Bond and so as to be distinguished from every other Bond.

5. Bonds upon original issuance shall be dated as provided in this Resolution. Principal or Redemption Price of the Bonds shall be payable at maturity or earlier redemption upon presentation and surrender at the office of the Paying Agent. Bonds shall bear interest as provided herein, payable by check or bank draft to registered owners of such Bonds as of the Record Date provided for such Bonds at their addresses on file with the Bond Registrar. So long as any series of Bonds are held in book-entry form pursuant to the Resolution or Supplemental Resolution authorizing such series, the provisions of the Section relating to the use of the book-entry system shall govern the payment, as applicable, of principal and Redemption Price of, and interest on, such series of Bonds. After original issue all Bonds exchanged or transferred shall bear an authentication date that shall be the date they are authenticated. Interest on Bonds shall accrue from the Interest Payment Date to which interest has been paid next preceding the authentication date unless (1) the date of authentication is also an Interest Payment Date to which interest has been paid, in which event such Bonds shall be dated and shall bear interest from the date of authentication or (2) the date of authentication is prior to the first Interest Payment Date, in which event such Bonds shall bear interest from the original issuance date of such Bonds.

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

**Section 303. Execution of Bonds.** Each Bond shall be executed in the name of the Authority by the manual or facsimile signature of its Chairman or Vice Chairman and its corporate seal shall be thereunto affixed, imprinted or otherwise reproduced and attested by the manual or facsimile signature of the Secretary or Assistant Secretary of the Authority. In the event that any officer who shall have signed, sealed or attested any of the Bonds shall cease to be such officer of the Authority before the Bonds so signed, sealed or attested shall have been authenticated and delivered by the Trustee or by the Bond Registrar, such Bonds nevertheless may be authenticated and delivered as herein provided as if the person who so signed, sealed or attested such Bonds had not ceased to be such officer. The Bonds may be signed, sealed or attested on behalf of the Authority by any person who shall hold the proper office at the date of such act, notwithstanding that at the date of such Bonds such person may not have held such office.

**Section 304. Authentication of Bonds.** The Bonds shall bear thereon a certificate of authentication, substantially in the form set forth in Section 1402 hereof, duly executed upon initial issuance by the Trustee or the Bond Registrar and thereafter by the Bond

Registrar. Only such Bonds as shall bear thereon such certificate of authentication, duly executed, shall be entitled to any right or benefit under the Resolution. No Bond shall be valid or obligatory for any purpose unless such certificate of authentication upon such Bond shall have been duly executed by the Trustee, or by the Bond Registrar, as the case may be. Such certificate of authentication by the Trustee or by the Bond Registrar, as the case may be, upon any Bond executed on behalf of the Authority shall be conclusive and the only evidence that the Bond so authenticated has been duly authenticated and delivered under the Resolution and that the Holder thereof is entitled to the benefit of the Resolution.

**Section 305. Transfer, Exchange and Registry of Bonds and Agency.** The Authority shall cause the Bond Registrar to maintain and to keep books for the registration, the exchange and the transfer of Bonds.

Upon presentation of Bonds for transfer or exchange at the designated office of the Bond Registrar, together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the Holder or by his attorney duly authorized in writing, the Bond Registrar shall register or shall cause to be registered therein and shall permit to be transferred thereon or to be exchanged any Bond entitled to registration, transfer or exchange. The Bond Registrar hereby is appointed the agent of the Authority for such registration, transfer or exchange of Bonds.

Upon the transfer or exchange of any Bond, the Authority shall execute, and the Trustee or the Bond Registrar shall authenticate and shall deliver a new Bond or Bonds in any Authorized Denomination registered in the name of the Holder or transferee of the same aggregate principal amount and series, designation and maturity as the surrendered Bond.

All Bonds surrendered in any such exchanges or transfers shall forthwith be delivered to the Bond Registrar and cancelled or retained by the Bond Registrar. For every such exchange or transfer of Bonds, whether temporary or definitive, the Authority or the Bond Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. Neither the Authority nor the Bond Registrar shall be required to transfer or exchange any Bonds for a period of three (3) days next preceding any selection of Bonds to be redeemed or thereafter until after the first publication or mailing of any notice of redemption or any Bonds called for redemption.

**Section 306. Reissuance of Mutilated, Destroyed, Stolen or Lost Bonds.** In case any outstanding Bond shall be mutilated, destroyed, stolen or lost, the Trustee or the Bond Registrar shall authenticate and shall deliver a new Bond, of like tenor, number and amount as the Bond so mutilated, destroyed, stolen or lost in exchange and in substitution for and upon surrender of such mutilated Bond or in lieu of and in substitution for the Bond if any, destroyed, stolen or lost upon filing with the Trustee and the Bond Registrar evidence satisfactory to the Authority, the Trustee and the Bond Registrar that such Bond had been destroyed, stolen or lost and proof of ownership thereof, upon furnishing the Authority, the Trustee and the Bond Registrar with indemnity satisfactory to them, upon paying such expenses as the Authority, the Trustee and the Bond Registrar may incur in connection therewith and upon complying with such other reasonable regulations as the Authority, the Trustee and the Bond Registrar may prescribe. In lieu of reissuing a mutilated, destroyed, lost or stolen Bond that is due and payable, the Trustee and the Bond

Registrar may pay the amount due on such Bond to the owner or the Holder thereof, provided all the other requirements of this Section have been met.

**Section 307. Temporary Bonds.** Until the definitive Bonds of any series are prepared, the Authority may execute in the same manner as is provided in Section 303 and, upon the request of the Authority, the Trustee or Bond Registrar shall authenticate and shall 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 for registered Bonds, one or more temporary Bonds of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in Authorized Denominations and with such omissions, insertions and variations as may be appropriate to temporary Bonds for notation thereon of the payment of such interest. The Authority at its own expense shall prepare and shall execute and, upon the surrender for exchange and for cancellation of such temporary Bonds, the Trustee or the Bond Registrar shall authenticate and shall deliver in exchange therefor definitive Bonds of the Authority without charge to the Holder thereof.

## ARTICLE IV

## REDEMPTION OF BONDS

**Section 401. Privilege of Redemption and Redemption Price.** Bonds subject to redemption prior to maturity pursuant to this Bond Resolution shall be redeemable, upon notice as provided in this Article IV, at such times, at such Redemption Prices and upon such terms in addition to the terms contained in this Article IV as may be specified in this Resolution.

**Section 402. Redemption.** In the case of any redemption of Bonds at the election or direction of the Authority, the Authority shall give written notice to the Trustee of its election or direction to so redeem, of the redemption date, and of the principal amounts of the Bonds of each maturity to be redeemed (which maturities and principal amounts thereof to be redeemed shall be determined by the Authority in its sole discretion, subject to any limitations with respect thereto contained in this Resolution). Such notice shall be given at least fifty (50) days prior to the redemption date or such shorter period as shall be agreed to in writing by the Trustee. Notice of redemption shall be given to Bondholders as provided in Section 405; provided, however, that such notice of redemption, other than any redemption required by the terms of the Resolution as provided in Section 403 or of any redemption of Bonds with proceeds of bonds, notes or other obligations of the Authority issued on behalf of the Borrower for purposes of refunding all or a portion of the Bonds, shall not be given unless prior to giving such notice there shall be paid by the Authority to the Paying Agent on or prior to the giving of such redemption notice an amount in cash which, in addition to other moneys, if any, available therefor held by the Paying Agent, will be sufficient to redeem on the redemption date at the Redemption Price thereof, plus interest accrued and unpaid to the redemption date, all of the Bonds to be redeemed. The Authority shall promptly notify the Trustee in writing of all such payments by the Authority to the Paying Agent.

**Section 403. Redemption Otherwise than at Authority's Election or Direction.** Whenever by the terms of the Resolution the Trustee is required or authorized to redeem Bonds otherwise than at the election or direction of the Authority, the Trustee shall select the Bonds to be redeemed, give the notice of redemption as provided in Section 405 and pay out of moneys available therefor the Redemption Price thereof, plus interest accrued and unpaid to the redemption date, to the Paying Agent in accordance with the terms of this Article IV and, to the extent applicable, Article V.

**Section 404. Selection of Bonds to be Redeemed.** If less than all of the Bonds of like maturity shall be called for prior redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Trustee in such manner as the Trustee in its sole discretion may deem fair and appropriate; provided, however, that the portion of any Bond of a denomination of more than $5,000 to be redeemed shall be in the principal amount of $5,000 or any integral multiple thereof, and that, in selecting Bonds for redemption, the Trustee shall treat each Bond as representing that number of Bonds that is obtained by dividing the principal amount of such Bond by the minimum denomination in which Bonds are authorized to be outstanding after the redemption date.

**Section 405. Notice of Redemption.** When Bonds have been selected for redemption pursuant to any provision of this Resolution, the Trustee shall give written notice of

the redemption of such Bonds in the name of the Authority at the times specified in the second paragraph of this Section, which notice shall set forth: (i) the date fixed for redemption, (ii) the Redemption Price to be paid, (iii) that such Bonds will be redeemed at the Principal Office of the Paying Agent, (iv) if less than all of such Bonds shall be called for redemption, the distinctive numbers and letters, if any, of such Bonds to be redeemed, and (v) in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. Such notice shall further state that on the redemption date there shall become due and payable the Redemption Price of all Bonds to be redeemed, together with interest accrued thereon to the redemption date, and that, from and after such date, interest thereon shall cease to accrue. In case any Bond is to be redeemed in part only, the notice of redemption that relates to such Bond shall state also that on or after the redemption date, upon surrender of such Bond, the Holder thereof shall be entitled to a new Bond or Bonds, bearing interest at the same rate and in aggregate principal amount equal to the unredeemed portion of such Bond.

The notice required to be given by the Trustee pursuant to this Section shall be sent by registered mail to the registered owners of the Bonds to be redeemed, at their addresses as they appear on the Bond registration books of the Authority, not less than thirty (30) nor more than forty-five (45) days prior to the redemption date. The failure to give notice of the redemption of any Bond or portion thereof to the registered Holder of such Bond as herein provided shall not affect the validity of the proceedings for the redemption of any Bonds for which notice of redemption has been given in accordance with the provisions of this Section.

**Section 406. Payment of Redeemed Bonds.** On the date designated for redemption, notice having been given in the manner and under the conditions hereinabove provided, the Bonds or portions of Bonds called for redemption shall become and be due and payable at the Redemption Price provided for redemption of such Bonds or such portions thereof on such date and, if moneys for the payment of the Redemption Price and the accrued interest to the redemption date are held in a separate account by the Trustee in trust for the Holders of such Bonds, interest on such Bonds or such portions thereof so called for redemption shall cease to accrue, such Bonds or such portions thereof shall cease to be entitled to any benefit or security under this Resolution and the Holders of such Bonds or portions of Bonds shall have no rights in respect thereof except to receive payment of the Redemption Price thereof and the accrued interest thereon to the date of redemption and, to the extent provided in Section 407 hereof, to receive Bonds for any unredeemed portions of Bonds. If moneys for the payment of the Redemption Price and the accrued interest to the redemption date are not so held by the Trustee, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

**Section 407. Redemption of Portions of Bonds.** In case part but not all of an Outstanding Bond shall be selected for redemption, upon presentation and surrender of such Bond to the Paying Agent for payment of the principal amount thereof so called for redemption and accrued interest thereon on or after the redemption date, the Authority shall execute and the Trustee shall authenticate and deliver to or upon the order of the registered Holder thereof or his attorney or legal representative, without charge therefor, a Bond or Bonds bearing interest at the same rate and of any denomination or denominations authorized by this Resolution in aggregate principal amount equal to the unredeemed portion of such Bond.

## ARTICLE V

## ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

**Section 501. The Pledge Effected by the Resolution.** 1. The Bonds are direct and special obligations of the Authority payable solely from the Pledged Property. There is hereby pledged and assigned as security for the payment of the principal and Redemption Price of, and interest on, the Bonds in accordance with their terms and the provisions of the Resolution, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution, all of the Pledged Property.

2. All Pledged Property shall immediately be subject to the lien of this pledge without any physical delivery thereof or further act, and the lien of this 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.

3. Nothing contained in this Section 501 shall be deemed a limitation upon the authority of the Authority to issue bonds, notes or other obligations under the Act secured by other income and funds other than the Pledged Property, including, without limitation, bonds, notes or other obligations secured by Federal or State grants.

**Section 502. Establishment of Funds and Accounts.** The following Funds are hereby established:

(1) Loan Fund, to be held by the Trustee,

(2) Revenue Fund, to be held by the Trustee,

(3) Debt Service Fund, to be held by the Trustee, and

(4) Rebate Fund, to be held by the Authority.

**Section 503. Loan Fund.** 1. There shall be paid into the Loan Fund the amounts required to be so paid by the provisions of this Resolution or any Supplemental Resolution. The Trustee shall apply moneys in the Loan Fund, at the written direction of the Authority, to the making of the Loan to the Borrower in accordance with Article XIII hereof.

2. Notwithstanding any of the other provisions of this Section, to the extent that other moneys are not available therefor, amounts in the Loan Fund shall be transferred from the Loan Fund for deposit in Debt Service Fund and applied, to the extent necessary (or all moneys in said Loan Fund if necessary) to the payment of principal of and interest on the Bonds when due.

3. If it shall be determined that any amounts on deposit in the Loan Fund are no longer required to make the Loan, such fact shall be evidenced by a certificate or certificates of an Authorized Authority Representative which shall be filed with the Trustee stating such fact and any amount shown therein as no longer being required, and, in any event, all amounts on deposit in the Loan Fund three years after the date of initial issuance and delivery of the Bonds shall be

paid over or transferred to the Debt Service Fund for application to the retirement of Bonds by purchase or redemption.

**Section 504. Revenue Fund.** All Revenues shall be promptly deposited by the Trustee upon receipt thereof into the Revenue Fund. On or prior to the fifteenth (15th) day before each Interest Payment Date, the Trustee shall transfer to the Debt Service Fund the amount, if any, required so that the balance in said Fund shall equal the sum of the amounts of the Debt Service Requirement on all Bonds for the next respective succeeding Interest Payment Date, provided that, for the purposes of computing the amount to be deposited in said Fund, there shall be excluded from the balance in said Fund the amount, if any, set aside in said Fund from the proceeds of Bonds for the payment of interest on Bonds less that amount of such proceeds to be applied in accordance with the Resolution to the payment of interest accrued and unpaid and to accrue on Bonds to the next Interest Payment Date. On or prior to each redemption date for all or part of the Bonds which is not a Sinking Fund Installment due date, the Trustee shall transfer to the Debt Service Fund the amount required to redeem such Bonds on such redemption date. So long as there shall be held in the Debt Service Fund an amount sufficient to pay in full all Outstanding Bonds in accordance with their terms (including principal or applicable sinking fund Redemption Price and interest thereon) no transfers shall be required to be made to the Debt Service Fund.

**Section 505. Debt Service Fund.**

1. On each Interest Payment Date and each redemption date, the Trustee shall withdraw from the Debt Service Fund an amount equal to the interest due on the Bonds on such Interest Payment Date or redemption date, which moneys shall be paid by the Paying Agent to the payment of such interest.

2. On the maturity or Sinking Fund Installment due date of any Bonds, the Trustee shall make available to the Paying Agent from moneys in the Debt Service Fund an amount equal to the principal or Redemption Price of the Bonds due on such date, which moneys shall be applied by the Paying Agent to the payment of such principal or Redemption Price.

3. On each redemption date, other than a Sinking Fund Installment due date, the Trustee shall make available to the Paying Agent from moneys in the Debt Service Fund an amount equal to the Redemption Price of the Bonds to be redeemed on such redemption date, which moneys shall be applied by the Paying Agent to the payment of such Redemption Price.

4. Amounts accumulated in the Debt Service Fund with respect to any Sinking Fund Installment, if so directed in writing by the Authority, shall be paid by the Trustee, on or prior to the fortieth (40th) day next preceding the due date of such Sinking Fund Installment, for the purchase of Bonds of the maturity for which such Sinking Fund Installment was established. All purchases of any Bonds pursuant to this subsection 4 shall be made at prices not exceeding the applicable sinking fund Redemption Price of such Bonds plus accrued interest, and such purchases shall be made by the Trustee as directed in writing from time to time by the Authority. The applicable sinking fund Redemption Price (or principal amount of maturing Bonds) of any Bonds so purchased or redeemed shall be deemed to constitute part of the Debt Service Fund until such Sinking Fund Installment date, for the purpose of calculating the amount of such Fund. As soon as practicable after the fortieth (40th) day preceding the due date of any such Sinking Fund

Installment, the Trustee shall proceed to call for redemption, by giving notice as provided in Section 405, on such due date Bonds of the maturity for which such Sinking Fund Installment was established (except in the case of Bonds maturing on a Sinking Fund Installment date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. The Trustee shall pay out of the Debt Service Fund to the appropriate Paying Agents, on or before such redemption date (or maturity date), the amount required for the redemption of the Bonds so called for redemption (or for the payment of such Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment). All expenses in connection with the purchase or redemption of Bonds shall be paid by the Authority from the Debt Service Fund or from other legally available funds of the Authority.

**Section 506. Rebate Fund.** Moneys on deposit in the Rebate Fund, including earnings on or gain realized on any moneys or investments therein, shall be held by the Authority in trust and applied as provided by instructions to the Authority contained in the Tax Certificate delivered pursuant to Section 710 hereof.

**Section 507. Cancellation and Destruction of Bonds.** All Bonds paid or redeemed, either at or before maturity, shall be delivered to the Trustee when such payment or redemption is made, and such Bonds, together with all Bonds purchased or redeemed pursuant to Section 505(4) which have been delivered to the Trustee for application as a credit against Sinking Fund Installments and all Bonds purchased or redeemed by the Trustee, shall thereupon be promptly cancelled. Bonds so cancelled may at any time be destroyed by the Trustee, who shall execute a certificate of destruction in duplicate by the signature of one of its authorized officers describing the bonds so destroyed, and one executed certificate shall be filed with the Authority and the other executed certificate shall be retained by the Trustee.

## ARTICLE VI

## DEPOSITORIES OF MONEYS, SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

**Section 601. Depositories.** 1. All moneys held by the Trustee and the Authority under the provisions of the Resolution shall constitute trust funds and the Trustee and the Authority may deposit such moneys with one or more Depositories in trust for said parties. All moneys deposited under the provisions of the Resolution with the Trustee or any Depository shall be held in trust and applied only in accordance with the provisions of the Resolution, and each of the Funds and Accounts established by the Resolution shall be a trust fund for the purposes thereof.

2. Each Depository, other than the Trustee and the Paying Agent, shall be a bank or trust company organized under the laws of the State of New Jersey or a national banking association having capital stock, surplus and undivided earnings of $50,000,000 or more and willing and able to accept the office on reasonable and customary terms and authorized by law to act in accordance with the provisions of the Resolution.

**Section 602. Deposits.** 1. All Revenues and moneys held by any Depository under the Resolution may be placed on demand or time deposit satisfying the requirements of clause (b) or (c) of the definition of Investment Securities, if and as directed by the Authority, provided that such deposits shall permit the moneys so held to be available for use at the time when needed. Any such deposit may be made in the commercial banking department of any Fiduciary which may honor checks and drafts on such deposit with the same force and effect as if it were not such Fiduciary. All moneys held by any Fiduciary, as such, may be deposited by such Fiduciary in its banking department on demand or, if and to the extent directed by the Authority and acceptable to such Fiduciary, on time deposit, provided that such moneys on deposit be available for use at the time when needed. Such Fiduciary shall allow and credit on such moneys such interest, if any, as it customarily allows upon similar funds of similar size and under similar conditions or as required by law.

2. All moneys held under the Resolution by the Trustee or any Depository shall be held in such other manner as may then be required by applicable Federal or State of New Jersey laws and regulations.

3. All moneys deposited with the Trustee and each Depository shall be credited to the particular Fund or Account to which such moneys belong and, except as provided with respect to the investment of moneys in Investment Securities in Section 603 hereof, the moneys credited to each particular Fund or Account shall be kept separate and apart from, and not commingled with, any moneys credited to any other Fund or Account or any other moneys deposited with the Trustee and each Depository.

**Section 603. Investment of Certain Funds.** Moneys held in the Debt Service Fund, the Loan Fund and the Revenue Fund may be invested and reinvested in Investment Securities which mature not later than such times as shall be necessary to provide moneys when needed for payments to be made from such Fund. The Trustee shall make all such investments of moneys held by it in accordance with written instructions from time to time received from any

Authorized Authority Representative. In making any investment in any Investment Securities with moneys in any Fund established under the Resolution, the Authority may instruct in writing the Trustee or any Depository to combine such moneys with moneys in any other Fund, but solely for purposes of making such investment in such Investment Securities.

Interest (net of that which represents a return of accrued interest paid in connection with the purchase of any investment) earned or any gain realized on any moneys or investments in such Funds, other than the Loan Fund, Debt Service Fund and the Rebate Fund, shall be held for the benefit of the Revenue Fund and shall be paid into the Revenue Fund on a periodic basis at least quarterly or as otherwise shall be directed by the Authority. Interest earned or gain realized on any moneys or investments in the Loan Fund, the Debt Service Fund and the Rebate Fund shall be held in such Fund for the purposes thereof.

Nothing in the Resolution shall prevent any Investment Securities acquired as investments of or security for funds held under the Resolution from being issued or held in book-entry form on the books of the Department of the Treasury of the United States.

Nothing in the Resolution shall preclude the Trustee from investing or reinvesting moneys through its bond department; provided, however, that the Authority may, in its discretion, direct that such moneys be invested or reinvested in a manner other than through such bond department.

**Section 604. Valuation and Sale of Investments.** Obligations purchased as an investment of moneys in any Fund created under the provisions of the Resolution shall be deemed at all times to be a part of such Fund and any profit realized from the liquidation of such investment shall be credited to such Fund, and any loss resulting from the liquidation of such investment shall be charged to the respective Fund.

In computing the amount in any Fund created under the provisions of the Resolution for any purpose provided in the Resolution, Investment Securities shall be valued at the market value thereof; provided that the collateral required with respect to Investment Securities described in clause (f) of the definition of Investment Securities shall be valued as set forth below. The accrued interest paid in connection with the purchase of any obligation shall be included in the value thereof until interest on such obligation is paid. Such computation shall be determined as of November 1 in each year, and at such other times as the Authority shall determine.

Except as otherwise provided in the Resolution, the Trustee or any Depository shall use its best efforts to sell at the best price obtainable, or present for redemption, any obligation so purchased as an investment whenever it shall be requested in writing by an Authorized Authority Representative so to do. Whenever it shall be necessary, or upon direction of the Authority in accordance with the Resolution, in order to provide moneys to meet any payment or transfer from any Fund held by the Trustee or any Depository, the Trustee or any Depository shall use its best efforts to sell at the best price obtainable or present for redemption such obligation or obligations designated by an Authorized Authority Representative necessary to provide sufficient moneys for such payment or transfer.

Collateral required with respect Investment Securities described in clause (f) of the definition of Investment Securities shall be valued as follows:

(a) On each valuation date the Trustee, or the custodian who shall confirm to the Authority and the Trustee, shall value the market value (exclusive of accrued interest) of the collateral, which market value will be an amount equal to the requisite collateral percentage times the principal amount of the investment and unpaid accrued interest thereon that is being secured; and

(b) In the event that the collateral level is below its collateral percentage on a valuation date, such percentage shall be restored within the following restoration periods: one Business Day for daily valuations, two Business Days for weekly and monthly valuations, and one month for quarterly valuations.

The Trustee must terminate the repurchase agreement upon a failure to maintain the requisite collateral percentage after the restoration period and, if not paid by the counterparty in federal funds against transfer of the collateral, liquidate the collateral.

The Trustee shall not be liable or responsible for any loss resulting from any such investment, sale or presentation for investment made in the manner provided above.

## ARTICLE VII

## PARTICULAR COVENANTS OF THE AUTHORITY

The Authority covenants and agrees with the Trustee and the Bondholders as follows:

**Section 701. Payment of Bonds.** The Authority shall duly and punctually pay or cause to be paid, but solely from the Pledged Property, the principal or Redemption Price, if any, of every Bond and the interest thereon at the dates and places and in the manner provided in the Bonds, according to the true intent and meaning thereof.

**Section 702. 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 any claims for interest by the purchase or funding of such Bonds or claims for interest or by any other arrangement, and in case the maturity of any of the Bonds or the time for payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default under the Resolution, to the benefit of the Resolution or to any payment out of Revenues or Funds established by the Resolution, including the investments, if any, thereof, pledged under the Resolution or the moneys (except moneys held in trust for the payment of particular Bonds or claims for interest pursuant to the Resolution) held by the Fiduciaries, except subject to the prior payment of the principal of all Bonds Outstanding the maturity of which has not been extended and of such portion of the accrued interest on the Bonds as shall not be represented by such extended claims for interest.

**Section 703. Offices for Servicing Bonds.** The Authority shall at all times maintain one or more agencies in the State of New Jersey, and may maintain one or more such agencies in any other state or states, where Bonds may be presented for payment. The Authority shall at all times maintain one or more agencies where Bonds may be presented for registration or transfer and where notices, demands and other documents may be served upon the Authority in respect of the Bonds or of the Resolution, and the Trustee shall continuously maintain or make arrangements to provide such services.

**Section 704. Further Assurance.** At any and all times the Authority shall, as far as it may be authorized by law, comply with any reasonable request of the Trustee to 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, pledging, assigning and confirming all and singular the rights, Revenues and other moneys, securities and funds hereby pledged, or intended so to be, or which the Authority may become bound to pledge.

**Section 705. Power to Issue Bonds and Pledge Pledged Property.** The Authority is duly authorized under all applicable laws to create and issue the Bonds, to adopt the Resolution and to pledge the Pledged Property purported to be subjected to the lien of the Resolution in the manner and to the extent provided in the Resolution. Except to the extent otherwise provided in the Resolution, the Pledged Property so pledged is 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 and assignment created by the Resolution, and all action on the part of the Authority to that end has been and will be duly and validly taken. The Bonds and the provisions of the Resolution are and will be the valid and legally binding obligations of the Authority. The Authority shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Pledged Property under the Resolution and all the rights of the Bondholders under the Resolution against all claims and demands of all persons whomsoever.

**Section 706. Creation of Liens.** The Authority shall not issue any bonds, notes, debentures or other evidences of indebtedness of similar nature, other than the Bonds, payable out of or secured by a pledge or assignment of the Pledged Property held or set aside by the Fiduciaries under the Resolution and shall not create or cause to be created any lien or charge on the Pledged Property, provided, however, that nothing contained in the Resolution shall prevent the Authority from issuing, if and to the extent permitted by law evidences of indebtedness payable out of or secured by a pledge and assignment of the Pledged Property on and after such date as the pledge of the Pledged Property provided in the Resolution shall be discharged and satisfied as provided in Section 1201.

**Section 707. Accounts and Reports.** 1. The Authority shall keep or cause to be kept proper books of record and account (separate from all other records and accounts) in accordance with generally accepted accounting principles in which complete and correct entries shall be made of its transactions relating to the amount of Revenues and the application thereof and each Fund or Account established under the Resolution. All books and papers of the Authority shall, subject to the terms thereof, at all times be subject to the inspection of the Trustee and the Holders of an aggregate of not less than 5% in principal amount of the Bonds then Outstanding or their representatives duly authorized in writing.

2. The Trustee and any Depository shall advise the Authority as soon as practicable after the end of each Month of the respective transactions during such Month relating to each Fund or Account held by it under the Resolution.

3. The Authority shall annually, within 270 days after the close of its fiscal year, file or cause to be filed with the Trustee, and otherwise as provided by law, a copy of an annual report for such fiscal year, accompanied by an Accountant's Certificate and including the following statements in reasonable detail: (i) a statement of assets and liabilities as of the end of such fiscal year; and (ii) a statement of revenues and expenses of the Authority for such fiscal year.

4. The Authority shall file or cause to be filed with the Trustee (a) forthwith upon becoming aware of any Event of Default or default in the performance by the Authority of any covenant, agreement or condition contained in the Resolution, a certificate signed by an Authorized Authority Representative and specifying such Event of Default or default and (b) within 90 days after the end of each of its fiscal year, a certificate signed by an appropriate Authorized Authority Representative stating whether, to the best of his knowledge and belief, the Authority has kept, observed, performed and fulfilled its covenants and obligations contained in the Resolution and that there does not exist at the date of such certificate any default by the Authority under the Resolution or any Event of Default or other event which, with the lapse of time specified in Section 801, would become an Event of Default, or, if any such default or Event of Default or other event shall so exist, specifying the same and the nature and status thereof.

5. The reports, statements and other documents required to be furnished to the Trustee pursuant to any provisions of the Resolution shall be available for the inspection of the Bondholders at the office of the Trustee and shall be mailed to each Bondholder who shall file a written request therefor with the Authority. The Authority may charge or cause to be charged each Bondholder requesting such reports, statements and other documents a reasonable fee to cover reproduction, handling and postage.

**Section 708. Payment of Taxes and Charges.** The Authority will from time to time duly pay and discharge, or cause to be paid and discharged, all taxes, assessments and other governmental charges, or required payments in lieu thereof, lawfully imposed upon the properties of the Authority or upon the rights, revenues, income, receipts, and other moneys, securities and funds of the Authority when the same shall become due (including all rights, moneys and other property transferred, assigned or pledged under the Resolution), and all lawful claims for labor and material and supplies, except those taxes, assessments, charges or claims which the Authority shall in good faith contest by proper legal proceedings if the Authority shall in all such cases have set aside on its books reserves deemed adequate with respect thereto.

**Section 709. General.** 1. Upon the date of authentication and delivery of any of the Bonds, all conditions, acts and things required by law and the Resolution to exist, to have happened and to have been performed precedent to and in the issuance of such Bonds shall exist, have happened and have been performed and the issue of such Bonds, together with all other indebtedness of the Authority, shall comply in all respects with the applicable laws of the State.

2. The Authority shall at all times maintain its existence and shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Authority under the provisions of the Act and the Resolution.

**Section 710. Tax Covenant.** The Authority covenants to maintain the exclusion from gross income for Federal income tax purposes of interest on the Bonds. In furtherance of the covenant contained in the preceding sentence, the Authority will, among other things, comply with the Tax Certificate. The Authority covenants that it will not take action or fail to take any action with respect to the Bonds which would cause such Bonds to be "arbitrage bonds," within the meaning of such term as used in Section 148 of the Code and the regulations promulgated thereunder as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, so long as necessary in order to maintain the exclusion from gross income for Federal income tax purposes of interest on the Bonds, the covenants contained in this Section 710 shall survive the payment or discharge thereof pursuant to Section 1201 of the Resolution.

## ARTICLE VIII

## REMEDIES OF BONDHOLDERS

**Section 801. Events of Default.** The following events shall constitute an Event of Default under the Resolution:

(i) if default shall be made in the due and punctual payment of the principal or Redemption Price of any Bond when and as the same shall become due and payable, whether at maturity or by call for redemption, or otherwise;

(ii) if default shall be made in the due and punctual payment of any installment of interest on any Bond or the unsatisfied balance of any Sinking Fund Installment therefor (except when such Installment is due on the maturity date of such Bond), when and as such interest installment or Sinking Fund Installment shall become due and payable;

(iii) if default shall be made by the Authority in the performance or observance of any other of the covenants, agreements or conditions on its part in the Resolution or in the Bonds contained, and such default shall continue for a period of sixty (60) days and the Authority shall have failed to commence to cure such default within such sixty (60) day period after written notice thereof to the Authority by the Trustee or to the Authority and the Trustee by the Holders of not less than ten percent (10%) in principal amount of the Bonds Outstanding;

(iv) if the Authority shall commence a voluntary case or similar proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or shall make any general assignment for the benefit of creditors, or shall make a written declaration or admission to the effect that it is unable to meet its debts as such debts mature, or shall authorize or take any action in furtherance of any of the foregoing; or

(v) if a court having jurisdiction in the premises shall enter a decree or order for relief in respect of the Authority in an involuntary case or similar proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or a decree or order appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official for the Authority, of the Pledged Property and/or Revenues, or a decree or order for the dissolution, liquidation or winding up of the Authority and its affairs or a decree or order finding or determining that the Authority is unable to meet its debts as such debts mature, and any

such decree or order shall remain unstayed and in effect for a period of 60 consecutive days.

**Section 802. Accounting and Examination of Records After Default.** 1. The Authority covenants that if an Event of Default shall have happened and shall not have been remedied, the books of record and account of the Authority shall at all times be subject to the inspection and use of the Trustee and of its agents and attorneys.

2. The Authority covenants that if an Event of Default shall have happened and shall not have been remedied, the Authority, upon demand of the Trustee, will account, as if it were the trustee of an express trust, for all Revenues and other moneys, securities and funds pledged or held under the Resolution for such period as shall be stated in such demand.

**Section 803. Application of Pledged Property After Default.** 1. The Authority covenants that if an Event of Default shall happen and shall not have been remedied, the Authority, upon the demand of the Trustee, shall pay over or cause to be paid over to the Trustee (a) forthwith, all Pledged Property then held by the Authority under the Resolution, and (b) all Revenues which are not paid directly to the Trustee as promptly as practicable after receipt thereof.

2. During the continuance of an Event of Default, the Trustee shall apply the Pledged Property, including all moneys, securities, funds and Revenues received by the Trustee pursuant to any right given or action taken under the provisions of this Article together with all Funds held by the Trustee under the Resolution as follows and in the following order:

(i) Expenses of Fiduciaries - to the payment of the reasonable and proper fees (including reasonable attorney's fees), charges, expenses and liabilities of the Fiduciaries;

(ii) Principal or Redemption Price and Interest - to the payment of the interest and principal or Redemption Price then due on the Bonds, as follows:

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

First: Interest - To the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, together with accrued and unpaid interest on the Bonds, theretofore called for redemption, 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; and

Second: Principal or Redemption Price - To the payment to the persons entitled thereto of the

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

(b) If the principal of all of the Bonds shall have become due and payable, to the payment of the principal and interest then due and unpaid upon the Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds.

3. If and whenever all overdue installments of all Bonds, together with the reasonable and proper charges, fees (including reasonable attorneys' fees), expenses and liabilities of the Trustee, and all other sums payable by the Authority under the Resolution, including the principal and Redemption Price of and accrued unpaid interest on all Bonds which shall then be payable, by declaration or otherwise shall either be paid by or for the account of the Authority, or provisions satisfactory to the Trustee shall be made for such payment, and all defaults under the Resolution or the Bonds shall be made good or secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, the Trustee shall pay over to the Authority all moneys, securities and funds then remaining unexpended in the hands of the Trustee (except moneys, securities and funds deposited or pledged, or required by the terms of the Resolution to be deposited or pledged, with the Trustee) and thereupon the Authority and the Trustee shall be restored, respectively, to their former positions and rights under the Resolution. No such payment over to the Authority by the Trustee nor such restoration of the Authority and the Trustee to their former positions and rights shall extend to or affect any subsequent default under the Resolution or impair any right consequent thereon.

**Section 804. Proceedings Brought by Trustee.** 1. If an Event of Default shall happen and shall not have been remedied, then and in every such case, the Trustee, by its agents and attorneys, may proceed and, upon written request of the Holders of not less than twenty-five percent (25 %) in principal amount of the Bonds Outstanding, shall proceed to protect and enforce its rights and the rights of the Holders of the Bonds under the Resolution forthwith by a suit or suits in equity or at law, whether for the specific performance of any covenant herein contained, or in aid of the execution of any power herein granted, or for an accounting against the Authority as if the Authority were the trustee of an express trust, or in the enforcement of any other legal or

equitable right as the Trustee, being advised by counsel, shall deem most effectual to enforce any of its rights or to perform any of its duties under the Resolution.

2. All rights of action under the Resolution may be enforced by the Trustee without the possession of any of the Bonds or the production thereof at the trial or other proceedings, and any such suit or proceedings instituted by the Trustee shall be brought in its name.

3. The Holders of not less than a majority in principal amount of the Bonds at the time Outstanding, may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, provided that the Trustee shall have the right to decline to follow any such direction if the Trustee shall be advised by counsel that the action or proceeding so directed may not lawfully be taken, or if the Trustee in good faith shall determine that the action or proceeding so directed would involve the Trustee in personal liability or be unjustly prejudicial to the Bondholders not parties to such direction.

4. Upon commencing a suit in equity or upon other commencement of judicial proceedings by the Trustee to enforce any right under the Resolution, the Trustee shall be entitled to exercise any and all rights and powers conferred in the Resolution and provided to be exercised by the Trustee upon the occurrence of any Event of Default.

5. Regardless of the happening of an Event of Default, the Trustee shall have power, but unless requested in writing by the Holders of twenty-five percent (25 %) in principal amount of the Bonds then Outstanding and furnished with reasonable security and indemnity, shall be under no obligation, to institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient to prevent any impairment of the security under the Resolution by any acts which may be unlawful or in violation of the Resolution, and such suits and proceedings as the Trustee may be advised shall be necessary or expedient to preserve or protect its interests and the interests of the Bondholders.

**Section 805. Restrictions on Bondholder's Action.** 1. No Holder of any Bond shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provision of the Resolution or the execution of any trust under the Resolution or for any remedy under the Resolution, unless such Holder shall have previously given to the Trustee written notice of the happening of an Event of Default, as provided in this Article, and the Holders of at least twenty-five percent (25%) in principal amount of the Bonds then Outstanding shall have filed a written request with the Trustee, and shall have offered it reasonable opportunity, either to exercise the powers granted in the Resolution or by the Act or by the laws of the State of New Jersey or to institute such action, suit or proceeding in its own name, and unless such Holders shall have offered to the Trustee adequate security and indemnity against the costs, fees (including reasonable attorneys' fees), expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused to comply with such request for a period of sixty (60) days after receipt by it of such notice, request and offer of indemnity, it being understood and intended that no one or more Holders of Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the pledge created by the Resolution, or to enforce any right under the Resolution, except in the manner therein provided; and that all proceedings at law or in equity to

enforce any provision of the Resolution shall be instituted, had and maintained in the manner provided in the Resolution and for the equal benefit of all Holders of the Outstanding Bonds, subject only to the provisions of Section 702.

2. Nothing contained in the Resolution or in the Bonds shall affect or impair the obligation of the Authority, which is absolute and unconditional, to pay at the respective dates of maturity and places therein expressed the principal of (and premium, if any) and interest on the Bonds to the respective Holders thereof, or affect or impair the right of action, which is also absolute and unconditional, of any Holder to enforce such payment of his Bond.

**Section 806. Remedies Not Exclusive.** No remedy by the terms of the Resolution conferred upon or reserved to the Trustee or the Bondholders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Resolution or existing at law or in equity or by statute on or after the date of execution and delivery of the Resolution.

**Section 807. Effect of Waiver and Other Circumstances.** No delay or omission of the Trustee or any Bondholder to exercise any right or power arising upon the happening of an Event of Default shall impair any right or power or shall be construed to be a waiver of any such Event of Default or be an acquiescence therein; and every power and remedy given by this Article to the Trustee or to the Bondholders may be exercised from time to time and as often as may be deemed expedient by the Trustee or by the Bondholders.

**Section 808. Notice of Default.** The Trustee shall promptly mail written notice of the occurrence of any Event of Default to each registered owner of Bonds then Outstanding at his address, if any, appearing upon the registry books of the Authority. The Trustee shall also give prompt notice of the occurrence of an Event of Default to the Authority and the Paying Agent.

**Section 809. Enforcement of County Guaranty.** The Trustee shall promptly enforce, and seek payment pursuant to, the County Guaranty upon the failure of the County to make timely payments under the County Guaranty; provided, however, that after any Interest Payment Date or principal due date with respect to the Bonds, the Trustee shall so enforce the County Guaranty only upon receipt of a written request therefor from the Pooled Bonds Trustee as the registered owner of the Bonds. The Trustee shall promptly notify the Pooled Bonds Trustee of any action taken pursuant to this Section.

## ARTICLE IX

## CONCERNING THE FIDUCIARIES

**Section 901. Trustee; Appointment and Acceptance of Duties.** The Trustee appointed by the Authority shall signify its acceptance of the duties and obligations imposed upon it by the Resolution by executing and delivering to the Authority a written acceptance thereof, and by executing such acceptance the Trustee shall be deemed to have accepted such duties and obligations with respect to all the Bonds thereafter to be issued, but only, however, upon the terms and conditions set forth in the Resolution.

**Section 902. Paying Agents; Appointment and Acceptance of Duties; Bond Registrar**. 1. The Authority shall appoint one or more Paying Agents for the Bonds, and may at any time or from time to time appoint one or more other Paying Agents. All Paying Agents appointed shall have the qualifications set forth in Section 913 for a successor Paying Agent. The Trustee may be appointed a Paying Agent.

2. The principal corporate trust offices of the Paying Agents are designated as the respective offices or agencies of the Authority for the payment of the interest on and principal or Redemption Price of the Bonds.

3. Each Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by the Resolution by executing and delivering to the Authority and to the Trustee a written acceptance thereof. No Paying Agent shall be liable for the acts or omissions of any other Paying Agent.

4. The Authority shall appoint a Bond Registrar, which may be the Trustee. The Bond Registrar shall have the duties and the responsibilities provided in this Resolution. The Bond Registrar shall accept the responsibilities of a Bond Registrar hereunder with respect to all Bonds by executing a certificate to be delivered to the Trustee and the Authority.

**Section 903. Responsibilities of Fiduciaries.** 1. The recitals of fact herein and in the Bonds contained 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 Resolution or of any Bonds issued thereunder or as to the security afforded by the Resolution, and no Fiduciary shall incur any liability in respect thereof. The Trustee or Bond Registrar shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys paid by such Fiduciary in accordance with the provisions of the Resolution to the Authority or to any other Fiduciary. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect thereof, or to advance any of its own moneys, unless properly indemnified to its satisfaction. Subject to the provisions of subsection 2 of this Section 903, no Fiduciary shall be liable in connection with the performance of its duties hereunder except for its own negligence, misconduct or default.

2. The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in the Resolution. In case an Event of Default has occurred (which has not been cured) the Trustee shall exercise such of the rights and powers vested in it by the Resolution, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. Any provision of the Resolution relating to action taken or to be taken by the Trustee or to evidence upon which the Trustee may rely shall be subject to the provisions of this Section 903 and Section 904.

**Section 904. Evidence on Which Fiduciaries May Act.** 1. Each Fiduciary, upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document furnished to it pursuant to any provision of the Resolution, shall examine such instrument to determine whether it conforms to the requirements of the Resolution and shall be protected in acting upon any such instrument believed by it in good faith to be genuine and to have been signed or presented by the proper party or parties. Each Fiduciary may consult with counsel, who may or may not be counsel to the Authority, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under the Resolution in good faith and in accordance therewith.

2. Whenever any Fiduciary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under the Resolution, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Authority Representative, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of the Resolution 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 it may deem reasonable.

3. Except as otherwise expressly provided in the Resolution, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision thereof by the Authority to any Fiduciary shall be sufficiently executed in the name of the Authority when signed by an Authorized Authority Representative.

**Section 905. Compensation.** The Authority shall pay to each Fiduciary from time to time reasonable compensation for all services rendered under the Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including without limitation those of its attorneys, agents and employees, incurred in and about the performance of their powers and duties under the Resolution, in accordance with the agreements made from time to time between the Authority and the Fiduciary, and the Trustee and each Paying Agent shall have a lien therefor on any and all funds at any time held by it under the Resolution, prior to any of the Bonds for which such services have been rendered. Subject to the provisions of Section 903, the Authority further agrees to indemnify and save each Fiduciary harmless against any losses, liabilities, expenses and fees which it may incur in the exercise and performance of its powers and duties hereunder and which are not due to such Fiduciary's negligence, misconduct or default. The provisions of this Section shall survive the payment of the Bonds pursuant to Section 1201.

**Section 906. Certain Permitted Acts.** Any Fiduciary, individually or otherwise, may become the owner of any Bonds, with the same rights it would have if it were not a Fiduciary. To the extent permitted by law, any Fiduciary may act as 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 the Resolution, whether or not any such committee shall represent the Holders of a majority in principal amount of the Bonds then Outstanding. To the extent permitted by law, any Fiduciary may provide banking, financial and similar services to the Authority.

**Section 907. Resignation of Trustee.** The Trustee may at any time resign and be discharged of the duties created by the Resolution by giving not less than sixty (60) days written notice to the Authority, and mailing notice thereof to the Holders of Bonds then Outstanding, specifying the date when such resignation shall take effect, and such resignation shall take effect upon the day specified in such notice unless (i) previously a successor shall have been appointed by the Authority or the Bondholders as provided in Section 909, in which event such resignation shall take effect immediately on the appointment of such successor and the acceptance by such successor of the duties of Trustee under the Resolution, or (ii) a successor shall not have been appointed by the Authority or the Bondholders as provided in Section 909 on such date, in which event such resignation shall not take effect until a successor is appointed and has accepted the duties of Trustee hereunder.

**Section 908. Removal of the Trustee.** The Trustee may be removed at any time with or without cause by an instrument or concurrent instruments in writing, filed with the Trustee, 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. So long as no Event of Default, or an event which, with notice or passage of time, or both, would become an Event of Default, shall have occurred and be continuing, the Trustee may be removed at any time for just cause by a resolution of the Authority filed with the Trustee. No such removal of the Trustee shall be effective until a successor Trustee shall be appointed as provided in Section 909 and until such appointment shall be accepted by the party so designated as a successor Trustee.

**Section 909. Appointment of Successor Trustee.** 1. 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, a successor Trustee may be appointed by the Authority by a duly executed written instrument signed by an Authorized Authority Representative, but if the Authority does not appoint a successor Trustee within sixty (60) days, then by the Holders of a majority in principal amount of the Bonds then Outstanding, excluding any Bonds held by or for the account of the Authority, by an instrument or concurrent instruments in writing signed and acknowledged by such Bondholders or by their attorneys-in-fact duly authorized and delivered to such successor Trustee, notification thereof being given to the Authority and the predecessor Trustee. After such appointment of a successor Trustee, the Authority shall mail notice of any such appointment by it or by the Bondholders to the registered owners of the Bonds then Outstanding and to Moody's Ratings, Inc. and/or S&P Global Ratings and/or Fitch, Inc. if the Bonds are then rated by such rating agency or agencies.

2. If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section within 45 days after the Trustee shall have given to the Authority written notice as provided in Section 907 or after a vacancy in the office of the Trustee shall have occurred by reason of its inability to act, removal, or for any other reason whatsoever, the Trustee or the Holder 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, appoint a successor Trustee.

3. Any Trustee appointed under the provisions of this Section 909 in succession to the Trustee shall be a bank or trust company organized under the laws of any state or a national banking association and shall have capital stock, surplus and undivided earnings aggregating at least $50,000,000 if there be such a bank or trust company or national banking association willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Resolution.

**Section 910. Transfer of Right and Property to Successor Trustee.** Any successor Trustee appointed under the Resolution 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 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 instrument of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all the right, title and interest of the predecessor Trustee in and to any property, rights, interests and estates held by it under the Resolution, 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 911. 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 bank or trust company organized under the laws of any state of the United States or a national banking association and shall be authorized by law to perform all the duties imposed upon it by the Resolution, shall be the successor to such Fiduciary without the execution or filing of any paper or the performance of any further act.

**Section 912. Adoption of Authentication.** In case any of the Bonds contemplated to be issued under the Resolution shall have been authenticated but not delivered, any successor Trustee may adopt the certificate of authentication of any predecessor Trustee so authenticating such Bonds and deliver such Bonds so authenticated; and in case any of the said

Bonds shall not have been authenticated, any successor Trustee may authenticate such Bonds in the name of the predecessor Trustee, or in the name of the successor Trustee, and in all such cases such certificate shall have the full force which it is anywhere in said Bonds or in the Resolution provided that the certificate of the Trustee shall have.

**Section 913. Resignation or Removal of Paying Agent or Bond Registrar and Appointment of Successor**. 1. Any Paying Agent or Bond Registrar may at any time resign and be discharged of the duties and obligations created by the Resolution by giving at least sixty (60) days written notice to the Authority, the Trustee, and the Paying Agent or Bond Registrar. Any Paying Agent or Bond Registrar may be removed by the Authority at any time by an instrument filed with such Paying Agent or Bond Registrar and the Trustee and signed by an Authorized Authority Representative. Any successor Paying Agent or Bond Registrar shall be appointed by the Authority with the approval of the Trustee and shall be a commercial bank or trust company organized under the laws of any state of the United States or a national banking association, having capital stock, surplus and undivided earnings aggregating at least $50,000,000, and willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by the Resolution.

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

## ARTICLE X

## SUPPLEMENTAL RESOLUTIONS

**Section 1001. Supplemental Resolutions Effective Upon Filing With the Trustee.** For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution of the Authority may be adopted, which, upon the filing with the Trustee of a copy thereof certified by an Authorized Authority Representative, shall be fully effective in accordance with its terms:

(1) To close the Resolution against, or provide limitations and restrictions in addition to the limitations and restrictions contained in the Resolution on, the authentication and delivery of Bonds or the issuance of other evidences of indebtedness;

(2) To add to the covenants and agreements of the Authority in the Resolution, other covenants and agreements to be observed by the Authority which are not contrary to or inconsistent with the Resolution as theretofore in effect;

(3) To add to the limitations and restrictions in the Resolution, other limitations and restrictions to be observed by the Authority which are not contrary to or inconsistent with the Resolution as theretofore in effect;

(4) To authorize, in compliance with all applicable law, Bonds to be issued in the form of Bonds issued and held in book-entry form on the books of the Authority, any Fiduciary or custodian appointed for that purpose by the Authority and, in connection therewith, make such additional changes herein, not adverse to the rights of the Holders of the Bonds, as are necessary or appropriate to accomplish or recognize such book-entry form Bonds, substitute for any such Fiduciary or custodian, provide for in, and amend any provisions in, the Resolution relating to the giving of notice, and specify and determine the matters and things relative to the issuance of such book-entry form Bonds as are appropriate or necessary;

(5) To confirm, as further assurance, any pledge or assignment under, and the subjection to any security interest, pledge or assignment created or to be created by, the Resolution of the Pledged Property and to pledge any additional revenues, moneys, securities or other agreements; and

(6) To modify any of the provisions of the Resolution in any other respect whatever, provided that such modification shall become effective prior to the authentication and delivery of the first Bond authorized to be issued pursuant to this Resolution, such Supplemental Resolution shall be specifically referred to in the text of all Bonds authenticated and delivered

after the date of the adoption of such Supplemental Resolution and of Bonds issued in exchange therefor or in place thereof.

**Section 1002. Supplemental Resolutions Effective Upon Consent of Trustee**. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution may be adopted, which, upon (i) the filing with the Trustee of a copy thereof certified by an Authorized Authority Representative, and (ii) the filing with the Trustee and the Authority of instruments in writing made by the Trustee consenting thereto, shall be fully effective in accordance with its terms:

(1) To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Resolution; or

(2) To insert such provisions clarifying matters or questions arising under the Resolution as are necessary or desirable and are not contrary to or inconsistent with the Resolution as theretofore in effect.

**Section 1003. Supplemental Resolutions Effective With Consent of Bondholders**. At any time or from time to time, a Supplemental Resolution may be adopted subject to consent by the Bondholders in accordance with and subject to the provisions of Article XI, which Supplemental Resolution, upon the filing with the Trustee of a copy thereof certified by an Authorized Authority Representative and upon compliance with the provisions of said Article XI, shall become fully effective in accordance with its terms as provided in said Article XI upon the filing with the Trustee of a copy thereof certified by an Authorized Authority Representative and upon compliance with the provisions of such Article XI.

**Section 1004. General Provisions.** 1. The Resolution shall not be modified or amended in any respect except as provided in and in accordance with and subject to the provisions of this Article X and Article XI. Nothing contained in this Article X or Article XI shall affect or limit the right or obligation of the Authority to adopt, make, do, execute, acknowledge 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 any Fiduciary any instrument which elsewhere in the Resolution it is provided shall be delivered to said Fiduciary.

2. Any Supplemental Resolution referred to and permitted or authorized by Sections 1001 and 1002 may be adopted by the Authority without the consent of any of the Bondholders, but shall become effective only on the conditions, to the extent and at the time provided in said Sections, respectively. The copy of every Supplemental Resolution when filed with the Trustee shall be accompanied by an opinion of Bond Counsel stating that such Supplemental Resolution has been duly and lawfully adopted in accordance with the provisions of the Resolution, is authorized or permitted by the Resolution, and is valid and binding upon the Authority and enforceable in accordance with its terms subject to any applicable bankruptcy, insolvency or other laws affecting creditors' rights generally.

3. The Trustee is hereby authorized to accept the delivery of a certified copy of any Supplemental Resolution referred to and permitted or authorized by Section 1001, 1002 or 1003 and to make all further agreements and stipulations which may be therein contained, and the

Trustee, in taking such action, shall be fully protected in relying on an opinion of Bond Counsel that such Supplemental Resolution is authorized or permitted by the provisions of the Resolution.

4. No Supplemental Resolution shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto.

## ARTICLE XI

## AMENDMENTS

**Section 1101. Mailing and Publication.** 1. Any provision in this Article for the mailing of a notice or other paper to Bondholders shall be fully complied with if it is mailed postage prepaid only (i) to each registered owner of Bonds then Outstanding at his address, if any, appearing upon the registry books of the Authority, and (ii) to the Trustee.

2. Any provision in this Article for publication of a notice or other matter shall require the publication thereof only in the Authorized Newspaper.

**Section 1102. Powers of Amendment.** Any modification or amendment of the Resolution and of the rights and obligations of the Authority and of the Holders of the Bonds thereunder, in any particular, may be made by a Supplemental Resolution with the written consent, given as provided in Section 1103, of the Holders of at least a majority in principal amount of the Bonds Outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified 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. No such modification or amendment shall permit a change in the terms of redemption (including Sinking Fund Installments) or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the Holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto. The Trustee may in its discretion determine whether or not, in accordance with the foregoing powers of amendment, Bonds of any particular maturity would be affected by any modification or amendment of the Resolution and any such determination shall be binding and conclusive on the Authority and all Holders of Bonds.

**Section 1103. Consent of Bondholders.** The Authority may at any time adopt a Supplemental Resolution making a modification or amendment permitted by the provisions of Section 1102 to take effect when and as provided in this Section 1103. A copy of such Supplemental Resolution (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 be mailed by the Authority to Bondholders (but failure to mail such copy and request shall not affect the validity of the Supplemental Resolution when consented to as in this Section 1103 provided). Such Supplemental Resolution shall not be effective unless and until (i) there shall have been filed with the Trustee (a) the written consents of Holders of the percentages of Outstanding Bonds specified in Section 1102 and (b) an opinion of Bond Counsel stating that such Supplemental Resolution has been duly and lawfully adopted and filed by the Authority in accordance with the provisions of the Resolution, is authorized or permitted by the Resolution, and is valid and binding upon the Authority and enforceable in accordance with its terms, subject to any applicable bankruptcy, insolvency or other laws affecting creditors' rights generally, and (ii) a notice shall have been given as hereinafter in this Section 1103 provided. Each such consent

shall be effective only if accompanied by proof of the holding, at the date of such consent, of the Bonds with respect to which such consent is given, which proof shall be such as is permitted by Section 1203. A certificate or certificates executed by the Trustee and filed with the Authority stating that it has examined such proof and that such proof is sufficient in accordance with Section 1203 shall be conclusive that the consents have been given by the Holders of the Bonds described in such certificate or certificates of the Trustee. Any such consent shall be binding upon the Holder of the Bonds giving such consent and, anything in Section 1203 to the contrary notwithstanding, upon any subsequent Holder of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent Holder thereof has notice thereof) unless such consent is revoked in writing by the Holder of such Bonds giving such consent or a subsequent Holder thereof by filing with the Trustee, prior to the time when the written statement of the Trustee hereinafter in this Section 1103 provided for is filed, such revocation and, if such Bonds are transferable by delivery, proof that such Bonds are held by the signer of such revocation in the manner permitted by Section 1203 hereof. The fact that a consent has not been revoked may likewise be proved by a certificate of the Trustee filed with the Authority to the effect that no revocation thereof is on file with the Trustee. At any time after the Holders of the required percentages of Bonds shall have filed their consents to the Supplemental Resolution, 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 statements shall be conclusive that such consents have been so filed. At any time thereafter, notice stating in substance that the Supplemental Resolution (which may be referred to as a Supplemental Resolution 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 1103, may be given to Bondholders by the Authority by mailing such notice to Bondholders (but failure to mail such notice shall not prevent such Supplemental Resolution from becoming effective and binding as in this Section 1103 provided). The Authority shall file with the Trustee proof of the mailing thereof. A record, consisting of the certificates or statements required or permitted by this Section 1103 to be made by the Trustee, shall be proof of the matters therein stated. Such Supplemental Resolution making such amendment or modification shall be deemed conclusively binding upon the Authority, the Fiduciaries and the Holders of all Bonds at the expiration of forty (40) days after the filing with the Trustee of the proof of the mailing of such last mentioned notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Resolution in a legal action or equitable proceeding for such purpose commenced within such forty (40) day period; provided, however, that any Fiduciary and the Authority during such forty (40) day period and any such further period during which any such action or proceeding may be pending shall be entitled in their absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Resolution as they may deem expedient.

**Section 1104. Modifications by Unanimous Consent.** The terms and provisions of the Resolution and the rights and obligations of the Authority and of the Holders of the Bonds thereunder may be modified or amended in any respect upon the adoption and filing by the Authority of a Supplemental Resolution and the Holders of all of the Bonds then Outstanding, such consent to be given as provided in Section 1103 except that no notice to Bondholders 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 the filing with the Trustee of the written assent thereto of such Fiduciary in addition to the consent of the Bondholders.

**Section 1105. 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 Article XI, 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 Article. At the time of any consent or other action taken under this Article, the Authority shall furnish the Trustee a certificate of an Authorized Authority Representative, upon which the Trustee may rely, describing all Bonds so to be excluded.

**Section 1106. Notation on Bonds.** Bonds authenticated and delivered after the effective date of any action taken as in Article X or this Article XI provided 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 Holder of any Bond Outstanding at such effective date and presentation of his Bond for the purpose at the principal corporate trust office of the Trustee or upon any transfer or exchange of any Bond Outstanding at such effective date, suitable notation shall be made on such Bond or upon any Bond issued upon any such transfer or exchange by the Trustee as to any such action. If the Authority or the Trustee shall so determine, new Bonds so modified as in the opinion of the Trustee and the Authority to conform to such action shall be prepared, authenticated and delivered, and upon demand of the Holder of any Bond then Outstanding shall be exchanged, without cost to such Bondholder, for Bonds of the same maturity then Outstanding, upon surrender of such Bonds.

## ARTICLE XII

## MISCELLANEOUS

**Section 1201. Defeasance.** 1. If, subject to the provisions set forth in the next succeeding sentence, the Authority shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of all Bonds the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated in the Bonds and in the Resolution, then the pledge of the Pledged Property, any Revenues, and other moneys and securities pledged under the Resolution and all covenants, agreements and other obligations of the Authority to the Bondholders, shall thereupon cease, terminate and become void and be discharged and satisfied, In such event, the Trustee shall cause an accounting for such period or periods as shall be requested by the Authority to be prepared and filed with the Authority and, upon the request of the Authority, shall 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 the Pledged Property, including all moneys or securities held by them pursuant to the Resolution which are not required for the payment of principal and interest or Redemption Price, if applicable, on Bonds not theretofore surrendered for such payment or redemption. If the Authority shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of the Outstanding Bonds of a particular maturity or particular Bonds within a maturity, the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Resolution, such Bonds shall cease to be entitled to any lien, benefit or security under the Resolution, and all covenants, agreements and obligations of the Authority to the Holders of such Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

2. Bonds or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Paying Agents (through deposit by the Authority of funds for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in subsection 1 of this Section. Subject to the provisions of subsection 3 of this Section, any Outstanding Bonds 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 1 of this Section if (a) 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 instructions accepted in writing by the Trustee to mail as provided in Article IV notice of redemption of such Bonds (other than Bonds which have been purchased by the Trustee at the direction of the Authority or purchased or otherwise acquired by the Authority and delivered to the Trustee as hereinafter provided prior to the mailing of such notice of redemption) on said date, (b) there shall have been deposited with the Trustee either moneys (including moneys withdrawn and deposited pursuant to subsection 3 of Section 503) 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 applicable, and interest due and to become due on said Bonds on or prior to the redemption date or maturity date thereof, as the case may be, and (c) in the event said Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the Authority shall have given the Trustee in form satisfactory to it instructions to mail a notice to the Holders of such Bonds that the deposit required by (b) above has been made with the Trustee and that said Bonds are deemed

to have been paid in accordance with this Section 1201 and stating such maturity or redemption date or manner of determining such maturity or redemption date or period during which a maturity or redemption date may be chosen and the manner in which such date shall be chosen, upon which moneys are expected to be available for the payment of the principal or Redemption Price, if applicable, on said Bonds (other than Bonds which have been purchased by the Trustee at the direction of the Authority or purchased or otherwise acquired by the Authority and delivered to the Trustee as hereinafter provided prior to the mailing of the notice of redemption referred to in clause (a) hereof). Any notice of redemption mailed pursuant to the preceding sentence with respect to Bonds which constitute less than all of the Outstanding Bonds of any maturity shall specify the letter and number or other distinguishing mark of each such Bond. The Trustee shall, as and to the extent necessary, apply moneys held by it pursuant to this Section 1201 to the retirement of said Bonds in amounts equal to the unsatisfied balances (determined as provided in Section 507) of any Sinking Fund Installments with respect to such Bonds, all in the manner provided in the Resolution. The Trustee shall, if so directed by the Authority (i) prior to the maturity date of Bonds deemed to have been paid in accordance with this Section 1201 which are not to be redeemed prior to their maturity date or (ii) prior to the mailing of the notice of redemption referred to in clause (a) above with respect to any Bonds deemed to have been paid in accordance with this Section 1201 which are to be redeemed on any date prior to their maturity, apply moneys deposited with the Trustee in respect of such Bonds and redeem or sell Defeasance Obligations so deposited with the Trustee and apply the proceeds thereof to the purchase of such Bonds and the Trustee shall immediately thereafter cancel all such Bonds so purchased; provided, however, that the moneys and Defeasance Obligations remaining on deposit with the Trustee after the purchase and cancellation of such Bonds shall be sufficient to pay when due the Principal Installment or Redemption Price, if applicable, and interest due or to become due on all Bonds, in respect of which such moneys and Defeasance Obligations are being held by the Trustee on or prior to the redemption date or maturity date thereof, as the case may be. If, at any time (i) prior to the maturity date of Bonds deemed to have been paid in accordance with this Section 1201 which are not to be redeemed prior to their maturity date or (ii) prior to the mailing of the notice of redemption referred to in clause (a) with respect to any Bonds deemed to have been paid in accordance with this Section 1201 which are to be redeemed on any date prior to their maturity, the Authority shall purchase or otherwise acquire any such Bonds and deliver such Bonds to the Trustee prior to their maturity date or redemption date, as the case may be, the Trustee shall immediately cancel all such Bonds so delivered; such delivery of Bonds to the Trustee shall be accompanied by directions from the Authority to the Trustee as to the manner in which such Bonds are to be applied against the obligation of the Trustee to pay or redeem Bonds deemed paid in accordance with this Section 1201. The directions given by the Authority to the Trustee referred to in the preceding sentences shall also specify the portion, if any, of such Bonds so purchased or delivered and cancelled to be applied against the obligation of the Trustee to pay Bonds deemed paid in accordance with this Section 1201 upon their maturity date or dates and the portion, if any, of such Bonds so purchased or delivered and cancelled to be applied against the obligation of the Trustee to redeem Bonds deemed paid in accordance with this Section 1201 on any date or dates prior to their maturity. In the event that on any date as a result of any purchases, acquisitions and cancellations of Bonds as provided in this Section 1201 the total amount of moneys and Defeasance Obligations remaining on deposit with the Trustee under this Section 1201 is in excess of the total amount which would have been required to be deposited with the Trustee on such date in respect of the remaining Bonds in order to satisfy subclause (b) of this subsection 2 of Section 1201, the Trustee shall, if requested

by the Authority, pay the amount of such excess to the Authority free and clear of any trust, lien, pledge or assignment securing said Bonds or otherwise existing under this Resolution. Except as otherwise provided in this subsection 2 of Section 1201, neither Defeasance Obligations nor 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 applicable, and interest on said Bonds; provided that any cash received from such principal or interest payments on such Defeasance Obligations deposited with the Trustee, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the Authority as received by the Trustee, free and clear of any trust, lien or pledge securing said Bonds or otherwise existing under the Resolution, and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Defeasance Obligations, maturing at times and in amounts sufficient (as verified by an independent certified public accountant) to pay when due the principal or Redemption Price, if applicable, and interest to become due on said Bonds on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the Authority, as received by the Trustee, free and clear of any trust, lien, pledge or assignment securing said Bonds or otherwise existing under the Resolution.

3. Any notice of redemption to be mailed by the Trustee and any set of instructions relating to a notice of redemption given to the Trustee may provide, at the option of the Authority, that any redemption date or dates in respect of all or any portion of the Bonds to be redeemed on such date or dates may at the option of the Authority be changed to any other permissible redemption date or dates and that redemption dates may be established for any Bonds deemed to have been paid in accordance with this Section 1201 upon their maturity date or dates at any time prior to the actual mailing of any applicable notice of redemption.

**Section 1202. Unclaimed Funds.** Anything in the Resolution 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 two years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Fiduciary at such date, or for two years after the date of deposit of such moneys if deposited with the Fiduciary after the said date when such Bonds became due and payable, shall, 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 with respect thereto and the Bondholders shall look only to the Authority for the payment of such Bonds; provided, however, that before being required to make any such payment to the Authority the Fiduciary shall, at the expense of the Authority, cause to be published at least twice, at an interval of not less than seven days between publications, in an Authorized Newspaper, a notice that said moneys remain unclaimed and that, after a date named in said notice, which date shall be not less than thirty (30) days after the date of the first publication of such notice, the balance of such moneys then unclaimed will be returned to the Authority.

**Section 1203. Evidence of Signatures of Bondholders and Ownership of Bonds**. 1. Any request, consent, revocation of consent or other instrument which the Resolution 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. Proof of (i) the execution of any such instrument, or of an

instrument appointing any such attorney, or (ii) the holding by any person of the Bonds shall be sufficient for any purpose of the Resolution (except as otherwise therein expressly provided) if made in the following manner, or in any other manner satisfactory to the Trustee, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

(1) The fact and date of the execution by any Bondholder or his attorney of such instruments may be proved by a guarantee of the signature thereon by a bank or trust company or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such signature, guarantee, certificate or affidavit shall also constitute sufficient proof of his authority.

(2) The amount of Bonds transferable by delivery held by any person executing any instrument as a Bondholder, the date of his holding such Bonds, and the numbers and other identification thereof, may be proved by a certificate, which need not be acknowledged or verified, in form satisfactory to the Trustee, executed by the Trustee or by a member of a financial firm or by an officer of a bank, trust company, insurance company, or financial corporation or other depository wherever situated, showing at the date therein mentioned that such person exhibited to such member or officer or had on deposit with such depository the Bonds described in such certificate. Such certificate may be given by a member of a financial firm or by an officer of any bank, trust company, insurance company or financial corporation or depository with respect to Bonds owned by it, if acceptable to the Trustee. In addition to the foregoing provisions, the Trustee may from time to time make such reasonable regulations as it may deem advisable permitting other proof of holding of Bonds transferable by delivery.

2. The ownership of Bonds registered otherwise than to bearer and the amount, numbers and other identification, and date of holding the same shall be proved by the registry books.

3. Any request or consent by the owner of any Bond shall bind all future owners of such Bond in respect of anything done or suffered to be done by the Authority or any Fiduciary in accordance therewith.

**Section 1204. Moneys Held for Particular Bonds.** The amounts held by any Fiduciary for the payment of the interest, principal or Redemption Price due on any date with respect to particular Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Holders of the Bonds entitled thereto.

**Section 1205. Preservation and Inspection of Documents.** All documents received by any Fiduciary under the provisions of the Resolution 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 1206. Parties Interested Herein.** Nothing in the Resolution expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the Authority, the Fiduciaries and the Holders of the Bonds, any right, remedy or claim under or by reason of the Resolution or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in the Resolution contained by and on behalf of the Authority shall be for the sole and exclusive benefit of the Authority, the Fiduciaries and the Holders of the Bonds.

**Section 1207. No Recourse on the Bonds.** No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on the Resolution against any member or officer of the Authority or any person executing the Bonds.

**Section 1208. Publication of Notice; Suspension of Publication.** 1. Any publication to be made under the provisions of the Resolution in successive weeks or on successive dates may be made in each instance upon any business day of the week and need not be made in the same Authorized Newspaper for any or all of the successive publications but may be made in a different Authorized Newspaper.

2. If, because of the temporary or permanent suspension of the publication or general circulation of any Authorized Newspaper or for any other reason, it is impossible or impractical to publish any notice pursuant to the Resolution in the manner herein provided, then such publication in lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient publication of such notice.

**Section 1209. Severability of Invalid Provisions.** If any one or more of the covenants or agreements provided in the Resolution on the part of the Authority or any Fiduciary to be performed should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of the Resolution.

**Section 1210. Holidays.** Except with respect to the computation of a Record Date, if the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in the Resolution, shall be a legal holiday or a day on which banking institutions in the municipality in which is located the principal office of the Trustee or the operational office of the Authority are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed, with the same force and effect as if done on the nominal date provided in the Resolution, and no interest shall accrue for the period after such nominal date.

**Section 1211. Notices.** All notices, demands or other communications provided for in this Resolution shall be in writing and shall be by email or facsimile transmission (with written confirmation of receipt) followed by hard copy and delivered personally, or sent by certified or registered mail, to (i) the Authority at the Hall of Records, 1 East Main Street, Freehold,

New Jersey 07728, Attn: Chairperson, (ii) the County at the Hall of Records, 1 East Main Street, Freehold, New Jersey 07728, Attn: Director of Finance, and (iii) the Trustee at the address provided by the Trustee to the Authority upon its appointment as its notice address, or to such other representatives or addresses as the Authority, the County or the Trustee may from time to time designate by written notice to the parties hereto or beneficiaries hereof.

**Section 1212. Return of Borrower Bond.** Upon the payment in full of all Bonds issued hereunder in accordance with Section 1201, the Borrower Bond shall be returned by the Trustee to the Borrower.

**Section 1213. Series Designation**. To the extent the Bonds are not issued in 2025, reference herein to "2025" may without any further action be changed to the year of issuance of such Bonds and all dates related to such year of issuance shall be automatically adjusted.

## ARTICLE XIII

## LOANS

**Section 1301. Closing Procedure.** Upon receipt by the Trustee of the Borrower Bond payable to the Authority (duly endorsed to the Trustee) and copies of the documents enumerated in the Bond Purchase Agreement executed by the Borrower, the Trustee shall disburse from the Loan Fund to the Borrower the amount of the Loan.

**Section 1302. Loan Defaults.** The Trustee shall diligently enforce, and take all reasonable steps, actions and proceedings necessary for the enforcement of, the Borrower Bond, including the prompt payment of all Loan Repayments. The Trustee shall not, except pursuant to Section 1303, release the obligations of the Borrower under its Borrower Bond and shall at all times, to the extent permitted by law, defend, enforce, preserve and protect the rights and privileges of the Authority and of the Holders of the Bonds under or with respect to the Borrower Bond, provided that this provision shall not be construed to prevent the Trustee from settling a default on the Borrower Bond on such terms as the Trustee shall determine to be in the best interests of the Bonds. The Authority shall promptly advise the Trustee of any default of which it is aware under the Borrower Bond.

**Section 1303. Payment or Prepayment of Borrower Bond.** 1. Upon the payment of all sums due and to become due pursuant to the Bond Purchase Agreement and on the Borrower Bond or the prepayment of the Borrower Bond in full by the Borrower, the Trustee (after 123 days have elapsed during which no Act of Bankruptcy shall have occurred with respect to the Borrower) shall cancel the Borrower Bond on behalf of the Authority and deliver it to the Borrower and shall take any other reasonable action required of the Authority or the Trustee and shall execute in its own name or in the Authority's name all relevant documents in connection with such actions and the Trustee is hereby appointed the Authority's agent and attorney-in-fact for purposes of taking any act, including the execution and delivery of any document, required by this Section, all at the expense of the Borrower.

2. The Borrower may elect to prepay the Borrower Bond in whole or in part upon not less than 55 days prior written notice to the Authority; provided, however, that no such election to prepay the Borrower Bond shall take effect until the Authority shall have given written notice to the Trustee, as provided in Section 402 hereof, of its election or direction to redeem Bonds in an aggregate principal amount at least equal to the aggregate principal amount of the Borrower Bond to be prepaid. Such notice shall specify the prepayment date. The Borrower shall pay a prepayment price on the specified prepayment date equal to the sum of (a) the amount of Loan Repayments due on such date, if any, (b) the amount of any past-due Loan Repayments, if any, (c) the unmatured principal amount of the Borrower Bond being redeemed, (d) an amount equal to interest which would have been payable on the Borrower Bond being prepaid for the period from the date of such prepayment to the redemption date of the Bonds, and (e) the redemption premium, if any, payable on the Bonds on the date on which Bonds will be redeemed by the Authority with the proceeds of the Borrower's prepayment.

3. Upon the prepayment, in whole or in part, of the Loan, the Authority shall apply such prepayment proceeds to the redemption of Bonds on the next succeeding call date in

accordance with Article IV. The Authority shall deliver to the Trustee a written notice specifying the maturities and the principal amounts of each such maturity of the Bonds to be redeemed by the Trustee, together with (i) (a) with respect to a partial prepayment, an Accountant's Certificate demonstrating that the aggregate Loan Repayments due pursuant to the Borrower Bond after such prepayment shall be sufficient to pay when due the principal of and interest on all Bonds Outstanding after giving effect to the Authority's election required in the immediately preceding sentence, or (b) with respect to a prepayment in whole, an Accountant's Certificate demonstrating that the proceeds of such prepayment shall be sufficient to pay when due the principal of and interest on all Bonds Outstanding after giving effect to the Authority's election required in the immediately preceding sentence, and (ii) irrevocable instructions to effectuate such election regarding the application of prepayment proceeds.

## ARTICLE XIV

## BOND FORMS AND EFFECTIVE DATE

**Section 1401. Form of Bonds.** Subject to the provisions of the Resolution, the forms of the Bonds shall be substantially as follows:

No. R- $

**UNITED STATES OF AMERICA**

**STATE OF NEW JERSEY**

**THE MONMOUTH COUNTY IMPROVEMENT AUTHORITY**

**Governmental Loan Revenue Bond, Series 2025**
**Monmouth County Guaranteed (Southeast Monmouth Municipal Utilities Authority Project)**

| INTEREST RATE | AUTHENTICATION DATE | DATED DATE: | MATURITY DATE: |
|---|---|---|---|

Registered Owner:
Principal Sum:Dollars ($ )

The MONMOUTH COUNTY IMPROVEMENT AUTHORITY (the "Authority"), a body corporate and politic organized and existing under the County Improvement Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State of New Jersey, as amended and supplemented (the "Act"), for value received, hereby promises to pay to the Registered Owner stated hereon, or registered assigns, but only out of the sources hereinafter mentioned, on the MATURITY DATE shown above, unless this bond shall have been called for redemption in whole or in part and payment of the redemption price shall have been duly made or provided for, upon presentation and surrender hereof, at the corporate trust office of _____, _____, New Jersey (the "Paying Agent"), the Principal Sum stated hereon and to pay, but only out of the sources hereinafter mentioned, interest on such principal sum on each _____ 1 and _____ 1, commencing _____ 1, 201__, from the date hereof until payment of said principal sum has been made or provided for, at the Interest Rate stated hereon to the registered owner hereof as of the Record Date (as such term is defined in the Resolution) and shall be paid by check or draft mailed on the interest payment date to such registered owner at his or her address as it appears on the registration books of the Authority kept at the principal office of _____, _____, New Jersey (the "Bond Registrar").

Copies of the Resolution are on file at the office of the Authority and at the principal corporate trust office of, _____, _____, New Jersey, as Trustee under the Resolution, or its successor (the "Trustee"), and reference to the Act and to the Resolution (hereinafter defined) and any and all modifications and amendments thereof is made for a description of the pledge securing the bonds, the nature, extent and manner of enforcement of such pledge, the rights and remedies of bondholders with respect thereto and the terms and conditions upon which the bonds are issued and may be issued thereunder.

This bond is one of a duly authorized issue of bonds of the Authority designated as its "Governmental Loan Revenue Bonds, Series 2025 (Southeast Monmouth Municipal Utilities Authority Project)," in the aggregate principal amount of $_____issued pursuant to the Act and under and pursuant to a resolution of the Authority adopted _____ ___, 2025, entitled "2025 Governmental Loan Revenue Bond Resolution (Southeast Monmouth Municipal Utilities Authority Project) " (the "Resolution").

Terms used herein and not otherwise defined shall have the meaning given to such terms in the Resolution.

The Bonds are payable solely from and secured by a pledge of the Revenues as defined in the Resolution, proceeds of Bonds held or set aside under the Resolution, and the funds and accounts established under the Resolution.

The Bonds maturing on or after _____, _____, are subject to redemption prior to maturity, upon giving notice as hereinafter provided, (1) by operation of the Debt Service Fund established under the Resolution to satisfy sinking fund installments, on any interest payment date on and after , _____, _____ at the principal amount thereof together with accrued interest to the redemption date, and (2) otherwise, on and after _____, as a whole at any time, or in part, by lot within a maturity from maturities selected by the Authority, at any time, at the respective redemption prices (expressed as percentages of the principal amount of the bonds or portions thereof to be redeemed) set forth below, in each case together with accrued interest to the redemption date:

| Period During Which Redeemed (Both Dates Inclusive) | Redemption Prices |
|---|---|
| _____, _____ to _____ . . . . . | % |
| _____, _____ to _____ . . . . . | |
| _____, _____ to _____ . . . . . | |
| _____, _____ to _____ . . . . . | |
| _____, _____ to _____ and thereafter prior to maturity. . . | |

When Bonds have been selected for redemption pursuant to any provision of the Resolution, the Trustee shall give written notice of the redemption of such Bonds in the name of the Authority, which notice shall set forth: (i) the date fixed for redemption, (ii) the Redemption Price to be paid, (iii) that such Bonds will be redeemed at the Principal Office of the Paying Agent, (iv) if less than all of such Bonds shall be called for redemption, the distinctive numbers and letters, if any, of such Bonds to be redeemed, and (v) in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed. Such notice shall further state that on the redemption date there shall become due and payable the Redemption Price of all Bonds to be redeemed, together with interest accrued thereon to the redemption date, and that, from and after such date, interest thereon shall cease to accrue. In case any Bond is to be redeemed in part only, the notice of redemption that relates to such Bond shall state also that on or after the redemption date, upon surrender of such Bond, the Holder thereof shall be entitled to a new Bond or Bonds,

bearing interest at the same rate and in aggregate principal amount equal to the unredeemed portion of such Bond.

The notice required to be given by the Trustee shall be sent by registered mail to the registered owners of the Bonds to be redeemed, at their addresses as they appear on the Bond registration books of the Authority, not less than thirty (30) nor more than forty-five (45) days prior to the redemption date. The failure to give notice of the redemption of any Bond or portion thereof to the registered Holder of such Bond as herein provided shall not affect the validity of the proceedings for the redemption of any Bonds for which notice of redemption has been given in accordance with the provisions of the Resolution.

This bond is transferable, as provided in the Resolution, only upon the books of the Authority kept for that purpose at the office of the Bond Registrar by the registered owner hereof in person, or by his or her duly authorized attorney, upon surrender with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or his or her duly authorized attorney, and thereupon a new registered bond or bonds, in the same aggregate principal amount, shall be issued to the transferee in exchange therefor as provided in the Resolution, and upon payment of the charges therein prescribed. The Authority, the Trustee, the Bond Registrar, and any Paying Agent may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

To the extent and in the manner permitted by the terms of the Resolution, the provisions of the Bond Resolution, or any resolution amendatory thereof or supplemental thereto, may be modified or amended by the Trustee, with the written consent of the holders of at least a majority in principal amount of the Bonds Outstanding under the Resolution at the time such consent is given, and, in case less than all of the several series of Bonds then Outstanding are affected thereby, with such consent of at least a majority in principal amount of the Bonds of each series so affected and Outstanding; provided, however, that, if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like maturity remain Outstanding under the Resolution, 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 the calculation of Outstanding Bonds. No such modification or amendment shall permit a change in the terms of redemption (including sinking fund installments) or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or Redemption Price thereof or in the rate of interest thereon without the consent of the holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of the Trustee or of the Paying Agent without its written assent thereto.

The Bonds shall not be deemed to constitute a debt or liability of the State of New Jersey or of any political subdivision thereof, except the Authority, but solely to the extent of the Pledged Property and other than the County to the extent of the County Guaranty, or a pledge of the faith and credit of the State or any such political subdivision except the Authority, but solely to the extent of the Pledged Property and other than the County to the extent of the County Guaranty and neither the State nor any such political subdivision thereof except the Authority, but solely to the extent of the Pledged Property and other than the County to the extent of the County

Guaranty, is obligated to pay the Bonds or interest thereon, and neither the faith and credit nor the taxing power of the State or any political subdivision thereof except the Authority, but solely to the extent of the Pledged Property and other than the County to the extent of the County Guaranty, is pledged to the payment of the principal of or interest on the Bonds.

The Act provides that neither the members of the Authority nor any person executing the Bonds shall be liable personally on the Bonds by reason of the issuance thereof.

This bond is not to be entitled to any benefits under the Resolution or be valid or become obligatory for any purpose until the Certificate of Authentication hereon shall have been duly executed by the manual signature of the Trustee or the Bond Registrar.

IN WITNESS WHEREOF, THE MONMOUTH COUNTY IMPROVEMENT AUTHORITY has caused this bond to be executed in its name by the manual or facsimile signature of its Chairperson and its corporate seal to be imprinted hereon and attested by the manual or facsimile signature of its Secretary, all as of the date of original issue.

[Authority Seal]

THE MONMOUTH COUNTY IMPROVEMENT AUTHORITY

Attest:

_____
_____, Secretary

By_____
_____, Chairperson

**(ASSIGNMENT PROVISIONS ON BACK OF SERIES 2025 BONDS)**

FOR VALUE RECEIVED _____ hereby sells, assigns and transfers unto

_____

I.D. Number (Please Print or Type Name and Address of Assignee)

the within bond and irrevocably appoints _____ , as attorney, to transfer said bond on the registration books of the Authority, with power of substitution and revocation.

Dated:

Signature Guarantee:

_____

NOTICE: The signature of this assignment must correspond with the name as it appears on the face of the within bond in every particular

_____

**Section 1402. Form of Certificate of Authentication of Trustee or Bond Registrar.** The form of Certificate of Authentication by the Trustee on the Bonds shall be substantially as follows:

**CERTIFICATE OF AUTHENTICATION**

This bond is one of the issue of Governmental Loan Revenue Bonds, Series 2025 (Monmouth County Guaranteed) (Southeast Monmouth Municipal Utilities Authority Project) delivered pursuant to the within mentioned Resolution.

_____, as Trustee

By_____
Authorized Signature

**Section 1403. Form of County Guaranty.** The form of County Guaranty shall be substantially as follows:

GUARANTY BY THE COUNTY OF MONMOUTH, NEW JERSEY

The payment of the principal of and the interest on the within bond according to its terms is hereby fully and unconditionally guaranteed by the County of Monmouth, New Jersey for as long as such bond is outstanding under The Monmouth County Improvement Authority's 2025 Governmental Loan Revenue Bond Resolution (Southeast Monmouth Municipal Utilities Authority Project).

**IN WITNESS WHEREOF**, the County of Monmouth, New Jersey has caused this Guaranty to be executed by the signature of its Director of Finance.

**COUNTY OF MONMOUTH, NEW JERSEY**

**By:**_____
Director of Finance

**Section 1404. Effective Date.** This Resolution shall take effect immediately upon its adoption in accordance with the Act.