

DRAFT US 301 MASTER INDENTURE OF TRUST

Dated as of _____, 2015

By and Between

DELAWARE TRANSPORTATION AUTHORITY

and

WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Trustee

Relating to the

DELAWARE TRANSPORTATION AUTHORITY
TOLL REVENUE BONDS
(U.S. 301 PROJECT)

Table of Contents

	Page
ARTICLE I DEFINITIONS; INTERPRETATION.....	2
ARTICLE II FORM, EXECUTION, DELIVERY AND REGISTRATION OF BONDS	22
SECTION 2.1 ISSUANCE OF BONDS; FORMS	22
SECTION 2.2 TERMS OF THE BONDS	22
SECTION 2.3 EXECUTION AND AUTHENTICATION	22
SECTION 2.4 BOND REGISTER	23
SECTION 2.5 MUTILATED, LOST, STOLEN OR DESTROYED BONDS.....	23
SECTION 2.6 REGISTRATION AND TRANSFER AND EXCHANGE OF BONDS; PERSONS TREATED AS OWNERS ...	24
SECTION 2.7 DESTRUCTION OF BONDS	24
SECTION 2.8 TEMPORARY BONDS	25
SECTION 2.9 ISSUANCE OF SERIES OF BONDS; SUPPLEMENTAL INDENTURE; APPLICATION OF BOND PROCEEDS	25
SECTION 2.10 COMPLETION BONDS AND REFUNDING BONDS	26
SECTION 2.11 TESTS FOR ISSUANCE OF CERTAIN BONDS.....	27
SECTION 2.12 CERTAIN CONTRACTS AND SWAPS	28
SECTION 2.13 TIFIA INDEBTEDNESS	29
ARTICLE III REDEMPTION OF BONDS.....	30
SECTION 3.1 BONDS REDEEMABLE	30
SECTION 3.2 SELECTION OF BONDS TO BE REDEEMED.....	31
SECTION 3.3 NOTICE OF REDEMPTION	31
SECTION 3.4 EFFECT OF CALL FOR REDEMPTION.....	32
SECTION 3.5 PURCHASE IN LIEU OF REDEMPTION.....	32
SECTION 3.6 MANDATORY TENDER FOR REPURCHASE	32
ARTICLE IV REVENUES AND FUNDS	32
SECTION 4.1 CONSTRUCTION FUND AND CERTAIN ACCOUNTS	32
SECTION 4.2 REVENUE FUND.....	33
SECTION 4.3 DEBT SERVICE FUND AND CERTAIN ACCOUNTS.....	36
SECTION 4.4 RESERVE FUND	37
SECTION 4.5 REPAIR AND REPLACEMENT FUND	38
SECTION 4.6 TOLL STABILIZATION FUND	39
SECTION 4.7 REBATE FUND	41
SECTION 4.8 MONEYS HELD BY PAYING AGENTS IN TRUST; UNCLAIMED.....	41
SECTION 4.9 TIFIA DEBT SERVICE FUND.....	41
SECTION 4.10 ADDITIONAL FUNDS AND ACCOUNTS	42
SECTION 4.11 SECURITY; ADDITIONAL SECURITY	42
ARTICLE V COVENANTS OF THE AUTHORITY	43
SECTION 5.1 PAYMENT OF PRINCIPAL, PREMIUM AND INTEREST	43
SECTION 5.2 TOLLS.....	43
SECTION 5.3 ANNUAL OPERATING BUDGET	44
SECTION 5.4 USE AND OPERATION OF THE PLEDGED FACILITY	45
SECTION 5.5 PAYMENT OF LAWFUL CHARGES.....	45
SECTION 5.6 CONSTRUCTION OR MAINTENANCE PERMITTED FROM OTHER FUNDS.....	45
SECTION 5.7 INSURANCE.....	46
SECTION 5.8 INSPECTION OF INSURANCE POLICIES	46
SECTION 5.9 ACCURATE RECORDS; REPORTS; AUDITS	46
SECTION 5.10 COVENANT AGAINST SALE OR ENCUMBRANCE; EXCEPTIONS	47

SECTION 5.11	PERFORMANCE OF COVENANTS BY AUTHORITY; AUTHORITY; DUE EXECUTION	48
SECTION 5.12	INSTRUMENTS OF FURTHER ASSURANCE.....	48
SECTION 5.13	RECEIPT AND DEPOSIT OF CASH ADVANCES	48
SECTION 5.14	RECEIPT AND DEPOSIT OF REVENUES -- REVENUE FUND	49
SECTION 5.15	NO INCONSISTENT ACTION.....	49
SECTION 5.16	OTHER OBLIGATIONS	49
SECTION 5.17	MAINTENANCE OF POWERS	49
SECTION 5.18	LIMITATION ON USE OF SURPLUS REVENUES -- COMPETING FACILITIES.....	50
SECTION 5.19	[RESERVED]	50
SECTION 5.20	[RESERVED]	50
SECTION 5.21	[RESERVED]	50
SECTION 5.22	COVENANTS OF AUTHORITY BINDING ON AUTHORITY AND SUCCESSORS.....	50
SECTION 5.23	INDENTURE OF TRUST TO CONSTITUTE A CONTRACT	50
ARTICLE VI INVESTMENTS		50
SECTION 6.1	MONEYS IN FUNDS AND ACCOUNTS	50
ARTICLE VII DEFEASANCE		52
SECTION 7.1	DISCHARGE OF INDENTURE; DEFEASANCE	52
ARTICLE VIII DEFAULTS AND REMEDIES		53
SECTION 8.1	EVENTS OF DEFAULT.....	53
SECTION 8.2	REMEDIES.....	54
SECTION 8.3	RESTORATION TO FORMER POSITION	55
SECTION 8.4	BOND OWNERS' RIGHT TO DIRECT PROCEEDINGS	56
SECTION 8.5	LIMITATION ON BOND OWNERS' RIGHT TO INSTITUTE PROCEEDINGS	56
SECTION 8.6	NO IMPAIRMENT OF RIGHT TO ENFORCE PAYMENT.....	56
SECTION 8.7	PROCEEDINGS BY TRUSTEE WITHOUT POSSESSION OF BONDS	56
SECTION 8.8	NO REMEDY EXCLUSIVE	57
SECTION 8.9	NO WAIVER OF REMEDIES.....	57
SECTION 8.10	APPLICATION OF MONEYS.....	57
SECTION 8.11	SEVERABILITY OF REMEDIES.....	59
SECTION 8.12	ADDITIONAL AND OTHER EVENTS OF DEFAULT AND REMEDIES	59
SECTION 8.13	SUBORDINATION	59
ARTICLE IX TRUSTEE, PAYING AGENT AND CO-PAYING AGENTS; REGISTRAR		61
SECTION 9.1	ACCEPTANCE OF TRUSTS.....	61
SECTION 9.2	DUTIES OF TRUSTEE	61
SECTION 9.3	RIGHTS OF TRUSTEE.....	62
SECTION 9.4	INDIVIDUAL RIGHTS OF TRUSTEE	62
SECTION 9.5	TRUSTEE'S DISCLAIMER.....	62
SECTION 9.6	NOTICE OF DEFAULTS	62
SECTION 9.7	COMPENSATION OF TRUSTEE.....	63
SECTION 9.8	ELIGIBILITY OF TRUSTEE.....	63
SECTION 9.9	REPLACEMENT AND/OR RESIGNATION OF TRUSTEE	63
SECTION 9.10	SUCCESSOR TRUSTEE OR AGENT BY MERGER	64
SECTION 9.11	PAYING AGENT	64
SECTION 9.12	REGISTRAR.....	64
SECTION 9.13	OTHER AGENTS	64
SECTION 9.14	SEVERAL CAPACITIES.....	64
SECTION 9.15	ACCOUNTING RECORDS AND REPORTS OF THE TRUSTEE.....	65
ARTICLE X MODIFICATION OF THIS INDENTURE		65
SECTION 10.1	LIMITATIONS	65
SECTION 10.2	SUPPLEMENTAL INDENTURES NOT REQUIRING CONSENT OF BOND OWNERS	65
SECTION 10.3	SUPPLEMENTAL INDENTURES REQUIRING CONSENT OF BOND OWNERS	66

SECTION 10.4	EFFECT OF SUPPLEMENTAL INDENTURE	68
SECTION 10.5	SUPPLEMENTAL INDENTURES TO BE PART OF THIS INDENTURE	68
ARTICLE XI MISCELLANEOUS PROVISIONS.....		68
SECTION 11.1	PARTIES IN INTEREST	68
SECTION 11.2	SEVERABILITY	69
SECTION 11.3	NO PERSONAL LIABILITY OF AUTHORITY OFFICIALS; LIMITED LIABILITY OF AUTHORITY TO BOND OWNERS.....	69
SECTION 11.4	EXECUTION OF INSTRUMENTS; PROOF OF OWNERSHIP	69
SECTION 11.5	GOVERNING LAW	70
SECTION 11.6	NOTICES	70
SECTION 11.7	HOLIDAYS	70
SECTION 11.8	VALIDITY OF BONDS NOT AFFECTED BY ACTS OF AUTHORITY.....	70
APPENDIX A	SCHEDULE OF MINIMUM TOLL RATES	
APPENDIX B	REPAIR AND REPLACEMENT FUND REQUIREMENT – ANNUAL AMOUNTS	

INDENTURE OF TRUST

This MASTER INDENTURE OF TRUST (this “Indenture”), dated as of _____, 2015, is between the Delaware Transportation Authority (the “Authority”), a public instrumentality and body corporate and politic of the State of Delaware (the “State”), and Wilmington Trust, National Association, a national banking association, which is authorized to exercise corporate trust powers, as trustee (the “Trustee”).

WITNESSETH:

WHEREAS, the Authority is authorized and empowered under the Transportation Trust Fund Act, constituting Chapter 87, Volume 66 of the laws of the State of Delaware 2 Del. C. Ch. 14 and the Delaware Transportation Authority Act, constituting Chapter 164, Volume 62 of the laws of the State of Delaware, 2 Del. C. Ch. 13, and other applicable law, all as amended, from time to time, together with ___ Del. Laws Chap. (House Bill 410) (collectively, the “Act”), to issue toll revenue bonds (the “Bonds”) and Subordinated Indebtedness (as defined herein) for the purpose of paying all or part of the costs of the U.S. 301 Project (as such term is hereinafter defined), to refund such Bonds issued by the Authority (as so refunded, the “Refunded Bonds”) and to secure such Bonds and Refunded Bonds with a pledge of the toll revenues including any fines and fees, or portions thereof, collected by the Authority; and

WHEREAS, the Authority has determined to finance a project (the “U.S. 301 Project”), consisting of the construction and equipping of a new U.S. 301 toll road (the “New U.S. 301,” as further described herein), through the issuance of Bonds and Subordinated Indebtedness (as defined herein), from time to time, which Bonds and other evidences of indebtedness are to be payable from and secured by a lien on and pledge of the Pledged Funds (defined below) and second, by a subordinated lien on and pledge of the Pledged TTF Revenues (defined below), under the conditions, and subject to the restrictions and priorities, set forth in this Indenture and one or more supplemental indentures (each, as further defined herein, a “Supplemental Indenture”); and

WHEREAS, the Authority wishes to provide in this Indenture for the issuance and payment of such Bonds and other obligations and the pledge of the Pledged Funds thereto, and the Trustee is willing to accept the trusts provided in this Indenture;

NOW, THEREFORE, the Authority and the Trustee agree as follows, each for the benefit of the other and of owners of the bonds and other obligations issued pursuant to this Indenture:

ARTICLE I

DEFINITIONS; INTERPRETATION

Except as otherwise indicated, references to Articles and Sections are to the Articles and Sections of this Indenture. The terms defined in this Article shall, for all purposes of this Indenture, have the respective meanings specified herein unless the context clearly requires otherwise.

“Accreted Amount” shall mean, with respect to any Capital Appreciation Bond or Convertible Capital Appreciation Bond, the amount representing principal and interest on such Capital Appreciation Bond or Convertible Capital Appreciation Bond at and prior to the maturity thereof, in the case of a Capital Appreciation Bond, or the expiration of the Accretion Period thereof, in the case of a Convertible Capital Appreciation Bond, being, as of any date of computation an amount equal to the principal amount of such Bond at its initial offering plus the interest accrued thereon from the Delivery Date thereof to the ____ or ____ next preceding the date of computation (or, if the date of computation is ____ or ____, to said date), such interest to accrue at the rate per annum established as provided in a Supplemental Indenture, compounded periodically, plus, with respect to matters relating to the payment upon redemption of such Capital Appreciation Bond or Convertible Capital Appreciation Bond, if such date of computation shall not be ____ or ____, the ratable portion of the difference between the Accreted Amount as of the immediately preceding ____ or ____ (or the Delivery Date thereof if the date of computation is prior to the first ____ or ____ succeeding the Delivery Date) and the Accreted Amount as of the immediately succeeding ____ or ____, calculated based on the assumption that the Accreted Amount accrues during any period in equal daily amounts on the basis of a year of twelve 30-day months.

“Accretion Period” shall mean with respect to any particular Convertible Capital Appreciation Bond, the period from the Delivery Date thereof through the date specified in the document providing for the sale of such Convertible Capital Appreciation Bond (which date must be prior to the maturity date thereof), after which interest accruing on such Convertible Capital Appreciation Bond shall be payable semiannually, with the first such payment date being the applicable Interest Payment Date immediately succeeding the expiration of the Accretion Period.

“Accrued Interest” shall mean, for any calendar month, the amount of interest which has accrued or will accrue during that month on a Series of Bonds (other than Convertible Capital Appreciation Bonds prior to the expiration of the applicable Accretion Period and Capital Appreciation Bonds), less any amount of interest and any Reimbursement Obligation with respect to interest which is payable (other than upon acceleration) exclusively from a fund or account other than the Debt Service Fund or a Series Credit Facility Fund on parity with such fund, plus the net amount, if any, payable to a Parity Swap Agreement Counterparty with respect to such period pursuant to Section 2.12, and less also any amount of interest for which a separate fund or account has been established and into which fund or account has been deposited moneys or Government Obligations which, with the earnings thereon, will be sufficient to pay such

interest and which fund is irrevocably pledged to payment of such interest. With respect to Bonds (other than Convertible Capital Appreciation Bonds prior to the expiration of the applicable Accretion Period and Capital Appreciation Bonds) the interest rate on which will or may fluctuate during the period from the date of calculation to the end of such calendar month, interest after the calculation date, for purposes of calculating Accrued Interest for such period, will be assumed to accrue at a rate equal to the maximum rate that such Bonds are permitted to bear.

“Accrued Premium” shall mean, with respect to any Bonds which are to be redeemed or otherwise prepaid, the full amount of the premium or prepayment penalty imposed as a condition of such redemption or prepayment, less any amount of premium or prepayment penalty and any Reimbursement Obligation with respect to premium or prepayment penalty which is payable (other than upon acceleration) exclusively from a fund or account other than the Debt Service Fund or a Series Credit Facility Fund on parity with such fund. The full amount of the premium or penalty will accrue in the calendar month in which notice of the redemption or prepayment is given by the Authority to the Trustee.

“Accrued Principal” shall mean, with respect to any calendar month, the amount of principal which has accrued or will accrue on a Series of Bonds during that month, less any amount of principal and any Reimbursement Obligation with respect to principal or interest which is payable (other than upon acceleration) exclusively from a fund or account other than the Debt Service Fund or a Series Credit Facility Fund on parity with such fund, and less also any amount of principal for which a separate fund or account has been established and into which has been deposited moneys or Government Obligations which, with the earnings thereon, will be sufficient to pay such principal and which fund or account is irrevocably pledged to the payment of such principal. For purposes of this definition, it shall be assumed that (a) for any principal or mandatory sinking account payment, principal commences to accrue on the later of (i) the date of issue of the Series or (ii) one year prior to the payment date (unless principal is payable more frequently than annually, in which case, principal will, for the first payment, be assumed to accrue from the later of the date of issuance of the Series or one year prior to the first payment date and thereafter principal will accrue from the date of each principal payment); (b) principal shall be assumed to accrue in equal monthly installments during each calendar month or portion of any calendar month occurring from the time of commencement of such accrual to the payment date; and (c) the Accreted Amount of Capital Appreciation Bonds and Convertible Capital Appreciation Bonds shall be treated as principal.

“Act” shall have the meaning as set forth in the recitals hereto and shall include any other law, whether general or specific, applicable to the Authority or Department as any of such laws may be amended from time to time.

“Adjusted Net Toll Revenues” shall mean, for any period, the remainder of (i) the Tolls for such period and the earnings derived in such period from the investment of moneys on deposit in the Debt Service Fund, the Reserve Fund and the Repair and Replacement Fund minus (ii) the Current Expenses for such period paid from Revenues.

“Aggregate Accrued Interest” shall mean, for any calendar month, the sum of the Accrued Interest for all Series of Outstanding Bonds.

“Aggregate Accrued Principal” shall mean, for any calendar month, the sum of the Accrued Principal for all Series of Outstanding Bonds.

“Annual Debt Service” shall mean (i) the amount of principal and interest becoming due with respect to Bonds in a Fiscal Year, calculated by the Authority or by a Financial Consultant as provided in this definition, plus (ii) Reimbursement Obligations payable or estimated by the Authority to be payable in such Fiscal Year (but only to the extent they are not duplicative of such principal and interest), plus (iii) the amounts, if any, payable or estimated by the Authority to be payable by the Authority in such Fiscal Year with respect to Parity Swap Agreements, minus (iv) the amounts, if any, payable or estimated by the Authority to be payable to the Authority in such Fiscal Year with respect to Approved Swap Agreements, provided that the difference between the amounts described in clauses (iii) and (iv) shall be included only to the extent that such difference would not be recognized as a result of the application of the assumptions set forth below, plus (v) the amount of principal and interest becoming due with respect to TIFIA Indebtedness in a Fiscal Year as provided in the schedule of payments as set forth in the TIFIA Loan Agreement. The following assumptions shall be used to determine the Annual Debt Service becoming due in any Fiscal Year:

(a) there shall be excluded from Annual Debt Service for all purposes hereof any amounts which are payable (other than upon acceleration) exclusively from a fund or account other than the Debt Service Fund or a Series Credit Facility Fund on parity with such fund;

(b) payments of principal or interest which are due on or before the fifteenth day of a Fiscal Year shall be assumed to be due on the last day of the immediately preceding Fiscal Year;

(c) in determining the principal amount due with respect to Bonds in each Fiscal Year, (unless a different subsection of this definition applies for purposes of determining principal maturities or amortization) payment shall be assumed to be made in accordance with any amortization schedule established for such debt, including any scheduled redemption of Bonds on the basis of Accreted Amount, and for such purpose the redemption payment shall be deemed a principal payment;

(d) if any of the Outstanding Bonds constitute Balloon Indebtedness, or if Bonds then proposed to be issued would constitute Balloon Indebtedness, then such amounts thereof as constitute Balloon Indebtedness shall be treated as if such Bonds were to be amortized in substantially equal annual installments of debt service over a term equal to the number of years then remaining to the maturity of such Bonds;

(e) if any Outstanding Bond constitutes Tender Indebtedness or if any Bond then proposed to be issued would constitute Tender Indebtedness, then for purposes of determining the amounts of principal and interest due in any Fiscal Year on such Bond, the options or obligations of the owners of such Bonds to tender the same for purchase or payment

prior to their stated maturity or maturities shall be treated as a principal maturity (but any such amount treated as a maturity shall not be eligible for treatment as Balloon Indebtedness) occurring on the first date on which owners of such Bonds may or are required to tender such Bonds, except that any such option or obligation to tender Bonds shall be ignored and not treated as a principal maturity if both (a) such Bonds are rated in one of the two highest long-term Rating Categories by each Rating Agency which has assigned a rating to any such Outstanding Bond at the request of the Authority or such Bonds are rated in the highest short-term, note or commercial paper Rating Category by each Rating Agency which has assigned a rating to any such Outstanding Bond at the request of the Authority, and (b) any obligation the Authority may have, other than its obligation on such Bonds, to reimburse any person for having extended a credit facility or a liquidity facility or a bond insurance policy, or similar arrangement, shall be either a Reimbursement Obligation with respect to an obligation incurred under and meeting the tests and conditions set forth in Article 2 (in which case the obligations of the Authority to make principal payments thereunder shall be treated as principal maturities) or a subordinate obligation issued pursuant to Section 5.16;

(f) if any Outstanding Bond constitutes Variable Rate Indebtedness, or if any Bond proposed to be issued will constitute Variable Rate Indebtedness, the interest rate on such Bond shall be assumed to be the Assumed Variable Rate, provided that if the maximum interest rate payable by the Authority with respect to any or all of such Bonds has been limited pursuant to an Approved Swap Agreement, then the interest rate to be used for the aforesaid computation with respect to the Variable Rate Indebtedness covered by such Approved Swap Agreement shall not exceed the sum of (A) the maximum interest rate as so limited, and (B) the annual charges payable by the Authority pursuant to said Parity Swap Agreement, expressed as a percentage of the principal amount of the Variable Rate Indebtedness which is covered thereby, and provided further that if any or all of such Variable Rate Indebtedness then constitute Pledged Bonds, the interest rate to be used for the aforesaid computation with respect to the principal amount of such Pledged Bond shall be the rate then applicable to the Authority's Reimbursement Obligation under its Reimbursement Agreement with the Bank in question; and

(g) if moneys or Government Obligations have been irrevocably deposited with and are held by the Trustee or another fiduciary to be used to pay principal and/or interest on any specified Bond or Bonds or the fees and expenses of a Bank or a remarketing agent, then the principal and/or interest to be paid from such moneys, from Government Obligations or from the earnings thereon shall be disregarded and not included in calculating Annual Debt Service.

“Annual Operating Budget” shall mean the Authority's budget for a Fiscal Year of Current Expenses adopted pursuant to the provisions hereof.

“Approved Swap Agreement” shall mean either (i) an interest rate swap agreement, interest rate cap or other agreement of a type described in Section 2.12 with respect to which the Authority's obligations to make payments is a subordinate obligation issued pursuant to Section 5.16 or (ii) a Parity Swap Agreement which, in either case, has been approved as not causing a reduction or withdrawal of the rating then assigned to Bonds, by each Rating Agency which has assigned a rating to any Outstanding Bonds at the request of the Authority.

“Assumed Variable Rate” shall mean (a) in the case of Bonds the interest on which was, in the opinion of Bond Counsel delivered at the time of the issuance thereof, excluded from gross income for federal income tax purposes, the rate which is the average of The Bond Buyer Revenue Bond Index for the 52 weeks ending with the week preceding the date of calculation, provided that if The Bond Buyer Revenue Bond Index shall cease to be published, the index to be used in its place shall be that index which the Authority (in consultation with the remarketing agent(s) for any Variable Rate Indebtedness then Outstanding) determines most closely replicates it, as set forth in a certificate of an Authorized Authority Representative filed with the Trustee and (b) in the case of Bonds not described in clause (a), the product of the index referred to in clause (a) times the ratio that the Authority determines to best reflect the relative yields of taxable and tax-exempt debt of maturities and credit quality comparable to the bonds used in calculating such index.

“Authority” shall mean the Delaware Transportation Authority a public instrumentality and body corporate and politic of the State, and any successor to its functions.

“Authority Attorney” shall mean legal counsel to the Authority.

“Authorized Authority Representative” shall mean the Secretary, the Director of Finance, Transportation Trust Fund Administrator of the Department or such other officer or employee of the Department or Authority or other person who has been designated an agent of the Authority with respect to particular matters by a resolution of the Authority.

“Balloon Indebtedness” shall mean a Series of Bonds 25% or more of the principal of which matures in the same Fiscal Year and is not required by the documents pursuant to which such Series was issued to be amortized by payment or redemption prior to that Fiscal Year, provided that such Series of Bonds will not constitute Balloon Indebtedness if the Annual Debt Service in the Fiscal Year referred to above is less than 125% of the Annual Debt Service for the immediately preceding Fiscal Year.

“Bank” shall mean, as to any particular Series of Bonds, each person (other than a Bond Insurer) providing a letter of credit, a line of credit, a guaranty or another credit or liquidity-enhancement facility as designated in the Supplemental Indenture providing for the issuance of such Bonds.

“Bank Fee” shall mean any commission, fee or expense payable to a Bank pursuant to a Reimbursement Agreement (but not amounts payable as reimbursement for amounts drawn under a Credit Facility or interest on such amounts).

“Bankruptcy-Related Event” shall mean:

(a) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Authority or any of its debts, or of a substantial part of the assets of the Authority, under any Insolvency Law or (ii) the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for the Authority for a substantial part of the assets of the Authority, and, in any

case referred to in the foregoing sub-clauses (i) and (ii), such proceeding or petition shall continue undismissed for 60 days or an order or decree approving or ordering any of the foregoing shall be entered; or

(b) the Authority shall (i) apply for or consent to the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for the Authority or for a substantial part of the assets of the Authority, or (ii) make a general assignment for the benefit of creditors, or (iii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition with respect to it described in clause (a) of this definition, or (iv) commence a voluntary proceeding under any Insolvency Law, or file a voluntary petition seeking liquidation, reorganization, an arrangement with creditors or an order for relief under any Insolvency Law, or (v) file an answer admitting the material allegations of a petition filed against it in any proceeding referred to in the foregoing sub-clauses (i) through (iv), inclusive, of this clause (b), or (vi) take any action for the purpose of effecting any of the foregoing; or

(c) (i) all or a substantial part of the Pledged Facility shall be sold or otherwise disposed of in a public or private sale or disposition pursuant to a foreclosure of any liens or security interest thereon securing the Bonds, Parity Swap Agreements and Reimbursement Obligations, or (ii) all or a substantial part of the Pledged Facility shall be transferred pursuant to a sale or disposition in lieu of foreclose.

“Bond” or “Bonds” shall mean indebtedness and securities of any kind or class, including bonds, notes, bond anticipation notes, commercial paper, and other obligations issued under the provisions of Article 2 of this Indenture. “Bond” or “Bonds” shall not include any Subordinated Indebtedness incurred by the Authority as permitted by Section 5.16.

“Bond Counsel” shall mean a firm of attorneys who are nationally recognized as experts in the area of municipal finance and who are familiar with the transactions contemplated under this Indenture and who are acceptable to the Authority and the Bond Insurer.

“Bond Insurer” shall mean as to any particular maturity or any particular Series of Bonds, the person undertaking to insure such Bonds as designated in a Supplemental Indenture providing for the issuance of such Bonds.

“Bond Owner,” “holder,” “Owner” or “registered owner” shall mean the person in whose name any Bond or Bonds are registered on the books maintained by the Registrar.

“Bond Register” shall mean the register maintained pursuant to Section 2.4.

“Book-Entry-Only System” shall mean a system similar to the system described herein pursuant to which Bonds are registered in book-entry form.

“Business Day” shall mean any day other than a Saturday, a Sunday, or a day on which banking institutions are authorized or required by law to be closed in either the State of New York or the State of Delaware; provided that such term may have a different meaning for any specified Series of Bonds if so provided by a Supplemental Indenture.

“Capital Appreciation Bond” shall mean a Bond, the interest on which (i) shall be compounded periodically, (ii) shall be payable only at maturity or redemption prior to maturity, and (iii) shall be determined by subtracting from the Accreted Amount thereof the original principal amount thereof.

“Capitalized Interest” shall mean the portion of the proceeds from the sale of each Series of Bonds and any cash on hand at the Delivery Date which is designated as such at the time of issuance of each such Series.

“Capitalized Interest Account” shall mean the account so designated in the Debt Service Fund.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and the United States Treasury Regulations proposed or in effect with respect thereto.

“Completion Bond” shall mean any Bond which is issued to finance one or more Costs of a portion of the U.S. 301 Project subsequent to the issuance of a Series of Bonds that was issued after the issuance of the Series 2015 Bonds in whole or in part to finance Costs of such portion of the U.S. 301 Project.

“Construction Fund” shall mean the fund created and so designated by Section 4.1.

“Convertible Capital Appreciation Bond” shall mean any Bond as to which interest accruing is not paid prior to the expiration of the specified Accretion Period and, prior thereto, is compounded periodically on certain designated dates.

“Cost” shall mean, with respect to any Pledged Facility, to the extent permitted by the Act, all or any part of:

- (a) the cost of construction, reconstruction, restoration, repair and rehabilitation of such facility or portion thereof;
- (b) the cost of acquisition of all real or personal property, rights, rights-of-way, franchises, easements and interests acquired or used for such facility or portion thereof;
- (c) the cost of demolishing or removing any structures on land so acquired, including the cost of acquiring any land to which the structures may be removed;
- (d) any cost necessary or desirable to satisfy conditions associated with the issuance of any permit for the construction thereof (including the costs of environmental mitigation required in connection therewith);
- (e) the cost of all machinery and equipment, vehicles, materials and rolling stock;

(f) financing charges (including costs associated with the issuance of Bonds (including fees for any policy of bond insurance relating thereto and the initial fees for any Credit Facility relating thereto), as well as the initial costs of obtaining one or more contracts which the Authority determines to be necessary or appropriate to place the Bonds in question, or any of them, on the interest rate, currency, cash-flow, or other basis desired by the Authority, including, without limitation, interest rate swap agreements, currency swap agreements, forward payment conversion agreements, futures, contracts providing for payments based on levels of or changes in interest rates, currency exchange rates, stock or other indices, or contracts to exchange cash flows or a series of payments, and contracts including, without limitation, interest rate floors or caps, options, puts or calls to hedge payment, currency rate, spread or similar exposure, and all fees and expenses payable by the Authority pursuant to any Reimbursement Agreement), interest on Bonds and on any Reimbursement Obligation for the period prior to, during and for a period after completion of construction as determined by the Authority, provisions for working capital, reserves for principal and interest and for extensions, enlargements, additions, replacements, renovations and improvements;

(g) the cost of architectural, engineering, environmental, financial and legal services;

(h) plans, specifications, estimates and administrative and other expenses which are necessary or incidental to the determination of the feasibility of constructing such facility or portion thereof or incidental to the obtaining of construction contracts or to the construction (including construction administration and inspection), acquisition or financing thereof and which constitute capital costs;

(i) Current Expenses, provided that the Trustee has received an opinion of Bond Counsel (which opinion may address either specific Current Expenses or categories of Current Expenses) to the effect that the treatment of such Current Expenses as a Cost will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes;

(j) the repayment of any loan or advance for any of the foregoing; and

(k) with respect to the use of Bond proceeds, such other costs and expenses as are permitted by the Act at the time such Bonds are issued.

“Credit Facility” shall mean, as to any particular Series of Bonds, a letter of credit, a line of credit, a guaranty or another credit or liquidity-enhancement facility (other than an insurance policy issued by a Bond Insurer), as described in the Supplemental Indenture providing for the issuance of such Bonds.

“Current Expenses” shall mean the Authority’s reasonable and necessary current operating expenses, determined in accordance with generally accepted accounting principles, with respect to the Pledged Facility, which may include payments with respect to financing leases and installment purchase agreements (but only leases and installment purchase agreements pertaining to toll collection and revenue management systems, including transponders), transponder purchases, annually recurring premiums and reserves for insurance, fees and expenses of the Trustee, the Registrar, the Paying Agent, remarketing agents, tender agents, and

broker- dealers and amounts required to be deposited into the Rebate Account pursuant hereto and any other such operating expenses required or permitted to be paid by the Authority under the provisions of this Indenture and the Act, but shall not include depreciation or any reserves for extraordinary maintenance or repair.

“Current Interest Bond” shall mean a Bond the interest on which is payable periodically and which is not a Convertible Capital Appreciation Bond.

4.3. “Debt Service Fund” shall mean the fund created and so designated pursuant to Section

8.1. “Default” or “Event of Default” shall mean any occurrence or event specified in Section

“Defeasance Securities” shall mean:

1. Cash,
2. U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series – “SLGs”),
3. Direct obligations of the Treasury which have been stripped by the Treasury itself, CATS, TIGRS and similar securities,
4. Resolution Funding Corp. strips which have been stripped by request to the Federal Reserve Bank of New York in book entry form are acceptable,
5. Pre-refunded municipal bonds rated Aaa by Moody’s, AAA by S&P and, if rated by Fitch, AAA by Fitch. (If, however, the issue is only rated by S&P (i.e., there is no Moody’s or Fitch rating), then the pre-refunded bonds must have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations, or AAA rated pre-refunded municipals), and
6. Obligations issued by the following agencies which are backed by the full faith and credit of the U.S.:
 - a. U.S. Export-Import Bank (Eximbank)
Direct obligations or fully guaranteed certificates of beneficial ownership,
 - b. Farmers Home Administration (FmHA)
Certificates of beneficial ownership,
 - c. Federal Financing Bank,
 - d. General Services Administration
Participation certificates,
 - e. U.S. Maritime Administration
Guaranteed Title XI financing,

- f. U.S. Department of Housing and Urban Development (HUD)
Project Notes,
Local Authority Bonds,
New Communities Debentures - U.S. government guaranteed debentures,
U.S. Public Housing Notes and Bonds - U.S. government guaranteed
public housing notes and bonds, and
- g. Authority for International Development.

“Deficiency” shall mean, depending on the context, the difference between the amount on deposit in one of the accounts for the payment of principal of or interest on Bonds established in the Debt Service Fund or in a Series Credit Facility Fund on parity with either such fund and the applicable Accrued Interest or Accrued Principal and Accrued Premium or the applicable Reimbursement Obligation, as the case may be, which is payable and which is unpaid as of the date on which the calculation is being made.

“Delivery Date” shall mean the date on which a Series of Bonds is delivered to the original purchasers thereof.

“Department” shall mean the Delaware Department of Transportation.

“Engineering Consultant” shall mean an engineer or firm of engineers of favorable reputation for skill and experience in performing the duties for which an Engineering Consultant is required to be employed pursuant to the provisions of this Indenture and who is retained by the Authority as an Engineering Consultant for the purposes of this Indenture.

“Excess Deposit” shall mean, with respect to a calendar month, the amount, if any, by which the sum of the Revenues deposited into an account for the payment of interest on Bonds in the Debt Service Fund plus the amount on deposit in any related Capitalized Interest Account exceeds the amount of interest which actually accrued on the applicable Outstanding Bonds during such calendar month.

“Financial Consultant” shall mean any financial advisor or firm of financial advisors of favorable national reputation for skill and experience in performing the duties for which a Financial Consultant is required to be employed pursuant to the provisions hereof and who is retained by the Authority as a Financial Consultant for the purposes hereof.

“Fiscal Year” shall mean the period of time beginning on July 1 of each given year and ending on June 30 of the immediately subsequent year, or such other similar period as the Authority designates as its fiscal year.

“Fitch” shall mean Fitch ICBA and its successors and assigns and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, “Fitch” shall be deemed to refer to any other nationally recognized rating agency designated by the Authority.

“Fixed Rate Indebtedness” shall mean (i) any indebtedness incurred pursuant to this Indenture other than Variable Rate Indebtedness and (ii) indebtedness incurred pursuant to this

Indenture which, except for this clause (ii), would be Variable Rate Indebtedness but with respect to which the Authority has entered into an Approved Swap Agreement pursuant to which agreement the Authority makes interest payments based on one or more rates of interest each of which is established at a single numerical rate for the entire remaining term of such agreement, provided that such Variable Rate Indebtedness shall be deemed to be Fixed Rate Indebtedness only while such Approved Swap Agreement remains in effect and only if the counterparty thereto is not in default thereunder. Notwithstanding the foregoing, if two series of Bonds constituting Variable Rate Indebtedness, or one or more maturities within a Series, are issued simultaneously with inverse floating interest rates providing a composite fixed interest rate for such Bonds taken as a whole, such Bonds shall constitute Fixed Rate Indebtedness.

“Government Obligations” shall mean (a) direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States of America) or obligations the payment of the principal of and the interest on which is fully guaranteed by the United States of America; (b) obligations of the Resolution Funding Corporation (“REFCORP”); (c) obligations of state or local government municipal bond issuers, provision for the payment of the principal of and the premium, if any, and the interest on which shall have been made by deposit with a trustee or escrow agent of Government Obligations described in (a) or (b) above, the maturing principal of and interest on which, when due and payable, will provide sufficient money to pay the principal of, premium, if any, and interest on such obligations of state or local government municipal bond issuers, provided that such obligations shall be rated in the highest Rating Category by each and every Rating Agency then rating any Series of Bonds at the request of the Authority; (d) U.S. Treasury Strips; and (e) REFCORP Strips (stripped by the Federal Reserve Bank of New York).

“Indenture” shall mean this Master Indenture of Trust together with all amendments and supplements hereto.

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

“Interest Account” shall mean the account so designated in the Debt Service Fund.

“Interest Payment Date” shall mean each ____ and ____, commencing for each Series of Bonds, on the date or dates set forth in the document providing for the issuance thereof, provided that in the case of Variable Rate Indebtedness “Interest Payment Date” shall mean each date on which interest thereon is payable, as set forth in the document providing for the issuance thereof.

“Mail” shall mean by first-class United States mail, postage prepaid.

“Maximum Annual Debt Service” shall mean at any point in time the maximum amount of Annual Debt Service becoming due in the then current or any future Fiscal Year.

“Minimum Toll Rates” shall mean the toll rates for each type of vehicle, each time of day and each toll collection facility that are specified in Appendix A to this Indenture.

“Moody’s” shall mean Moody’s Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized rating agency designated by the Authority.

“Net Toll Revenues” shall mean, for any period, the Tolls for such period minus the Current Expenses for such period.

“New U.S. 301” shall mean a new toll road of U.S. 301 from the Maryland State Line to SR 1, comprising of a new U.S. 301 mainline, which is a limited-access highway on a new location with two lanes in each direction that will connect existing U.S. 301 at the Delaware/Maryland line with SR 1, south of the C&D Canal, a distance of 14 miles; and a new U.S. 301 Spur Road, which is a limited-access highway, on a new location with one lane in each direction from New U.S. 301 in the vicinity of Armstrong Corner Road to the Summit Bridge crossing of the C&D Canal, a distance of 3.5 miles, including interchanges, related collector-distributor roads, auxiliary lanes, and toll collection facilities.

“1988 Trust Agreement” shall mean the Trust Agreement, dated as of August 1, 1988, between the Authority and Wilmington Trust Company, together with all agreements supplemental thereto as permitted therein.

“1988 Trustee” shall mean Wilmington Trust Company or any successor trustee to the 1988 Trust Agreement.

“Operating Fund” shall mean the fund created and so designated in Section 4.2.

“Outstanding” or “Bonds Outstanding” or “Outstanding Bonds” shall mean all Bonds which have been authenticated and delivered under this Indenture, except:

- (a) Bonds cancelled or purchased by the Trustee for cancellation or delivered to or acquired by the Trustee for cancellation and, in all cases, with the intent to extinguish the debt represented thereby;
- (b) Bonds deemed to be paid in accordance with Article 7;
- (c) Bonds in lieu of which other Bonds have been authenticated under Section 2.5;
- (d) Bonds that have become due (at maturity, on redemption, by acceleration or otherwise) and for the payment of which sufficient moneys, including interest accrued to the due date, are held by the Trustee or a Paying Agent;
- (e) Bonds which, under the terms of the Supplemental Indenture pursuant to which they were issued, are deemed to be no longer outstanding; and

- (f) for purposes of any consent or other action to be taken by the Owners of a specified percentage of Bonds under this Indenture, Bonds held by or for the account of the Authority or by any person controlling, controlled by or under common control with the Authority, unless such Bonds are pledged to secure a debt to an unrelated party, in which case such Bonds shall, for purposes of consents and other Bond Owner action, be deemed to be Outstanding and owned by the party to which such Bonds are pledged.

“Parity Swap Agreement” shall mean an interest rate swap agreement, interest rate cap or other agreement of a type described in Section 2.12 which satisfies the requirements established in Section 2.12 in order that some or all of the amounts payable by the Authority pursuant to such agreement may be secured by, first, the Pledged Funds and second, the Pledged TTF Revenues, on parity with the Bonds to which such agreement relates.

“Parity Swap Agreement Counterparty” shall mean the counterparty to a Parity Swap Agreement with the Authority or with the Trustee.

“Paying Agent” or “Paying Agents” shall mean the Trustee and/or any entity appointed by the Authority as a Paying Agent pursuant to Section 9.11.

“Permitted Investments” shall mean Government Obligations and:

(a) bonds, debentures or notes or other evidence of indebtedness issued by any one or a combination of any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America: U.S. Export Import Bank (direct obligations or fully guaranteed certificates of beneficial ownership), Federal Financing Bank, Farmer’s Home Administration (certificates of beneficial ownership), Federal Housing Administration Debentures, General Services Administration (participation certificates) U.S. Maritime Administration (guaranteed Title XI financing), U.S. Department of Housing and Urban Development (project notes, local authority bonds, new communities debentures-U.S. government guaranteed debentures, U.S. public housing notes and bonds-U.S. government guaranteed public housing notes and bonds) and Government National Mortgage Association (GNMA-guaranteed mortgage-backed bonds, GNMA-guaranteed pass-through obligations);

(b) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself): Federal Home Loan Bank System (Senior debt obligations); Federal Home Loan Mortgage Corporation (Participation Certificates, Senior debt obligations); Federal National Mortgage Association (Mortgage-backed securities and senior debt obligations); Student Loan Marketing Association (Senior debt obligations); Resolution Funding Corp. (obligations); and Farm Credit System (Consolidated system-wide bonds and notes);

(c) Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933,

including funds for which the Trustee, its parent, its affiliates or its subsidiaries provide investment advisory or other management services, and which have a rating by S&P of AAAM-G; AAA-m; or AA-m and, if rated by Moody's, rated Aaa, Aa1 or Aa2 and, if rated by Fitch, rated AAA or AA;

(d) Certificates of deposit secured at all times by Government Obligations and/or by collateral described in (a) above. Such certificates must be issued by commercial banks (including the Trustee, its parent, its affiliates or its subsidiaries), savings and loan associations or mutual savings banks. The collateral must be held by a third party and the Bondholders must have a perfected first security interest in the collateral;

(e) Certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by FDIC, including BIF and SAIF;

(f) Investment Agreements, including guaranteed investment contracts ("GIC's"), Forward Purchase Agreements and Reserve Fund Put Agreements acceptable to the Bond Insurer;

(g) Commercial paper rated, at the time of purchase, Prime - 1 or better by Moody's and A-1 or better by S&P and, if rated by Fitch, rated F-1 or better;

(h) Bonds or notes issued by any state or municipality which are rated by Moody's and S&P in one of the two highest rating categories assigned by such agencies and, if rated by Fitch, in one of the two highest rating categories assigned by it.

(i) Federal funds or bankers acceptance with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of Prime - 1 or A3 or better by Moody's and A-1 or A or better by S&P and, if rated by Fitch, a rating of F-1 or A or better;

(j) Repurchase Agreements ("Repos") meeting the following criteria:

1. Repos must be between the Authority or Trustee and a dealer bank or securities firm:

a. Primary dealers on the Federal Reserve reporting dealer list which are rated A or better by S&P and Moody's and, if rated by Fitch, rated A or better; or

b. Banks rated "A" or above by S&P and Moody's and, if rated by Fitch, rated A or above;

2. The written repo contract must include the following:

a. Securities which are acceptable for transfer are:

- (1) Direct U.S. governments; or
 - (2) Federal agencies backed by the full faith and credit of the U.S. government (and FNMA & FHLMC);
 - b. The term of the repo may be up to 30 days (a repo in excess of thirty days must be approved by the Bond Insurer);
 - c. The collateral must be delivered to the Authority or the Trustee (if Trustee is not supplying the collateral) or third party acting as agent for the Trustee (if the Trustee is supplying the collateral) before/simultaneous with payment (perfection by possession of certificated securities);
 - d. Valuation of Collateral
 - (1) The securities must be valued weekly, marked-to-market at current market price plus accrued interest;
 - (a) The value of collateral must be equal to 104% of the amount of cash transferred by the Authority or the Trustee to the dealer bank or security firm under the repo plus accrued interest. If the value of securities held as collateral slips below 104% of the value of the cash transferred by the Authority or the Trustee, then additional cash and/or acceptable securities must be transferred. If, however, the securities used as collateral are FNMA or FHLMC, then the value of collateral must equal 105%;
3. Legal opinion which must be delivered to the Authority and Trustee:
- a. Repo meets guidelines under state law for legal investment of public funds;
 - (k) Medium-term obligations of a maximum maturity of five years issued by corporations organized and operating within the United States, or by depository institutions licensed by the United States or any state and operating in the United States, which are rated in one of the three highest applicable Rating Categories, or approved in writing, by S&P and, if rated by Fitch, rated in one of the three highest applicable Rating Categories; and

(l) Any such other investment as an Authorized Authority Representative shall certify to the Trustee or the Authority, as the case may be, as being permitted by the Act, provided that such investment is approved in writing by each Rating Agency which has assigned a rating to the Bonds at the request of the Authority and by the Bond Insurer.

“Pledged Bonds” shall mean a Bond purchased by the Paying Agent with amounts received pursuant to a drawing under a Credit Facility and pledged to or registered in the name of a Bank which is a provider of such Credit Facility or its designee.

“Pledged Facility” shall mean the New U.S. 301 which is being financed with the proceeds of Bonds and TIFIA Indebtedness.

“Pledged Funds” shall mean (i) the Revenues and (ii) moneys on deposit in any fund or account held by or for the benefit of the Trustee hereunder except the Rebate Fund and any Series Credit Facility Fund and except also such other funds and accounts as may be established pursuant to a Supplemental Indenture which provides that the moneys therein shall not constitute Pledged Funds.

“Pledged TTF Revenues” shall mean all moneys paid or payable to Wilmington Trust Company, as 1988 Trustee under the 1988 Trust Agreement, by or for the account of the Authority, including, but not limited to, revenues from the motor fuel tax, Delaware Turnpike, and document fees (all as more fully described in the 1988 Trust Agreement), the proceeds of all drawings by or advances to the 1988 Trustee, as trustee under the 1988 Trust Agreement, under a credit facility in satisfaction of the Authority's obligations to make payments under the 1988 Trust Agreement (other than drawings or advances under credit facilities ensuring payment of principal of and interest on bonds issued pursuant to the 1988 Trust Agreement), all Additional Revenues (as defined in the 1988 Trust Agreement) and all receipts of the 1988 Trustee, as trustee under the 1988 Trust Agreement, which, under the provisions of the 1988 Trust Agreement, reduce the amount of such payments.

“Prepayment Account” shall mean the account so designated in the Debt Service Fund.

“Principal Account” shall mean the account so designated in the Debt Service Fund.

“Principal Obligation” shall mean the sum of the principal amount of Current Interest Bonds and the Accreted Amount of Capital Appreciation Bonds and Convertible Capital Appreciation Bonds Outstanding hereunder as of any date of calculation.

“Principal Office” shall mean, in the case of the Trustee, the Trustee's principal corporate trust office in _____, _____, and in the case of a Paying Agent or a Registrar, the office so designated pursuant to Section 9.11 or 9.12, as the case may be, provided that, with respect to the presentation of Bonds for payment or for registration of transfer and exchange, such term shall mean the office or agency of the Trustee, Paying Agent or Registrar at which, at any particular time, its corporate trust business is being conducted.

“Rating Agency” shall mean Fitch, Moody’s, S&P or such other nationally recognized securities rating agency as may be so designated in writing to the Trustee by an Authorized Authority Representative.

“Rating Category” shall mean each major rating classification established by a Rating Agency, determined without regard to gradations such as “1,” “2” and “3” or “plus” and “minus.”

“Rebate Fund” shall mean the fund created and so designated pursuant to Section 4.7.

“Rebate Regulations” shall mean the Treasury Regulations issued under Section 148(f) of the Code.

“Record Date” shall mean, with respect to any Series of Bonds, the date so specified in the document providing for the issuance of such Series.

“Refunding Bond” shall mean any Bond which is issued solely for the purposes of (i) providing funds for the payment of principal, interest and redemption premium with respect to Outstanding Bonds of any one or more Series, or a portion of any Series in accordance with and as permitted by the Act and the Supplemental Indenture under which such Refunding Bonds are issued, (ii) paying the costs of issuing such Refunding Bonds and (iii) funding a reserve fund for such Refunding Bonds.

“Registrar” shall mean the Trustee and/or any entity appointed by the Authority as a Registrar pursuant to Section 9.12.

“Reimbursement Agreement” shall mean an agreement between the Authority and one or more Banks pursuant to which, among other things, such Bank or Banks issue a Credit Facility with respect to Bonds of one or more Series and the Authority agrees to reimburse such Bank or Banks for any drawings made thereunder, including any security or pledge agreement entered into in connection therewith pursuant to which the Authority grants the Bank or Banks a security interest in any collateral to secure its obligations to the Bank or Banks.

“Reimbursement Obligation” shall mean an obligation of the Authority pursuant to a Reimbursement Agreement to repay any amounts drawn under a Credit Facility, to pay any interest on such drawn amounts pursuant to such Reimbursement Agreement and to pay any Bank Fee owed pursuant thereto.

“Repair and Replacement Fund” shall mean the fund created and so designated by Section 4.5.

“Repair and Replacement Fund Requirement” shall mean either such annual amounts as set forth on the attached Appendix B.

“Reserve Fund” shall mean the fund created and so designated by Section 4.4.

“Reserve Fund Requirement” shall mean with respect to a particular series of Bonds as of a particular date, the lesser of: (i) the Maximum Annual Debt Service; (ii) 125% of the average Annual Debt Service with respect to the Outstanding Bonds of such series in the then current and all future Fiscal Years; or (iii) ten percent (10%) of the proceeds of such series of Bonds minus original issue discount, if any, or such other amount equal to the maximum amount of proceeds derived from the sale of such Bonds which may be deposited in the Reserve Fund pursuant to the then applicable provisions of the Code.

“Responsible Officer” shall mean an officer or assistant officer of the Trustee assigned by the Trustee to administer this Indenture.

“Revenue Fund” shall mean the fund created and so designated by Section 4.2.

“Revenues” shall mean: the sum of (a) the Tolls, (b) earnings derived from the investment of moneys in the funds and accounts established hereunder (whether held by the Trustee or the Authority) except the Toll Stabilization Fund and the Rebate Fund; (c) liquidated damages or similar payments (net of offsets required or permitted by the applicable agreement) payable under any construction contract, any toll collection or revenue management contract or any operating or maintenance contract relating to a Pledged Facility; (d) proceeds of revenue interruption insurance maintained by or for the benefit of the Authority; (e) net proceeds of eminent domain proceedings and casualty insurance maintained by or for the benefit of the Authority; and (f) such other sources of funds as may be identified as Revenues in a Supplemental Indenture. Except to the extent specifically otherwise provided above or in a Supplemental Indenture, “Revenues” shall not include (y) the proceeds of any Bonds or other indebtedness issued or incurred by the Authority, or (z) rebates of premiums received by the Authority or the Trustee in connection with insurance policies maintained by or for either of them.

“S&P” shall mean Standard & Poor’s Ratings Services, a division of McGraw-Hill, Inc., a corporation organized and existing under the laws of the State of New York, its successors and their assigns, and if such corporation shall for any reason no longer perform the functions of a securities rating agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority.

“Secretary” shall mean the Secretary of the Department and his or her successors.

“Secured Owner” shall mean, as to any particular Series of Bonds, each person who is a “Bond Owner,” “Holder,” “Owner” or “registered owner” of the Bonds of such Series, each Parity Swap Agreement Counterparty providing a Parity Swap Agreement with respect to such Bonds, each Bank providing a Credit Facility with respect to such Bonds and each Bond Insurer providing a bond insurance policy with respect to such Bonds and to USDOT as owner of the TIFIA Indebtedness, subject to the priorities set forth in Section 4.11.

“Series” shall mean one or more Bonds issued at the same time, or sharing some other common term or characteristic, and designated as a separate Series.

“Series 2015 Bonds” shall mean the Authority’s \$ _____ Toll Revenue Bonds (301 Project, Series of 2015 dated _____, 2015 and issued under the First Supplemental Indenture of Trust, dated as of _____, 2015, by and between the Authority and the Trustee.

“Series Credit Facility Fund” shall mean any fund established by a Supplemental Indenture as a fund from which to pay to the applicable Bank or Banks such amounts as may be required to be paid with respect to the Authority’s Reimbursement Obligations to such Bank or Banks.

“State” shall mean the State of Delaware.

“Subordinated Indebtedness” shall have the meaning ascribed to such term as set forth in Section 8.13 herein.

“Supplemental Agreement No. 27” shall mean the Supplemental Agreement No. 27 to the 1988 Trust Agreement, dated _____, 2015 between the Authority and Wilmington Trust Company, pursuant to which, among other things, the Series 2015 Bonds and the TIFIA Indebtedness issued hereunder are granted a subordinate lien on the Pledged TTF Revenues.

“Supplemental Indenture” shall mean any supplemental indenture then in full force and effect which has been duly approved by resolution of and signed by the Authority and the Trustee and providing for the issuance of a Series or multiple Series of Bonds, amending and/or supplementing this Indenture or amending and/or supplementing another Supplemental Indenture.

“Tax Certificate” shall mean the certificate by that name to be executed by the Authority on a Delivery Date to establish certain facts and expectations and which contains certain covenants relevant to compliance with the Code.

“Tender Indebtedness” shall mean any Bond or portion thereof a feature of which is an option, on the part of the Bond Owner, or an obligation, under the terms of such Bond, to tender all or a portion of such Bond to the Authority, the Trustee, the Paying Agent or other fiduciary or agent for payment or purchase and requiring that such Bond or portion thereof be purchased if properly presented.

“TIFIA Debt Service Fund” shall mean the fund created and so designated by Section 4.9.

“TIFIA Indebtedness” shall mean the TIFIA Series 2015 Bond and any additional bonds or other secured loan from the USDOT, as lender, to the Authority, as borrower, pursuant to the Transportation Infrastructure Finance and Innovative Act of 1998, as codified as 23 U.S.C. §601 *et seq.*, as the same may be amended from time to time, with respect to the Pledged Facility and secured by a subordinate pledge, charge and lien on, first, Pledged Funds, and second, Pledged TTF Revenues, in the manner provided in Sections 2.13 and 5.16.

“TIFIA Loan Agreement” shall mean the TIFIA Loan Agreement, to be entered between the USDOT and the Authority, including any supplements or amendments thereto with respect to the TIFIA Indebtedness evidenced by the TIFIA Series 2015 Bond and any other Loan Agreement or similar instrument executed and delivered by the Authority providing for the incurrence of other TIFIA Indebtedness.

“TIFIA Prepayment Account” shall mean the account so designated in the TIFIA Debt Service Fund.

“TIFIA Series 2015 Bond” shall mean the Delaware Transportation Authority Subordinated Toll Revenue Bond (U.S. 301 Project), TIFIA Series 2015, to be dated the date of issuance thereof, issued by the Authority to the USDOT pursuant to Section 2.13 hereof to evidence the obligation of the Authority to pay the loan repayments to the USDOT, or its assigns, pursuant to the TIFIA Loan Agreement.

“Toll Stabilization Fund” shall mean the fund created and so designated by Section 4.6.

“Tolls” shall mean all rates, rents, fees, charges, fines, or other income derived by the Authority from vehicular usage of the Pledged Facility, and all rights to receive the same. With respect to ascertaining compliance with the Authority’s toll covenant set forth in Section 5.2, “Tolls” shall also include any amounts available for debt service in the Toll Stabilization Fund.

“Traffic Consultant” shall mean any traffic and revenue consultant or firm of traffic and revenue consultants of favorable national reputation for skill and experience in performing the duties for which a Traffic Consultant is required to be employed pursuant to the provisions of this Indenture and who is retained by the Authority as a Traffic Consultant for the purposes of this Indenture.

“Trustee” shall mean the entity named as such in the heading of this Indenture until a successor replaces it in accordance with the provisions of Section 9.9, and thereafter means such successor.

“USDOT” shall mean the United States Department of Transportation.

“Variable Rate Indebtedness” shall mean: (i) any indebtedness incurred pursuant to this Indenture the interest rate applicable to which is not established at the time of incurring of such indebtedness at a rate which cannot increase during the entire term thereof or has not at some subsequent date been established at a rate which cannot increase during the entire term thereof and (ii) indebtedness incurred pursuant to this Indenture which, except for this clause (ii), would be Fixed Rate Indebtedness but with respect to which the Authority has entered into an Approved Swap Agreement pursuant to which Approved Swap Agreement the Authority makes interest payments based on a rate of interest which is not established at a single numerical rate for the entire remaining term of such Approved Swap Agreement, provided that such Fixed Rate Indebtedness shall be deemed to be Variable Rate Indebtedness only while such agreement remains in effect and only if the counterparty thereto is not in default thereunder.

ARTICLE II

FORM, EXECUTION, DELIVERY AND REGISTRATION OF BONDS

Section 2.1 Issuance of Bonds; Forms. The Authority hereby authorizes the issuance of Bonds hereunder from time to time. The Bonds shall be designated the “Delaware Transportation Authority, Toll Revenue Bonds (U.S. 301 Project), Series of _____,” inserting in the blank an appropriate identifying series letter, number and/or year and including such other characteristics as may be provided by a Supplemental Indenture. The Bonds may have any notations, legends or endorsements required by law or custom and usage, and Bonds issued in whole or in part to refund other Bonds may include the word “Refunding” in their name. The Bonds shall be numbered and dated as provided in the applicable Supplemental Indenture.

All Bonds shall contain on the face thereof a statement to the following effect:

THIS BOND SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF DELAWARE OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE DELAWARE DEPARTMENT OF TRANSPORTATION (THE “DEPARTMENT”), OR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF DELAWARE, ANY POLITICAL SUBDIVISION THEREOF, THE DEPARTMENT OR THE AUTHORITY, BUT SHALL BE PAYABLE SOLELY FROM THE PLEDGED FUNDS. NEITHER THE STATE OF DELAWARE NOR ANY POLITICAL SUBDIVISION THEREOF, NOR THE DEPARTMENT, NOR THE AUTHORITY SHALL BE OBLIGATED TO PAY THIS BOND OR THE INTEREST HEREON EXCEPT FROM SUCH SOURCES, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF DELAWARE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THIS BOND. THIS BOND IS NOT A GENERAL OBLIGATION OF THE AUTHORITY. THE AUTHORITY HAS NO TAXING POWER.

Section 2.2 Terms of the Bonds. The Bonds shall be issued in the principal amounts, bear interest at a rate or rates (including variable or adjustable rates), not exceeding the maximum rate then permitted by law, shall mature and shall be subject to redemption prior to their respective maturities, all as shall be set forth in a Supplemental Indenture. The Bonds shall be payable in lawful money of the United States, and the payment of principal of, premium, if any, and interest on the Bonds shall be made as specified in the Supplemental Indenture providing for the issuance thereof or as provided in such Bonds themselves.

Section 2.3 Execution and Authentication. The Bonds will be signed for the Authority with the manual or facsimile signatures of the Secretary and the Director of Finance of the Department. The Authority may deliver to the Trustee or its agent duly executed Bonds for authentication from time to time by the Trustee or its agent as such Bonds may be required. Bonds executed and so delivered and authenticated will be valid. In case any officer of the Authority whose signature or whose facsimile signature shall appear on any Bonds shall cease to be such officer before the authentication of such Bonds, such signature or the facsimile signature

thereof shall nevertheless be valid and sufficient for all purposes the same as if he or she had remained in office until authentication. Also, if a person signing a Bond is the proper officer on the actual date of execution, the Bond will be valid even if that person is not the proper officer on the nominal date of action and even though, at the date of this Indenture, or the related Supplemental Indenture such person was not such officer.

A Bond will not be valid until the Trustee or its agent manually signs the certificate of authentication on the Bond. Such signature will be conclusive evidence that the Bond has been authenticated under this Indenture.

The Trustee may appoint an authenticating agent acceptable to the Authority to authenticate Bonds or may appoint different authenticating agents for different Series of Bonds. An authenticating agent may authenticate Bonds whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent.

Section 2.4 Bond Register. Bonds of each Series may be presented at the Principal Office of the applicable Registrar, unless a different office has been designated for such purpose, for registration, transfer and exchange. The Registrar will keep a register of each Series of Bonds and of their transfer and exchange.

Section 2.5 Mutilated, Lost, Stolen or Destroyed Bonds.

(a) In the event any Bond is mutilated or defaced but identifiable by number and description, the Authority shall execute and the Trustee shall authenticate and deliver a new Bond of like Series, date, maturity and denomination as such Bond, upon surrender thereof to the Trustee; provided that there shall first be furnished to the Authority and the Trustee clear and unequivocal proof satisfactory to the Trustee that the Bond is mutilated or defaced to such an extent as to impair its value to the Bond Owner. The Bond Owner shall accompany the above with a deposit of money required by the Authority for the cost of preparing the substitute Bond and all other expenses connected with the issuance of such substitute. The Authority shall then cause proper record to be made of the cancellation of the original, and thereafter the substitute shall have the validity of the original.

(b) In the event any Bond is lost, stolen or destroyed, the Authority may execute and the Trustee may authenticate and deliver a new Bond of like date, maturity and denomination as that Bond lost, stolen or destroyed; provided that there shall first be furnished to the Authority and the Trustee evidence of such loss, theft or destruction satisfactory to the Authority and the Trustee, together with indemnity satisfactory to them and all other expenses connected with the issuance of such substitute. The Authority shall then cause proper record to be made of the cancellation of the original, and thereafter the substitute shall have the validity of the original.

(c) The Authority and the Trustee shall charge the holder of such Bond all transfer taxes, if any, and their reasonable fees and expenses in this connection. All substitute Bonds issued and authenticated pursuant to this Section shall be issued as a substitute and numbered, if numbering is provided for by the Supplemental Indenture or the Trustee, as determined by the Trustee. In the event any such Bond shall be about to mature or has matured

or been called for redemption, instead of issuing a substitute Bond, the Trustee may pay the same at its maturity or redemption without surrender thereof.

Section 2.6 Registration and Transfer and Exchange of Bonds; Persons Treated as Owners. All Bonds shall be issued in fully registered form. Except as otherwise specified in a Supplemental Indenture, the Authority shall use a book-entry system for the registration of transfers and exchanges of the Bonds; and the details of such system shall be as established from time to time by one or more Supplemental Indentures. If the Bonds are not restricted to being registered in the Bond Register in the name of a nominee pursuant to a book-entry system or any other system for the immobilization of the Bonds, they shall be registered in whatever name or names Owners transferring or exchanging Bonds shall designate, in accordance with the provisions hereof. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee or Registrar in connection with any transfer or exchange, as hereinafter provided, shall be paid by the Authority.

Upon surrender for transfer of any Bond at the Principal Office of the Registrar, the Registrar shall deliver in the name of the Owner or the transferee or transferees, as the case may be, a new fully authenticated and registered Bond or Bonds of Authorized Denominations of the same Series and same maturity for the aggregate principal amount which the Bond Owner is entitled to receive. All Bonds presented for transfer, redemption or payment shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the Authority and the Registrar, duly executed by the Bond Owner or by his duly authorized attorney. The Registrar also may require payment from the Bond Owner of a sum sufficient to cover any tax, or other governmental fee or charge that may be imposed in relation thereto. Such taxes, fees and charges shall be paid before any such new Bond shall be delivered. The Registrar shall not be required to register the transfer of any Bond during the five (5) Business Days preceding the selection of Bonds for redemption or of any Bond selected for redemption.

Bonds delivered upon any transfer as provided herein, or as provided in Section 2.5 hereof, shall be valid limited obligations of the Authority, evidencing the same debt as the Bond surrendered, shall be secured by this Indenture and shall be entitled to all of the security and benefits hereof to the same extent as the Bond surrendered.

The Authority, the Trustee, the Registrar and the Paying Agent shall treat the Bond Owner, as shown on the registration books kept by the Registrar, as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all other rights and powers of the Bond Owner, except that all interest payments will be made to the party who, as of the applicable Record Date, is the Bond Owner.

Section 2.7 Destruction of Bonds. Whenever any Outstanding Bonds shall be delivered to the Trustee for cancellation pursuant to this Indenture, upon payment of the principal amount and interest represented thereby or for replacement pursuant to Section 2.5 or transfer pursuant to Section 2.6, such Bond shall be cancelled and destroyed by the Trustee, and counterparts of a certificate of destruction evidencing such destruction shall be furnished by the Trustee to the Authority.

Section 2.8 Temporary Bonds. Pending preparation of definitive Bonds of any Series, the Authority may execute and the Trustee shall authenticate and deliver, in lieu of definitive Bonds and subject to the same limitations and conditions, interim receipts, certificates or temporary Bonds which shall be exchanged for the Bonds.

If temporary Bonds shall be issued, the Authority shall cause the definitive Bonds to be prepared and to be executed, authenticated and delivered to the Trustee, and the Trustee, upon presentation to it of any temporary Bond, shall cancel the same and deliver in exchange therefor at the place designated by the Bond Owner, without charge to the Bond Owner thereof, definitive Bonds of an equal aggregate principal amount, of the same Series, maturity and bearing interest at the same rate or rates as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefit and security of this Indenture as the definitive Bonds to be issued and authenticated hereunder.

Section 2.9 Issuance of Series of Bonds; Supplemental Indenture; Application of Bond Proceeds. Bonds may be issued in Series from time to time, subject to the conditions of this Section, for the purposes of (i) financing Costs and (ii) refunding any Bond or other indebtedness of the Authority theretofore issued.

Each Supplemental Indenture under which such Bonds are issued to finance Costs shall specify the Pledged Facility the Costs of which are to be paid in whole or in part with the proceeds derived from the sale of such Bonds, provided that any surplus remaining after the completion thereof may be expended for other Costs even though not so specified or may be otherwise applied as set forth in such Supplemental Indenture.

Such Supplemental Indenture may provide for the appointment of a Registrar or Registrars and a Paying Agent or Paying Agents in addition to or in place of the Trustee, may provide for the establishment of a Series Reserve Fund and a Series Credit Facility Fund, and may pledge moneys to the payment thereof in addition to the Pledged Funds and the Pledged TTF Revenues. Such Supplemental Indenture may also provide that the interest rate on Bonds of the Series thereby authorized and the duration of the periods during which such interest accrues may from time to time be adjusted (provided that the Bond interest rate shall never exceed the maximum interest rate permitted by law, if any) and that such Bonds may be purchased upon the demand of the Owners thereof or shall be subject to mandatory purchase upon the occurrence of certain events or certain times, and such provisions may include, without limitation, the creation of objective standards for such adjustments, the appointment of agents to apply such standards to such Bonds, the criteria for such purchases upon demand and the procurement of Credit Facilities with respect to such Bonds.

Each of the Bonds of a Series, upon execution by the Authority, shall be deposited with the Trustee or the Trustee's agent for authentication and delivery, but prior to or simultaneously with the delivery of such Bonds, there shall be filed with the Trustee the following:

(a) an original executed counterpart or a copy, certified by an Authorized Authority Representative, of this Indenture, together with all prior Supplemental Indentures;

(b) an original executed counterpart or a copy, certified by an Authorized Authority Representative, of the Supplemental Indenture providing for the issuance of such Series of Bonds and setting forth the terms of such Bonds and, among other matters, the amount, if any, of the Capitalized Interest with respect thereto;

(c) if credit enhancement or liquidity support is to be provided at the time of issuance of the Series, the executed bond insurance policy, surety bond, or Credit Facility, if any, relating to such Bonds;

(d) in the event one or more Credit Facilities or bond insurance policies or surety bonds are then in effect in connection with any Outstanding Series, a certificate of the Authority executed by an Authorized Authority Representative to the effect that all conditions precedent to the issuance of the proposed Bonds established by each of the applicable Reimbursement Agreements and other similar agreements have been fulfilled;

(e) except as otherwise provided in Section 2.10, a certificate of the Authority executed by an Authorized Authority Representative, in each case as provided for in Section 2.11;

(f) written instructions from the Authority, executed by an Authorized Authority Representative, to the Trustee setting forth the respective portions of the proceeds from the sale of such Bonds to be deposited in the various funds and accounts established hereunder or under any Supplemental Indenture held by the Trustee; and

(g) written instructions from the Authority, executed by an Authorized Authority Representative, to authenticate the Bonds and, upon receipt of the purchase price, to deliver the Bonds to or upon the order of the purchasers named in such instructions.

When the documents mentioned in clauses (a) to (g), inclusive, of this Section shall have been filed with the Trustee, and when such Bonds shall have been executed and authenticated, the Trustee or authenticating agent shall deliver such Bonds to or upon the order of the purchasers thereof, but only upon payment by the purchasers of the purchase price of such Bonds, and apply the proceeds from the sale of such Bonds as directed by the Authority.

Section 2.10 Completion Bonds and Refunding Bonds. Without satisfying the requirements of Section 2.11, Bonds may be issued under and secured by this Indenture that are:

(a) Completion Bonds, provided that there shall first have been delivered to the Trustee a certificate prepared by an Engineering Consultant certifying that the proceeds expected to be derived from the sale of such Completion Bonds are necessary, and are expected to be sufficient, to complete the New U.S. 301 Project so as to make it ready for normal continuous use, and provided further that the aggregate principal amount of Completion Bonds shall not exceed [10%] of the principal amount of the Bonds initially issued to pay Costs of the portion of the New U.S. 301 Project to be completed using the proceeds of the Completion Bonds; and

(b) Refunding Bonds, provided that such Bonds may be issued without satisfying the provisions of Section 2.11 only if there is delivered to the Trustee a certificate of an Authorized Authority Representative showing that either (a) Annual Debt Service on all Bonds Outstanding after the issuance of the Refunding Bonds will not exceed Annual Debt Service on all Bonds Outstanding prior to the issuance of such Refunding Bonds in each Fiscal Year in which any such Bonds would have been Outstanding but for the issuance of such Refunding Bonds or (b) the aggregate amount of the Adjusted Net Toll Revenues (determined based upon the Tolls estimated by a Traffic Consultant) to be received in the current Fiscal Year and in each Fiscal Year thereafter is not less than 1.5 times Annual Debt Service, taking into account the Bonds proposed to be issued, for each such Fiscal Year.

In estimating the amount of future Tolls for purposes of the preceding paragraph (b), the Traffic Consultant may take into account any revisions of the Tolls which have been approved by the Department or the Authority and which will be effective during such period, and any additional Tolls which the Traffic Consultant estimates will be received by the Authority following the completion of any portion of the Pledged Facility then being constructed, or proposed to be constructed by or on behalf of the Authority, provided that an Authorized Authority Representative shall have certified in writing as to the estimated completion date of such portion of the Pledged Facility and an Authorized Authority Representative shall have certified in writing as to the sufficiency of funds available with which to complete the same.

Section 2.11 Tests for Issuance of Certain Bonds. Except as provided in Section 2.10 hereof, subsequent to the issuance of the Series 2015 Bonds, as a condition to the issuance of any Bonds, there shall first be delivered to the Trustee a certificate of an Authorized Authority Representative showing that either:

(a) the aggregate amount of the Adjusted Net Toll Revenues during the twelve (12) consecutive months preceding the date on which such Bonds are proposed to be issued was not less than Maximum Annual Debt Service, taking into account the Bonds then proposed to be issued; *or*

(b) all of the following 3 clauses are satisfied (i) excluding funds provided from any Capitalized Interest Account, the aggregate amount of the Adjusted Net Toll Revenues during any twelve (12) consecutive months occurring in the most recent eighteen (18) months preceding the date on which such Bonds are proposed to be issued for which data are available was not less than 1.5 times the Annual Debt Service for that same twelve-month period, taking into account the Bonds then proposed to be issued, and (ii) as certified by a Traffic Consultant in a certificate delivered to the Authority and Trustee certifying that, based upon reasonable assumption, the aggregate amount of Adjusted Net Toll Revenues to be received in the then current Fiscal Year and in each Fiscal Year thereafter is not less than 1.5 times the Annual Debt Service, taking into account the Bonds proposed to be issued, for each such Fiscal Year and (iii) concurrently with the issuance of such Bonds the amount on deposit in the Reserve Fund will be not less than the Reserve Fund Requirement, taking into account the Bonds proposed to be issued, provided that the test set forth in this clause (iii) may be satisfied in whole or in part with an insurance policy, surety bond, or letter of credit as described in Section 4.6 of this Indenture.

In calculating the amount of Tolls for purposes of clause (a) above, the Authorized Authority Representative may adjust the Tolls actually received to take into account Tolls which a Traffic Consultant estimates would have been received if any toll rate revision which was in effect only for a portion of the applicable twelve-month period had been in effect for all of such period. In estimating the amount of future Tolls for purposes of the preceding paragraph, the Traffic Consultant may take into account any revisions of the Tolls which have been approved by the Department or the Authority and which will be effective during such period, and any additional Tolls which the Traffic Consultant estimates will be received by the Authority following the completion of any portion of the Pledged Facility then being constructed, or proposed to be constructed by or on behalf of the Authority, provided that an Authorized Authority Representative shall have certified in writing as to the estimated completion date of such portion of the Pledged Facility and an Authorized Authority Representative shall have certified in writing as to the sufficiency of funds available with which to complete the same.

Section 2.12 Certain Contracts and Swaps. Without entering into a Supplemental Indenture with respect thereto, upon receipt of an opinion of Bond Counsel to the effect that such action is permitted under the laws of the State and will not adversely affect the exclusion from gross income of interest on the Bonds for federal income tax purposes, the Authority may and the Trustee shall, if so directed in writing by an Authorized Authority Representative, enter into one or more contracts in order to place any Series, or any portion thereof, on the interest rate, currency, cash-flow, or other basis desired by the Authority, including, without limitation, interest rate swap agreements, currency swap agreements, forward payment conversion agreements, futures contracts, contracts providing for payments based on levels of or changes in interest rates, currency exchange rates, stock or other indices, or contracts to exchange cash flows or a series of payments, and contracts including, without limitation, interest rate floors or caps, options, puts or calls to hedge payment, currency rate, spread or similar exposure; provided that if such contract is entered into prior to the issuance of the Bonds to which it relates, the latter portion of the opinion of Bond Counsel referred to hereinabove need not be delivered until such Bonds are issued.

The amounts received by the Authority or the Trustee, if any, pursuant to such a contract shall be applied as set forth below (to the extent required) and otherwise may be applied to the various deposits required hereunder or under any Supplemental Indenture with respect to the Bonds in question.

Amounts payable by the Authority under such a contract may be secured by the Pledged Funds on parity with the Bonds to which such contract relates but only to the extent so provided in such contract. In the event and to the extent that amounts payable by the Authority under such a contract are secured by the Pledged Funds on parity with the Bonds to which such contract relates, the Authority shall pay to the Trustee for deposit into the Interest Account the net amount payable, if any, to the Parity Swap Agreement Counterparty as if such amounts were additional amounts of interest due on said Bonds; and the Trustee shall pay to the Parity Swap Agreement Counterparty, to the extent required under the Parity Swap Agreement, amounts deposited in the aforesaid account.

Net amounts received by the Authority or the Trustee from the counterparty pursuant to a swap agreement shall be deposited to the credit of the Interest Account or, if money has been

deposited to the credit of the Interest Account from a drawing pursuant to a Credit Facility, to the credit of the applicable Series Credit Facility Fund.

Unless it has received an opinion from Bond Counsel to the effect that such action will not adversely affect the exclusion from gross income of interest on the Bonds for federal income tax purposes, once it has entered into a Parity Swap Agreement the Authority will take no action the effect of which would be to either terminate the Parity Swap Agreement in advance of its scheduled expiration date or cause the notional amount thereunder to be different from the principal amount of the then Outstanding Bonds to which such Parity Swap Agreement relates.

Section 2.13 TIFIA Indebtedness.

(a) TIFIA Indebtedness may be incurred by the Authority from time to time for any purpose for which Bonds may be issued under Sections 2.9 and 2.10 hereof. Except to the extent otherwise expressly provided in this Indenture, TIFIA Indebtedness shall be incurred in compliance, to the extent applicable, with the provisions of Sections 2.9 and 2.10 hereof setting forth certain terms and conditions for the issuance of Bonds; provided however, the certificate required under Section 2.9(e) shall not be applicable to any TIFIA Indebtedness.

(b) TIFIA Indebtedness may be incurred provided the following conditions are met:

(i) The Authority shall adopt a resolution authorizing the incurrence of any such TIFIA Indebtedness and setting forth the amount and details thereof.

(ii) Any such TIFIA Indebtedness shall be incurred pursuant to the provisions of the Act.

(iii) The interest on and the principal of any such TIFIA Indebtedness shall be made payable from Pledged Funds (subject to the priorities set forth in Section 4.11), and from the Pledged TTF Revenues in the manner provided in Section 4.2.

(c) In order to evidence the obligation of the Authority to pay the loan payments incurred pursuant to the TIFIA Loan Agreement, there shall be issued hereunder a bond of the Authority designated “Delaware Transportation Authority Toll Revenue Bond (U.S. 301 Project), TIFIA Series 2015” (the “TIFIA Series 2015 Bond”). Initially, the TIFIA Series 2015 Bond shall represent the obligation of the Authority to pay a maximum aggregate principal amount not to exceed [\$ _____], such amount to be calculated from time to time in accordance with the terms of the TIFIA Loan Agreement, pursuant to which amounts are advanced to the Authority from time to time pursuant to the TIFIA Loan Agreement, with the principal amount owed to the USDOT increasing in the amount of such advances. In addition, following the disbursement of the initial loan amount under the TIFIA Loan Agreement, the principal amount of the TIFIA Series 2015 Bond may increase further from time to time in the manner provided by the TIFIA Loan Agreement. The TIFIA Series 2015 Bond shall constitute TIFIA Indebtedness for all purposes of this Indenture.

(d) Except for circumstances described in sub-clause (ii) below, the TIFIA Series 2015 Bond and any other TIFIA Indebtedness shall be secured by and payable from Pledged Funds on a junior and subordinated basis to all Bonds, Parity Swap Agreements and Reimbursement Obligations and from Pledged TTF Revenues as subordinated indebtedness under the 1988 Trust Agreement and shall be paid in the manner set forth in Section 4.2 and as set forth below:

(i) In the event any Event of Default (except for a Bankruptcy-Related Event) under this Indenture shall occur and be continuing and (A) written notice of such default shall have been given to the Authority and (B) judicial proceedings shall be commenced in respect of such Event of Default within 180 days in the case of a default in the payment of principal or interest on Bonds and within 90 days in the case of any other default after the giving of such notice, then, for so long as any action described above shall not have been remedied or cured in the opinion of the Trustee, the Owners of the Bonds shall be entitled to receive payment in full, first, from Pledged Funds, and second, from Pledged TTF Revenues, of all principal, premium, if any, and interest on all Bonds (whether or not then due and payable) before the holders of TIFIA Indebtedness are entitled to receive any payment on account of principal of and interest on the TIFIA Indebtedness, and to that end, Owners of the Bonds shall be entitled to receive for application in payment thereof any payment or distribution of any kind of character, whether in cash or property or securities, which may be payable or deliverable in any such proceedings in respect of the TIFIA Indebtedness after giving effect to any concurrent payment or distribution in respect to such Bonds. Notwithstanding the foregoing, the holders of TIFIA Indebtedness shall be entitled, subject to the rights of the Owners of any Bonds, to exercise any of its rights in and to any other collateral which may secure such TIFIA Indebtedness other than Pledged Funds and Pledged TTF Revenues, and the proceeds derived therefrom shall be distributed in the manner set forth in the TIFIA Loan Agreement and shall not be subject to the provisions of this paragraph.

(ii) Notwithstanding any of the foregoing to the contrary, in the case of the occurrence and continuance of a Bankruptcy-Related Event, all TIFIA Indebtedness shall automatically and without notice be deemed to constitute senior lien debt secured, first, by the Pledged Funds and second, by the Pledged TTF Revenues, on parity with the Bonds and all Parity Swap Agreements and Reimbursement Obligations, and the holders of such TIFIA Indebtedness shall be entitled to all rights of a holder of a Bond (and all Parity Swap Agreements and Reimbursement Obligations as the case may be), except that the holders of TIFIA Indebtedness shall have no rights in, or claim to, any amounts held in the Reserve Fund.

ARTICLE III

REDEMPTION OF BONDS

Section 3.1 Bonds Redeemable. The Bonds of each Series issued under the provisions of Article II may be made subject to redemption either in whole or in part and at such times, prices and in such order and under such terms as may be provided by the Supplemental Indenture providing for the issuance of such Bonds. The Authority may provide for the

redemption of Bonds from any funds available to the Authority and not obligated to be used for other purposes.

Section 3.2 Selection of Bonds To Be Redeemed. If less than all the Bonds shall be called for redemption, the Bonds to be redeemed shall be selected from such Series of Bonds as the Authority shall determine, and, within a Series of Bonds, if less than all of the Bonds of that Series are to be redeemed, Bonds shall be selected as provided in the Supplemental Indenture under which such Bonds were issued.

Section 3.3 Notice of Redemption. In the event any of the Bonds are called for redemption, the Trustee shall give notice, at the times and in the manner specified by Supplemental Indenture, in the name of the Authority, to the Owners of the Bonds, of the redemption of such Bonds, which notice shall (i) specify the Bonds to be redeemed, the redemption date, the redemption price and the place or places where amounts due upon such redemption will be payable and, if less than all of the Bonds are to be redeemed, the numbers of the Bonds, and the portions of Bonds, to be redeemed, (ii) state any condition to such redemption, (iii) state that on the redemption date, and upon the satisfaction of any such condition, the Bonds or portions thereof to be redeemed shall cease to bear interest, and (iv) state that a new Bond of the same Series, maturing on the same date and bearing interest at the same rate and in the same principal amount as the unredeemed portion of any Bond redeemed only in part will be registered in the name of and returned to the Owner of any such Bond in exchange therefor. Such notice may set forth any additional information relating to such redemption. Notice may provide for purchase in lieu of redemption or conditional redemption as provided by a Supplemental Indenture. Notwithstanding the foregoing, a Supplemental Indenture may provide for redemption of Bonds of a Series, under certain circumstances, without notice and for the revocation of a notice and the cancellation of the redemption described therein.

Neither failure to receive any such notice nor any defect in any notice so given shall affect the sufficiency of the proceedings for the redemption of such Bonds.

In addition to any notice of redemption required pursuant to a Supplemental Indenture, further notice shall be given by the Trustee as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

(a) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (i) the date of issue of the Bonds as originally issued; (ii) the rate of interest borne by each Bond being redeemed; and (iii) any other descriptive information needed to identify accurately the Bonds being redeemed.

(b) Each further notice of redemption shall be sent by registered or certified mail or overnight delivery service or confirmed facsimile transmission to (i) The Depository Trust Company on the same day on which notice is provided to Owners, (ii) to any other registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds, (iii) to the Electronic Municipal Market Access system established and operated by the Municipal Securities Rulemaking Board at

<http://emma.msrb.org/>, which serves as the sole nationally recognized municipal securities information repository, and (iv) to the Bond Insurer, if any, insuring such Bonds.

Section 3.4 Effect of Call for Redemption. On the date so designated for redemption, notice having been given in the manner and under the conditions provided herein and in the Supplemental Indenture relating to such Bonds as are to be redeemed, and moneys for payment of the redemption price being held in trust to pay the redemption price, unless otherwise provided in a Supplemental Indenture, the Bonds or portions thereof so called for redemption shall become and be due and payable on the redemption date, interest thereon shall cease to accrue, such Bonds or portions thereof shall cease to be entitled to any lien, benefit or security under this Indenture and the owners of such Bonds shall have no rights in respect thereof except to receive payment of the redemption price.

Bonds which have been duly called for redemption under the provisions of this Article and for the payment of the redemption price of which moneys shall be held in trust for the Owners of the Bonds to be redeemed, all as provided in this Indenture, shall not be deemed to be Outstanding under the provisions of this Indenture.

Section 3.5 Purchase in Lieu of Redemption. Unless otherwise provided in a Supplemental Indenture, in lieu of redeeming Bonds the Authority shall have the option to tender to the Trustee any amount of Bonds subject to redemption which have been purchased by the Authority. The Authority may purchase such Bonds at public or private sale as and when and at such prices as the Authority may in its discretion determine, provided that if the funds used to effect such purchase are funds that would have otherwise been required to be applied to the redemption of Bonds, such price shall not exceed the principal amount of such Bonds, plus interest, if any, accrued thereon to the date of purchase, plus the redemption premium, if any, that would be payable if such Bonds were being redeemed pursuant to their terms.

Section 3.6 Mandatory Tender for Repurchase. Unless otherwise provided in a Supplemental Indenture, the Bonds shall be subject to mandatory tender for repurchase by or for the benefit of the Authority on the same dates, in the same amounts, at the same prices, upon the same notification, and subject in all respects to the same provisions as are applicable to the calling of Bonds for redemption, provided that no Bond repurchased by or on behalf of the Authority shall be remarketed after a period of 30 days unless the Authority delivers to the Trustee an opinion of Bond Counsel to the effect that such action will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on Bonds issued on a tax-exempt basis.

ARTICLE IV

REVENUES AND FUNDS

Section 4.1 Construction Fund and Certain Accounts. A special fund is hereby created and designated the “Delaware Transportation Authority Toll Revenue Bonds Construction Fund – New U.S. 301 Project” (the “Construction Fund”); said fund shall be held by the Authority. The Construction Fund shall include such accounts as may be provided for from time to time by a Supplemental Indenture.

The Authority shall credit to the Construction Fund (i) the amounts from time to time required to be so credited pursuant to a Supplemental Indenture or other agreement to which the Authority is a party and (ii) such other amounts as may be received by the Authority from time to time, to the extent such amounts are determined by the Authority to be appropriate for deposit into the Construction Fund.

The moneys in the Construction Fund shall be held by the Authority in trust for the benefit of the Bonds, the Parity Swap Agreements and the Reimbursement Obligations and applied as provided herein or in a Supplemental Indenture or in the written instructions of the Authority referred to hereinabove and, pending such application, shall be subject to a lien and charge in favor of the Secured Owners and for the further security of such Secured Owners until paid out or transferred as hereinafter provided.

Moneys on deposit in the Construction Fund may be withdrawn therefrom to pay (i) a Cost and (ii) if moneys are not available in any Capitalized Interest Account for the payment of interest on Bonds, at the option of the Authority, as set forth in a certificate executed by an Authorized Authority Representative, to pay any Reimbursement Obligation or any obligation of the Authority under a Parity Swap Agreement then due or to pay interest on Bonds. Moneys remaining on deposit in the Construction Fund following the completion of the Pledged Facility specified in the Supplemental Indenture or Supplemental Indentures pursuant to which such Pledged Facility was financed shall be applied as provided herein or therein, provided that (unless specifically prohibited by such Supplemental Indenture or Supplemental Indentures) any surplus remaining after the completion of such Pledged Facility may, at the direction of the Authority, either be (a) expended for other Costs, even though not so specified, (b) transferred to the Repair and Replacement Fund to be applied as set forth in Section 4.5 herein; or (c) may be otherwise applied as set forth in such Supplemental Indenture.

Proceeds of the TIFIA Series 2015 Bond shall be applied to pay Costs of the Pledged Facility in accordance with the terms of the TIFIA Loan Agreement. The Authority shall submit requisitions and such supporting documentation as shall be required by the TIFIA Loan Agreement in order to assure that proceeds of the TIFIA Series 2015 Bond, together with other available funds, shall be available to pay such Costs as the same are required to be funded.

Section 4.2 Revenue Fund. A special fund is hereby created and designated the “Delaware Transportation Authority Toll Revenue Bonds Revenue Fund – New U.S. 301 Project” (the “Revenue Fund”); said fund shall be held by the Authority. The Authority covenants that it will deposit all Revenues when and as received by it into the Revenue Fund. All moneys in the Revenue Fund shall be held by the Authority in trust for the benefit of the Bonds, the Parity Swap Agreements, the Reimbursement Obligations and Subordinated Indebtedness and applied as provided in this Article and, pending such application, shall be subject to a lien and charge in favor of the Secured Owners and for the further security of such Secured Owners until paid out or transferred as hereinafter provided.

On or before the fifteenth (15th) day of each month, the Authority shall withdraw from the Revenue Fund and transfer to the Trustee the balance then on deposit therein for transfer, deposit or payment by the Trustee in the following order of priority (and for such purpose earnings on the Debt Service Fund, the Reserve Fund and the Repair and Replacement Fund

received by the Trustee during such period shall be deemed to have been so withdrawn and transferred):

(a) to the credit of the Interest Account and the Principal Account (or to a Series Credit Facility Fund in lieu of either of the foregoing, to the extent set forth below, and if the amount available is insufficient for such purposes, to the credit of each such account or fund in proportion to the respective amount of the deposit thereto described in this clause (a)):

1. to the credit of the Interest Account (but only after the Trustee shall first have withdrawn from the Capitalized Interest Account and credited to the Interest Account such amounts as may from time to time be specified in a written direction to the Trustee from an Authorized Authority Representative), an amount equal to (a) the unpaid Aggregate Accrued Interest on the Bonds for the current calendar month, less (b) any Excess Deposit made with respect to a preceding calendar month to the extent such Excess Deposit has not been previously credited against a transfer to the Interest Account, plus (c) any Deficiency with respect to a preceding calendar month existing on the first day of such current calendar month, plus (d) any amount of interest which has become due on the Bonds and has not been paid, and (e) any amount of interest which will accrue and become payable in the next succeeding calendar month, and for which there are insufficient funds in the Interest Account or another special account to be used to make such payment; provided that, if an Authorized Authority Representative gives the Trustee written direction to deposit to the credit of the Interest Account an amount larger than the amount specified above, said larger amount shall be so deposited; and provided further that any amount remaining in the Interest Account following the payment of interest on the Bonds on each _____ and _____ that is in excess of the interest, if any, then accrued on the Bonds shall be withdrawn therefrom and applied in the manner set forth below; and provided further that if, pursuant to the provisions of any Supplemental Indenture, money has been deposited to the credit of the Interest Account to pay such Aggregate Accrued Interest from drawings pursuant to one or more Credit Facilities, then if and to the extent required pursuant to the Supplemental Indenture applicable to such Bonds, Revenues shall be deposited to the applicable Series Credit Facility Fund in an amount sufficient to reimburse the applicable Bank for such drawing and (but without duplication) to pay any applicable Bank Fees then payable to such Bank; and provided further that if the Revenues transferred to the Trustee as provided for hereinabove are at any time insufficient to make the deposits required to be made pursuant to the provisions of this subparagraph, upon receipt of the written instruction of an Authorized Authority Representative to do so, the Trustee shall withdraw from the Principal Account and credit to the Interest Account the amount of such insufficiency; and

2. to the credit of the Principal Account, the Aggregate Accrued Principal of the Bonds for the current calendar month, plus any Accrued Premium and plus any Deficiency existing on the first day of such current calendar month plus any amount of principal of Bonds which has become due and has not been paid and for which there are insufficient funds in the Principal Account or another special account to be used to make such payment, provided that if, pursuant to the provisions of any Supplemental Indenture, money has been deposited to the credit of the Principal Account to pay such

Aggregate Accrued Principal or Accrued Premium from drawings pursuant to one or more Credit Facilities, then if and to the extent required pursuant to the Supplemental Indenture applicable to such Bonds, Revenues shall be deposited to the applicable Series Credit Facility Fund to reimburse the applicable Bank for such drawing;

(b) to the credit of the Reserve Fund, if and to the extent the balance on deposit therein is less than the Reserve Fund Requirement, the amount necessary to cause the balance on deposit therein to equal the Reserve Fund Requirement;

(c) to make such transfers, deposits and payments as may be required in connection with obligations issued or incurred by the Authority to reimburse a Bond Insurer in accordance with a Supplemental Indenture for amounts paid by such Bond Insurer under a municipal bond insurance policy (to the extent such amounts have not been paid to such Bond Insurer on account of its subrogation rights);

(d) to make such other transfers, deposits and payments as may be required in connection with Subordinated Indebtedness, including but not limited to the TIFIA Debt Service Fund for TIFIA Indebtedness, issued or incurred by the Authority pursuant to Section 5.16;

(e) to make such transfers, deposits and payments to the Rebate Fund as may be required under Section 4.7 herein;

(f) to make such transfers, deposits and payments in such amounts as the Authority shall from time to time determine necessary to a special fund, which is hereby created and designated the “Delaware Transportation Authority Toll Revenue Bonds Operating Fund – New U.S. 301 Project” (the “Operating Fund”), (i) to pay the Current Expenses that are then due and payable and (ii) to pay the Current Expenses that the Authority expects to become due and payable in the next succeeding calendar month;

(g) to the credit of the Repair and Replacement Fund if and to the extent the balance on deposit therein is less than the Repair and Replacement Fund Requirement, the amount necessary to cause the balance on deposit therein to equal the Repair and Replacement Fund Requirement; provided, that to the extent actual cost requirements for repair and replacement activities in any year exceeds the Repair and Replacement Fund Requirement for such year, no additional deposits shall be made to the Repair and Replacement Fund, and the Authority shall be required to fund such excess repair and replacement costs from amounts available to the Authority from other sources (including amounts held in the Toll Stabilization Fund subject to the provisions set forth in Section 4.6(f) herein); and

(h) to transfer to the Authority for deposit to the credit of the Toll Stabilization Fund, any Revenues remaining after making the deposits described in clauses (a) through (g), inclusive.

If the Revenues so transferred to the Trustee pursuant to the above clauses (a) through (d), inclusive, are less than the required amounts to be deposited therein, the Trustee shall promptly give telephonic or electronic notice to the 1988 Trustee and the Authority. Immediately upon receipt of such notice provided in the preceding sentence, the Authority and

the Trustee shall direct the 1988 Trustee to transfer from moneys held in the U.S. 301 Subordinate Indebtedness Account (such account created pursuant to the Supplemental Agreement No. 27) to the Trustee, an amount sufficient to cause the balance on deposit in those funds and accounts identified in clauses (a) through (d), inclusive, to equal the amounts so required.

If the Revenues so transferred to the Trustee pursuant to the foregoing, together with the amount on deposit in the Toll Stabilization Fund, are, on the last Business Day prior to an Interest Payment Date, less than the aggregate amount of the deposits required by clause (a) above, then prior to any transfer of funds from the Reserve Fund, the Trustee shall promptly give telephonic or electronic notice to the Authority of the amount of the insufficiency (which notice shall be confirmed in writing as soon as reasonably practicable); and, not later than the Business Day following its receipt of such notice, the Authority shall transfer to the Trustee, from available moneys on deposit with the Authority the amount of such insufficiency.

If the Revenues transferred to the Trustee pursuant to this Section are at any time insufficient to make the deposits required by this Section, or at any time, the Authority may, at its election, deposit with the Trustee funds from any available sources with the direction that such funds be deposited into the funds and accounts or specified funds and accounts held by the Trustee.

Section 4.3 Debt Service Fund and Certain Accounts. A special fund is hereby created and designated the “Delaware Transportation Authority Toll Revenue Bonds Debt Service Fund – New U.S. 301 Project” (the “Debt Service Fund”), which fund shall be held by the Trustee. There are hereby created in the Debt Service Fund four separate accounts designated the “Capitalized Interest Account,” the “Interest Account,” the “Principal Account,” and the “Prepayment Account.”

The Trustee shall deposit into these accounts such amounts as are specified in Sections 4.2, 4.4, 4.5, and 4.6 and as are specified in any Supplemental Indenture and shall also deposit into such accounts and subaccounts such amounts as are received with instructions from the Authority to the Trustee to deposit such amounts into a specific account or subaccount. Any earnings derived from the investment of money on deposit in the Debt Service Fund shall be deemed to have been deposited by the Authority in the Revenue Fund and transferred to the Trustee pursuant to Section 4.2.

The moneys in each of such accounts shall be held by the Trustee in trust for the benefit of the Bonds and the Parity Swap Agreements and the Reimbursement Obligations applicable to the Bonds to the extent the foregoing are payable from such accounts, shall be applied as hereinafter provided with regard to each such account and, to said extent and pending such application, shall be subject to a lien and charge in favor of the Secured Owners until paid out or transferred as hereinafter provided. There shall be withdrawn from the Interest Account (and, if the amount therein is insufficient, from the Capitalized Interest Account) and the Principal Account from time to time and set aside or deposited with the Paying Agent sufficient money for paying the interest on and the principal of and premium on the Bonds and the amounts, if any, owed to each such Parity Swap Agreement Counterparty or in respect of such Reimbursement Obligations as the same shall fall due, except to the extent such interest, principal or other

amounts are payable from a fund or account other than the Debt Service Fund as provided in any Supplemental Indenture.

The moneys in the Prepayment Account shall be withdrawn therefrom and applied to the redemption of Bonds, or the purchase thereof in lieu of redemption, from time to time as specified in a certificate of an Authorized Authority Representative.

Section 4.4 Reserve Fund. A special fund is hereby created and designated the “Delaware Transportation Authority Toll Revenue Bonds Reserve Fund – New U.S. 301 Project” (the “Reserve Fund”), which fund shall be held by the Trustee. The Trustee shall deposit into the Reserve Fund such amounts as are specified in Sections 4.2 and 4.6, and such amounts as are received with instructions from the Authority to so deposit said amounts. Moneys in the Reserve Fund shall be held by the Trustee in trust for the benefit of all Bonds and the Parity Swap Agreements and the Reimbursement Obligations relating thereto; and said moneys shall be applied as hereinafter provided and, pending such application, shall be subject to a lien and charge in favor of the Secured Owners. Notwithstanding the foregoing, the Trustee shall establish such accounts in the Reserve Fund, for the purpose of investing moneys on deposit therein, as may from time to time be directed in writing by an Authorized Authority Representative.

In the event that the moneys on deposit in any account in the Debt Service Fund are insufficient, after any transfer of funds thereto from the Toll Stabilization Fund required or permitted hereunder, to pay the interest or principal coming due on the Bonds on any Interest Payment Date or the moneys on deposit in the applicable Series Credit Facility Fund are insufficient to pay, as it becomes due, any Reimbursement Obligation resulting from a draw on a Credit Facility to pay principal of or interest on Bonds and any obligation under a Parity Swap Agreement relating thereto, in each such case to the extent such interest or principal is payable from such account or such Reimbursement Obligation is payable from a Series Credit Facility Fund on parity therewith, the Trustee shall withdraw from the Reserve Fund and shall deposit to the credit of such account and/or each such Series Credit Facility Fund, as the case may be, an amount sufficient to remedy said deficiency (and if the amount available is insufficient for such purposes, to the credit of each such account or fund in proportion to the respective amount of its deficiency).

Any earnings derived from the investment of money on deposit in the Reserve Fund shall be deemed to have been deposited by the Authority in the Revenue Fund and transferred to the Trustee pursuant to Section 4.2. Amounts on deposit in the Reserve Fund in excess of the Reserve Fund Requirement (other than any earnings derived from the investment thereof that have not yet been deemed to have been transferred to the Revenue Fund) shall be transferred to the Repair and Replacement Fund if and to the extent the amount then on deposit in the Repair and Replacement Fund is less than the Repair and Replacement Fund Requirement and, to the extent not required to be so transferred, to the Toll Stabilization Fund.

The Reserve Fund Requirement may be satisfied, in whole or in part, with an insurance policy, surety bond, or letter of credit as hereinafter described.

An insurance policy or surety bond may be used to satisfy said requirement if it is issued to the Trustee, as trustee for the Secured Owners, by a company licensed to issue an insurance policy guaranteeing the timely payment of debt service on municipal bonds, the claims paying ability of which company shall be rated in its [highest] Rating Category by each Rating Agency which has assigned a rating both to any such Outstanding Bond (at the request of the Authority) and to such claims paying ability. The use of such insurance policy or surety bond shall be subject to the receipt by the Trustee of an opinion of counsel as to the due authorization, execution, delivery and enforceability of such instrument in accordance with its terms, subject to applicable laws affecting creditors' rights generally and to the application of general equitable principles.

In order for a letter of credit to satisfy the aforesaid requirement it shall be an unconditional irrevocable letter of credit issued to the Trustee, as trustee for the Secured Owners, by a bank which has unsecured, uninsured and unguaranteed long-term obligations rated in one of its three highest Rating Categories (but not less than the highest Rating Category to which the Bonds are then assigned) by each Rating Agency which has assigned a rating both to any Outstanding Bond (at the request of the Authority) and to such obligation. Any such letter of credit shall be payable in one or more draws upon presentation by the beneficiary of a sight draft accompanied by its certificate that it then holds insufficient funds to make a required payment of principal of or interest on such Bonds, which draw shall be payable within two (2) days of presentation of the sight draft. In addition, such letter of credit shall be for a term not less than three (3) years, the issuer thereof shall be required to notify the Trustee not later than thirty (30) days prior to the stated expiration date of the letter of credit of such expiration, and the Trustee shall be required to make a full draw thereunder if such letter of credit has not been renewed or replaced at least two (2) weeks prior to the expiration or termination thereof. The use of such a letter of credit shall be subject to the Trustee's receipt of one or more opinions of counsel as to the due authorization, execution, delivery and enforceability thereof in accordance with its terms, subject to applicable laws affecting creditors' rights generally and to the application of general equitable principles.

Section 4.5 Repair and Replacement Fund. A special fund is hereby created and designated the "Delaware Transportation Authority Toll Revenue Bonds Repair and Replacement Fund – New U.S. 301 Project" (the "Repair and Replacement Fund"), which fund shall be held by the Trustee. The Trustee shall deposit into the Repair and Replacement Fund such amounts as are specified in Sections 4.1, 4.2, 4.4 and 4.6 and such amounts as are received with instructions from the Authority to so deposit said amounts.

Moneys on deposit in the Repair and Replacement Fund may be withdrawn therefrom and applied as follows:

(a) Upon receipt of and in accordance with written instructions from an Authorized Authority Representative, the Trustee may, to the extent permitted by law, apply amounts on deposit in the Repair and Replacement Fund to pay all or any part of the cost of reconstructing, restoring, repairing or rehabilitating a Pledged Facility or any portion thereof which has been destroyed or damaged.

(b) If the other amounts then available for transfer into the Debt Service Fund (including amounts on deposit in the Toll Stabilization Fund and the Reserve Fund) are insufficient to cause the amounts on deposit in the Interest Account or the Principal Account to equal the respective amounts required by Section 4.3, the Trustee shall withdraw from the Repair and Replacement Fund and transfer first to the Interest Account and, to the extent of any excess remaining thereafter, to the Principal Account the respective amounts necessary to cause the balances on deposit therein to equal the amounts required by Section 4.3.

(c) Upon receipt of and in accordance with written instructions from an Authorized Authority Representative, the Trustee may apply any amount on deposit in the Repair and Replacement Fund to the payment of premiums from one or more policies of insurance specified by such Authorized Authority Representative.

Any earnings derived from the investment of money on deposit in the Repair and Replacement Fund shall be deemed to have been deposited by the Authority in the Revenue Fund and transferred to the Trustee pursuant to Section 4.2. Amounts on deposit in the Repair and Replacement Fund in excess of the Repair and Replacement Fund Requirement (other than any earnings derived from the investment thereof that have not yet been deemed to have been transferred to the Revenue Fund) shall be transferred to the Toll Stabilization Fund.

Section 4.6 Toll Stabilization Fund. A special fund is hereby created and designated the “Delaware Transportation Authority Toll Revenue Bonds Toll Stabilization Fund – New U.S. 301 Project” (the “Toll Stabilization Fund”), which fund shall be held by the Authority in trust for the benefit of the Bonds, the Parity Swap Agreements, the Reimbursement Obligations and Subordinated Indebtedness, subject to the priorities set forth in Section 4.11. The Authority shall deposit into this fund from Revenues such amounts as are specified in Sections 4.2, 4.4 and 4.5 as well as such amounts as are specified in any Supplemental Indenture and shall also deposit into such fund such amounts as are received by the Authority from time to time, to the extent such amounts are determined by the Authority to be appropriate for deposit into the Toll Stabilization Fund.

Moneys on deposit in the Toll Stabilization Fund shall be withdrawn therefrom and applied in the order of priority as follows and, pending such application, shall be subject to a lien and charge in favor of the Secured Owners until paid out or transferred as hereinafter provided:

(a) If the other amounts then available for transfer into the Debt Service Fund (exclusive of amounts held in the Reserve Fund and the Repair and Replacement Fund) are insufficient to cause the amounts on deposit in the Debt Service Fund to equal the amount required by Section 4.2, the Authority shall withdraw from the Toll Stabilization Fund (prior to any withdrawal from the Reserve Fund or the Repair and Replacement Fund) and transfer to the Debt Service Fund the amount necessary to cause the balance on deposit therein to equal the amount so required;

(b) If the amount on deposit in the Reserve Fund is less than the Reserve Fund Requirement, there shall be withdrawn from the Toll Stabilization Fund and transferred to the Trustee for deposit into the Reserve Fund the amount necessary to remedy such deficiency;

(c) If other amounts then available for transfer into any funds created in connection with Subordinated Indebtedness, including but not limited to the TIFIA Debt Service Fund for TIFIA Indebtedness, are insufficient to cause the amounts on deposit in such funds to equal the amount required by Section 4.2, the Authority shall withdraw from the Toll Stabilization Fund and transfer to such deficient fund the amount necessary to cause the balance on deposit therein to equal the amount so required.

(d) If there is any deficiency in the amount available to pay Current Expenses, there shall be withdrawn from the Toll Stabilization Fund and transferred to the Authority, the amount of such deficiency; provided, however, so long as any TIFIA Indebtedness remains outstanding, funding of Current Expenses in excess of ten percent (10%) of the amounts listed in Section 4.2(f) hereof shall be subject to approval from USDOT;

(e) [Reserved]; and

(f) After all of the foregoing transfers have been completed and so long as the moneys on deposit in the Toll Stabilization Fund exceed the lesser of \$35,000,000 or the outstanding balance due on the TIFIA Indebtedness (such “lesser of” amount, as may be adjusted in the paragraph below, is referred to herein as the “**TSF Minimum Fund Balance**”), as measured on June 30 in each year (such excess amounts above the TSF Minimum Fund Balance shall be referred to this paragraph (f) as the “**Excess Amounts**”), the Authority shall withdraw on or before July 15 of each year such Excess Amounts and allocate such amounts as follows: (i) 50% of such Excess Amounts shall be transferred to the TIFIA Prepayment Account of the TIFIA Debt Service Fund as a debt service prepayment on outstanding TIFIA Indebtedness (to be applied as a supplemental prepayment of the outstanding TIFIA Indebtedness in inverse order of maturity); and (ii) the remaining 50% of such Excess Amounts shall be transferred to the Transportation Trust Fund to be applied to any proper purpose of the Authority. Upon withdrawal from the Toll Stabilization Fund such funds shall cease to be Pledged Funds.

In the event an unforeseen repair and/or replacement need arises with respect to the New U.S. 301 and after all available funds in the Repair and Replacement Fund have been depleted, the Authority may withdraw funds from the Toll Stabilization Fund for such repair and replacement needs. Any and all such withdrawals shall be debited against the TSF Minimum Fund Balance to pay for such unforeseen repair and replacement costs, and any deficit in the TSF Minimum Fund Balance shall be replenished on or before July 15 of each year, to the extent funds are then available, solely from the 50% portion of the Excess Amounts available to be transferred to the Transportation Trust Fund. For purposes of deposits to the TIFIA Prepayment Account described in clause (i) of paragraph (f) above, the TSF Minimum Fund Balance shall be adjusted to reflect the amount actually on deposit in the Toll Stabilization Fund (taking into account any withdrawals from the Toll Stabilization Fund for repair and replacement costs that have not been replenished), *and* no Excess Amounts shall be deposited into the Authority’s Transportation Trust Fund described in clause (ii) of paragraph (f) above until the amount on deposit in the Toll Stabilization Fund is equal to the TSF Minimum Fund Balance.

Moneys on deposit in the Toll Stabilization Fund shall be invested in Permitted Investments, as directed in writing by an Authorized Authority Representative, and,

notwithstanding the provisions of Section 4.2, income derived from such investments shall be credited directly to the Toll Stabilization Fund.

Section 4.7 Rebate Fund. A special fund is hereby created and designated the “Delaware Transportation Authority Toll Revenue Bonds Rebate Fund – New U.S. 301 Project” (the “Rebate Fund”) which is to be held by the Trustee. Absent an opinion of Bond Counsel that the exclusion from gross income for federal income tax purposes of interest on the applicable Bonds will not be adversely affected, the Authority shall cause to be deposited in each such account of the Rebate Fund such amounts as are required to be deposited therein pursuant to each Supplemental Indenture and the applicable Tax Certificate. All money at any time deposited in the Rebate Fund shall be held by the Trustee in trust, for payment to the United States Treasury.

Section 4.8 Moneys Held by Paying Agents in Trust; Unclaimed. All moneys which shall have been withdrawn from the Debt Service Fund and set aside or deposited with a Paying Agent for the purpose of paying any of the Bonds hereby secured, either at the maturity thereof or upon call for redemption, shall be held in trust for the respective Owners of such Bonds; and such funds shall be held uninvested or in Government Obligations with a maturity not later than the date on which funds will be needed to make payments on the Bonds, provided that the Paying Agent shall not be required to invest such funds if to do so would, in the judgment of the Paying Agent, adversely affect the ability of the Paying Agent to make timely payment to the Bond Owners. Any earnings on such funds not required to be rebated to the United States shall periodically, not less frequently than annually, be paid to the Authority. But, to the maximum extent permitted by law, any moneys which shall be so set aside or deposited and which shall remain unclaimed by the holders of such Bonds for a period of one (1) year after the date on which such Bonds shall have become due and payable shall be paid to the Authority, and thereafter the holders of such Bonds shall look only to the Authority for payment; and the Authority shall be obligated to make such payment, but only to the extent of the amounts so received pursuant to this Section without any interest thereon and not from Pledged Funds, and the Paying Agents shall have no responsibility with respect to any of such moneys.

Section 4.9 TIFIA Debt Service Fund. A special fund is hereby created and designated the “Delaware Transportation Authority Subordinated Toll Revenue Bond TIFIA Series 2015 Bond Debt Service Fund – U.S. 301 Project” (the “TIFIA Debt Service Fund”), which fund shall be held by the Trustee. The Trustee shall deposit into the TIFIA Debt Service Fund such amounts as are specified in the TIFIA Loan Agreement. Moneys held for the credit of the TIFIA Debt Service Fund pursuant to Section 4.2(d) shall be applied to pay the interest on and principal of any outstanding TIFIA Indebtedness in the manner as set forth in the applicable TIFIA Loan Agreement.

There is hereby created in the TIFIA Debt Service Fund a separate account designated the “TIFIA Prepayment Account.” The Trustee shall deposit into the TIFIA Prepayment Account such amounts received pursuant to Section 4.6(f)(i) hereof [as further specified in the TIFIA Loan Agreement], and moneys held therein for the credit of the TIFIA Prepayment Account shall be applied as supplemental prepayments of the interest on and principal of any outstanding TIFIA Indebtedness in the manner as set forth in Section 4.6(f)(i) hereof [and the applicable TIFIA Loan Agreement].

Section 4.10 Additional Funds and Accounts. The Authority may, by Supplemental Indenture, create additional funds and accounts under this Indenture and for such purposes as the Authority deems appropriate, including separate funds available only for specified Bonds or Series of Bonds; however, the Revenues shall, in all events, first be used to make the deposits set forth in paragraphs (a) through (c) of Section 4.2 hereof before any amounts of Revenues are used to fund any other funds or accounts.

Section 4.11 Security; Additional Security. As security for the payment of all Bonds issued or incurred hereunder and the interest thereon and all Parity Swap Agreements and Reimbursement Obligations relating thereto, and as security for the payments of amounts due on all Subordinated Indebtedness issued or incurred hereunder, including but not limited to TIFIA Indebtedness, and the interest thereon, but in each case solely as provided herein (subject to the priorities set forth below and in Section 8.13), the Authority hereby grants to the Trustee, for the benefit of the Secured Owners of the Series 2015 Bonds and holders of such subordinate obligations, a pledge, charge, lien and security interest in the Pledged Funds, except that the Reserve Fund shall be held solely for the benefit of the Secured Owners secured thereby notwithstanding the last paragraph of Section 2.13. Series 2015 Bonds and the TIFIA Indebtedness shall also be secured by a subordinate lien on the Pledged TTF Revenues as provided in Supplemental Agreement No. 27 and as provided in this Indenture.

The Pledged Funds secure first, all Bonds issued under the terms of this Indenture and all Parity Swap Agreements and Reimbursement Obligations relating thereto on an equal and ratable basis, and second, all Subordinated Indebtedness, including TIFIA Indebtedness, on a junior and subordinate basis to Bonds and all Parity Swap Agreements and Reimbursement Obligations; provided, however, pursuant to Section 2.13 hereof, upon the occurrence and continuance of a Bankruptcy-Related Event, such TIFIA Indebtedness shall become senior lien debt secured by the Pledged Funds on parity with the Bonds and all Parity Swap Agreements and Reimbursement Obligations.

In addition to the security provided in the preceding paragraph and as more fully described in Supplemental Agreement No. 27, all Bonds issued under the terms of this Indenture and all Parity Swap Agreements and Reimbursement Obligations relating thereto shall also be secured by the Pledged TTF Revenues on a subordinated basis to senior bonds and junior bonds issued under the 1988 Trust Agreement. Subordinated Indebtedness issued hereunder, including TIFIA Indebtedness, shall also be secured by Pledged TTF Revenues on a junior and subordinate basis to Bonds and all Parity Swap Agreements and Reimbursement Obligations; provided, however, pursuant to Section 2.13 hereof, upon the occurrence and continuance of a Bankruptcy-Related Event, such TIFIA Indebtedness shall become senior lien debt secured by the Pledged Funds on parity with the Bonds and all Parity Swap Agreements and Reimbursement Obligations.

The Authority may, however, in its discretion, provide additional security or credit enhancement for specified Bonds or Series of Bonds or Parity Swap Agreements or Reimbursement Obligations with no obligation to provide such additional security or credit enhancement to other Bonds or Reimbursement Obligations, except that no additional security or credit enhancement shall be provided unless there shall have been first delivered to the Trustee an opinion of Bond Counsel that the exclusion from gross income of interest on the Bonds for

federal income tax purposes will not be adversely affected thereby. Moreover, the Authority may provide in a Supplemental Indenture that Bonds issued thereunder are not secured, or are secured only in part or only under certain circumstances, first by Pledged Funds and second by Pledged TTF Revenues.

ARTICLE V

COVENANTS OF THE AUTHORITY

Section 5.1 Payment of Principal, Premium and Interest. The Authority covenants and agrees that it will duly and punctually pay or cause to be paid from the Pledged Funds hereinabove described and to the extent thereof the principal of, premium, if any, and interest on every Bond and TIFIA Indebtedness at the place and on the dates and in the manner provided herein and in the Bonds and TIFIA Indebtedness specified, according to the true intent and meaning thereof, and that it will faithfully do and perform all covenants and agreements herein and in the Bonds and TIFIA Indebtedness contained; and the Authority agrees that time is of the essence of this Indenture, provided that the Authority's obligation to make payment of the principal of, premium, if any, and interest on the Bonds and TIFIA Indebtedness shall be limited to payment from the Pledged Funds, the funds and accounts pledged therefor in the Granting Clause of this Indenture or in any Supplemental Indenture or TIFIA Loan Agreement, as the case may be, and any other source which the Authority may specifically provide for such purpose, and no Bond Owner or holder of TIFIA Indebtedness shall have any right to force payment from any other funds of the Authority.

Section 5.2 Tolls. Subject to the provisions of the last paragraph of this Section, for each Fiscal Year for which Bonds are Outstanding, the Authority will fix and prescribe toll rates for each type of vehicle, each time of day and each toll collection facility that are not less than the Minimum Toll Rates for such type of vehicle, such time of day and such toll collection facility unless the Department or the Authority finds and determines, based upon a report of a Traffic Engineer which specifically so concludes, that one or more toll rates (the proposed amounts of which shall be specified in the report of the Traffic Engineer) less than the applicable Minimum Toll Rates would be likely to produce either: (i) more Net Toll Revenues than the applicable Minimum Toll Rates or (ii) Net Toll Revenues for each Fiscal Year at least equal to 1.20 times Annual Debt Service for the following Fiscal Year (in either of which case the Authority may fix and prescribed toll rates not less than those so specified in the report of the Traffic Engineer).

Prior to the commencement of each Fiscal Year for which Bonds are Outstanding, the Authority shall determine whether Adjusted Net Toll Revenues during any twelve (12) month period during the most recent eighteen (18) month period for which such data are then available exceeded Maximum Annual Debt Service. If the Authority determines that Adjusted Net Toll Revenues for such twelve (12) month period exceeded Maximum Annual Debt Service, the Authority covenants that it will fix and prescribe toll rates so that Adjusted Net Toll Revenues for the following Fiscal Year will be at least equal to 1.20 times Annual Debt Service for the following Fiscal Year. If the Authority determines that Adjusted Net Toll Revenues for such twelve (12) month period did not exceed Maximum Annual Debt Service, the Authority covenants that it will fix and prescribe toll rates so that Adjusted Net Toll Revenues for the

following Fiscal Year will be at least equal to 1.20 times Annual Debt Service for the following Fiscal Year. However, the failure of toll rates to yield the amount described herein shall not be deemed to constitute an Event of Default so long as the Authority complies with the requirements of the succeeding paragraphs and is not otherwise in default under this Indenture.

Within 60 days after the end of each Fiscal Year the Authority will file with the Trustee a report setting forth the Adjusted Net Toll Revenues for such Fiscal Year. If any such report indicates that the Adjusted Net Toll Revenues for such Fiscal Year were less than the amount required pursuant to this Section, then as soon as practicable after delivering such report to the Trustee, the Authority shall (i) notify each Bond Insurer and each Rating Agency which has assigned a rating to the Bonds at the request of the Authority of that fact and (ii) employ a Traffic Consultant to review and analyze the operations of the Pledged Facility and to submit to the Authority, as soon as practicable (but not later than such date as will enable the Authority to act upon it within 180 days after the end of the Fiscal Year in question), a written report which shall include the actions that the Traffic Consultant recommends should be taken by the Authority with respect to revising the toll rates, altering its methods of operation or taking other action projected to produce the amount so required in the following twelve (12) month period (or, if less, the maximum amount deemed feasible by the Traffic Consultant) and that the Traffic Consultant estimates will not adversely affect the amount of Adjusted Net Toll Revenues. Promptly upon its receipt of such written report (and, in any case, within 180 days after the end of the Fiscal Year in question), after giving due consideration thereto, the Authority will revise the toll rates, as permitted by law, alter its methods of operation or take such other action as it deems appropriate. Such revisions, alterations or actions need not comply with the recommendations of the Traffic Consultant so long as Adjusted Net Toll Revenues projected by the Traffic Consultant to be produced by the revisions, alterations or actions then taken by the Authority are at least equal to the amount required hereinabove. The Trustee shall have no responsibility to review any written report received pursuant to this Section.

Other than (i) vehicles of officers and employees of the Authority while they are in the discharge of their official duties, (ii) police, fire, and other public emergency vehicles of the State or of any political subdivision thereof while operated in the discharge of official duties, (iii) emergency/rescue vehicles owned or operated by a non-profit organization while operated in the discharge of their duties, and (iv) vehicles owned or operated by agents and independent contractors of the Authority and by lessees of the Authority and their agents and independent contractors which are used in connection with the operation, maintenance, repair or reconstruction of the Pledged Facility, the Authority further covenants that such toll rates for traffic using the Pledged Facility will be established and maintained in a reasonable way to cover all traffic consistent with the requirements hereof, but with such classifications as the Authority may deem appropriate; provided that nothing contained in this Section shall prevent the Authority from temporarily reducing or eliminating Tolls in connection with programs which it intends to use to increase Adjusted Net Toll Revenues or in emergency situations.

Section 5.3 Annual Operating Budget. The Authority covenants that on or before the commencement of each Fiscal Year it will adopt the Annual Operating Budget for such Fiscal Year. On or before the 20th day of July in such Fiscal Year copies of the Annual

Operating Budget shall be filed with the Trustee. The Trustee shall have no responsibility to review the Annual Operating Budget.

If for any reason the Authority shall not have adopted the Annual Operating Budget before the first (1st) day of any Fiscal Year, the budget for the preceding Fiscal Year shall, until the adoption of the Annual Operating Budget, be deemed to be in force and shall be treated as the Annual Operating Budget hereunder for such Fiscal Year.

The Authority may at any time adopt an amended or supplemental Annual Operating Budget for the remainder of the then current Fiscal Year. Copies of any such amended or supplemental Annual Operating Budget shall be filed with the Trustee.

Section 5.4 Use and Operation of the Pledged Facility. The Authority covenants that, to the maximum extent it is permitted by law to do so: (i) it will establish and enforce reasonable rules and regulations governing the use of the Pledged Facility and the operation thereof, (ii) it will operate the Pledged Facility in an efficient and economical manner, (iii) it will promptly notify the Department of any damage to or destruction of any of the Pledged Facility of which it has actual knowledge, (iv) it will take no action with respect to any of the Pledged Facility that would materially impair its ability to meet the requirements of the covenant set forth in Section 5.2 hereof, and (v) it will observe and perform all of the terms and conditions contained in the Act.

The Authority further covenants that in the event of damage to or destruction of all or any part of the Pledged Facility it will use its best efforts to cause the Pledged Facility or such part thereof to be repaired, restored or replaced so that the efficiency and value of the Pledged Facility as a revenue producing toll road will not be impaired or in the alternative to redeem the Bonds then Outstanding.

Section 5.5 Payment of Lawful Charges. The Authority covenants that, except as otherwise permitted herein, it will not create or suffer to be created any lien or charge upon the Pledged Facility or upon the Revenues therefrom except the lien and charge of the Bonds, the Parity Swap Agreements and the Reimbursement Obligations secured hereby upon such Revenues and the lien, if any, in favor of any Bank to secure the obligations of the Authority to such Bank under the applicable Reimbursement Agreement and related documents, and that, from such Revenues or other available funds, it will pay or cause to be discharged, or will make adequate provision to satisfy and discharge, within 60 days after the same shall accrue, all lawful claims and demands for labor, materials, supplies or other objects that, if unpaid, might by law become a lien upon the Pledged Facility or the Revenues therefrom; provided however, that nothing in this Section shall require the Authority to pay or cause to be discharged, or make provision for, any such lien or charge so long as the validity thereof shall be contested in good faith.

Section 5.6 Construction or Maintenance Permitted from Other Funds. Notwithstanding any other provision of this Indenture, the Authority may permit the United States of America, the State or any of their respective agencies, departments or political subdivisions to pay all or any part of the cost of constructing, maintaining, repairing and operating the Pledged Facility.

Section 5.7 Insurance. The Authority covenants that it will maintain or cause to be maintained a practical insurance program, with such reasonable terms, conditions, provisions and costs, as the Authority in its sole discretion determines will afford adequate insurance protection. The Authority shall provide insurance against loss caused by damage to or destruction of all or any part of any of the Pledged Facility owned by it; comprehensive public liability insurance for bodily injury and property damage relating to any part of the Pledged Facility owned by it and such other insurance as the Authority in its sole discretion may determine. All such insurance policies shall be carried with a responsible insurance company or companies authorized and qualified under State law or otherwise to assume the risks thereof or shall be provided under a self-insurance program if and to the extent that such program provides coverage in the amounts and manner usually maintained in connection with facilities similar to that portion of the Pledged Facility owned by the Authority and provided that such program is, in the written opinion of an accredited actuary filed with the Trustee at least annually, actuarially sound.

All such policies shall be for the benefit of the Trustee and the Authority as their interests shall appear, shall be made payable to the Trustee and the Authority as their interests shall appear, and shall remain with the Authority.

The Trustee shall have the sole right to receive the proceeds of physical loss insurance. Immediately upon receipt thereof the Trustee shall deposit the proceeds of physical loss insurance to the credit of the Construction Fund. Proceeds so deposited to the credit of the Construction Fund shall be promptly applied to paying Costs incurred in repairing, restoring or replacing the Pledged Facility or portion thereof with respect to which the insurance proceeds were received or shall be used to redeem Bonds (if such redemption is permitted by a Supplemental Indenture), as directed in writing by an Authorized Authority Representative.

Nothing contained herein shall be deemed or construed to prevent the Authority from maintaining policies of insurance in which other parties are named as dual obligee beneficiaries, provided that such other parties shall be limited to contractors constructing Special Projects and persons supplying toll collection and revenue management system equipment or facilities.

Section 5.8 Inspection of Insurance Policies. All insurance policies referred to in Section 5.7 shall be open at all reasonable times to inspection by the Trustee and the Bond Owners and their agents and representatives. The Authority covenants that it will take such action as may be necessary to demand, collect and sue for any insurance money that may become due and payable under any policy payable to the Authority or the Trustee.

Any appraisalment or adjustment of any loss or damage under any policy payable to the Authority or the Trustee and any settlement or payment of indemnity under any such policy that may be agreed upon by the Authority and any insurer shall be evidenced by a certificate, signed by the Secretary and the Director of Finance of the Department and filed with the Trustee.

Section 5.9 Accurate Records; Reports; Audits. The Authority and the Trustee shall each keep proper books of record and accounts containing complete and correct entries of all transactions made by it relating to the receipt, investment, disbursement, allocation and application of the moneys related to the Bonds and TIFIA Indebtedness, including moneys

derived from, pledged to, or to be used to make payments on the Bonds or TIFIA Indebtedness, as the case may be. Such records shall specify the fund, account, or subaccount to which each contract or investment (or portion thereof) is to be allocated and shall set forth in the case of each investment security (i) its purchase price, (ii) identifying information, including par amount, coupon rate, and payment dates, (iii) the amount received at maturity or its sale price, as the case may be, including accrued interest, (iv) the amounts and dates of any payments made with respect thereto, and (v) the dates of acquisition and disposition or maturity. The Authority covenants that it will keep the funds, accounts and subaccounts established pursuant hereto separate from all other funds and accounts, if any, of the Authority and that it will keep an accurate record of the total cost of the Pledged Facility, of the Revenues collected from the Pledged Facility, of the number of toll transactions with respect to the Pledged Facility, the Pledged Funds, and of the application of such Revenues and Pledged Funds. Such records shall be open at all reasonable times to the inspection by the Trustee, the Secured Owners and USDOT and each of their respective agents and representatives.

The Authority further covenants that promptly after the close of each Fiscal Year it will cause an audit to be made of its books and accounts relating to the Pledged Facility for the preceding Fiscal Year by an independent firm of certified public accountants of recognized ability and standing to be chosen by the Authority. The Trustee shall make available to such accountants all its books and records pertaining to the Pledged Facility. Each such audit report shall be prepared in accordance with generally accepted accounting principles and shall set forth in respect of the preceding Fiscal Year, the findings of such certified public accountants as to whether the moneys received by the Authority under the provisions of this Indenture during such Fiscal Year have been applied in accordance with the provisions of this Indenture, whether any obligations for Current Expenses were incurred in the preceding Fiscal Year in excess of the total amount provided for Current Expenses in the Annual Operating Budget for such Fiscal Year, whether the Tolls for the preceding Fiscal Year have exceeded or were less than the amount required for such Fiscal Year under the terms of Section 5.2, and whether any Event of Default has occurred and not been cured as of the end of such Fiscal Year of which such certified public accountants have knowledge. Such report and audit reports shall be open at all reasonable times to the inspection of the Secured Owners, USDOT and each of their respective agents and representatives.

The Authority further covenants that it will cause any additional reports or audits relating to the Pledged Facility to be made as required by law and that, as often as may be requested, it will furnish to the Trustee, the Secured Owners and USDOT such other information concerning the Pledged Facility or the operation thereof as any of them may reasonably request.

The cost of the reports and audits referred to in this Section shall be treated as a Current Expense.

Section 5.10 Covenant Against Sale or Encumbrance; Exceptions. The Authority covenants that, except as permitted in this Section, it will not sell or otherwise dispose of or, except upon the conditions and in the manner provided in Sections 2.9, 2.10, 2.11, 2.12 and 5.16, encumber the right to receive Revenues from or with respect to the Pledged Facility or any part thereof. In addition, the Authority may, from time to time, sell or encumber for consideration not less than the fair market value thereof any machinery, fixtures, apparatus,

tools, instruments or other movable property, equipment or materials acquired by it from the proceeds of the Bonds [and TIFIA Indebtedness] or from the Revenues provided that such actions do not impair the ability of the Authority to pay the principal of or interest or other amounts owing with respect to Bonds or any Parity Swap Agreements or Reimbursement Obligations or TIFIA Indebtedness. The proceeds thereof shall be deposited to the credit of the Construction Fund or the Revenue Fund, as an Authorized Authority Representative may determine. Upon any disposition of property under the provisions of this Section, the Authority shall notify the Trustee of the property so sold and the amount, if any, and disposition of the proceeds thereof.

The Authority may lease, or grant easements, franchises or concessions for the use of, any part of the Pledged Facility, provided that such actions do not impair the ability of the Authority to pay the principal of or interest or other amounts owing with respect to Bonds or any Parity Swap Agreements or Reimbursement Obligations or the TIFIA Indebtedness; and, the net proceeds from any such lease, easement, franchise, or concession shall be deposited as earned to the credit of the Revenue Fund.

Nothing contained herein shall be deemed or construed to prevent the Authority from acquiring and encumbering toll collection and revenue management systems (including transponders) through a lease-purchase agreement, an installment purchase agreement or any other instrument providing for or relating to the financing of such acquisition.

Section 5.11 Performance of Covenants by Authority; Authority; Due Execution. The Authority covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in any and every Bond executed, authenticated and delivered hereunder and in all of its proceedings pertaining hereto. The Authority covenants that it is duly authorized under the Constitution and laws of the State, including particularly the Act, to enter into this Indenture, to issue the Bonds and TIFIA Series 2015 Bond and pledge the Pledged Funds thereto and to the Parity Swap Agreements and the Reimbursement Obligations and that the Authority has not previously pledged such Pledged Funds to secure other obligations.

Section 5.12 Instruments of Further Assurance. The Authority covenants that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such Supplemental Indentures, and such further acts, instruments and transfers as the Trustee may reasonably request for the better assuring and confirming to the Trustee all and singular the rights and obligations of the Authority under and pursuant to this Indenture. The Authority shall, upon the reasonable request of the Trustee, from time to time execute and deliver such further instructions and take such further action as may be reasonable and as may be required to effectuate the purposes of this Indenture or any provisions hereof; provided, however, that no such instruments or actions shall pledge the full faith and credit or the taxing powers of the State or any public agency thereof.

Section 5.13 Receipt and Deposit of Cash Advances. The Authority covenants and agrees that, immediately upon receipt of cash advances representing deposits against future toll payments from users or potential users of the Pledged Facility, it will (i) deposit and hold such moneys in a special account, separate from other assets of the Authority,

or cause such moneys to be deposited with and held by a bank or trust company (which may be the Trustee), (ii) invest such moneys only in Government Obligations or Permitted Investments of the type described in clause (a) of the definition of said term maturing within thirty (30) days from the date of the investment or in Permitted Investments of the type described in clause (c) of said definition and (iii) promptly, and in any event within one (1) Business Day after such deposits become Tolls, transfer or cause the transfer of moneys from such account for credit to the Revenue Fund. The Authority further covenants and agrees that it will not enter into any agreement pursuant to which cash advances received by any other person, business organization or governmental agency may be applied to the payment of Tolls unless such person, business organization or governmental agency, as the case may be, has agreed to take such actions as the Authority may determine are reasonably necessary to assure that the Authority will receive timely payment of such Tolls.

Section 5.14 Receipt and Deposit of Revenues -- Revenue Fund. The Authority covenants and agrees that it will immediately upon receipt thereof transfer Revenues for credit to the Revenue Fund except as otherwise provided herein, and during such time as such Revenues are held by the Authority prior to transfer to the Revenue Fund, such Revenues will be impressed with a trust and held for the Secured Owners and holders of the TIFIA Indebtedness.

Section 5.15 No Inconsistent Action. The Authority covenants that no contract or contracts will be entered into or any action taken by the Authority which shall be inconsistent with the provisions of this Indenture.

Section 5.16 Other Obligations. The Authority covenants that it will not voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or any other charge having priority to the lien held by the Secured Owners of the Bonds and the Parity Swap Agreements and the Reimbursement Agreements relating thereto upon the Pledged Funds, or any part thereof, or having a priority to the lien held by the Secured Owners of the Bonds and Parity Swap Agreements and Reimbursement Obligations relating thereto upon the Pledged Funds, or any part thereof. The Authority further covenants that it will not issue any obligations, except upon the conditions and in the manner provided in Sections 2.9, 2.10, 2.11 and 2.12 of this Indenture, payable from the Pledged Funds on parity with the Bonds and Parity Swap Agreements and Reimbursement Obligations relating thereto. Notwithstanding the foregoing, the Authority may issue obligations, including but not limited to TIFIA Indebtedness, that are junior and subordinate in all respects to the Bonds, the Parity Swap Agreements and the Reimbursement Obligations as to lien on and source and security for payment from the Pledged Funds; provided, however, as set forth in Section 2.13 hereof, upon the occurrence and continuance of a Bankruptcy-Related Event, such TIFIA Indebtedness shall become senior lien debt secured by the Pledged Funds on parity with the Bonds and all Parity Swap Agreements and Reimbursement Obligations.

Section 5.17 Maintenance of Powers. The Authority covenants that it will at all times use its best efforts to maintain the powers, functions, duties and obligations now reposed on it pursuant to the Act and all other laws and will not at any time voluntarily do, suffer or permit any act or thing the effect of which would be to hinder, delay or imperil either the payment of the indebtedness evidenced by any of the Bonds or the performance or observance of any of the covenants herein contained.

Section 5.18 Limitation on Use of Surplus Revenues -- Competing Facilities.

The Authority covenants that it will not spend moneys withdrawn from the Toll Stabilization Fund to pay all or any portion of the cost of any transportation facility which would compete with the Pledged Facility unless it shall have filed with the Trustee a Certificate of a Traffic Consultant to the effect that the existence of such competing transportation facility would not have a material adverse effect on the ability of the Pledged Facility to generate the Adjusted Net Toll Revenues necessary to enable the Authority to comply with the provisions of Section 5.2.

Section 5.19 [Reserved].

Section 5.20 [Reserved].

Section 5.21 [Reserved].

Section 5.22 Covenants of Authority Binding on Authority and Successors.

All covenants, stipulations, obligations and agreements of the Authority contained in this Indenture shall be deemed to be covenants, stipulations, obligations and agreements of the Authority to the full extent authorized or permitted by law. If the powers or duties of the Authority shall hereafter be transferred by amendment of the Act or a new act or any provision of the Constitution or any other law of the State or in any other manner there shall be a successor to the Authority, and if such transfer shall relate to any matter or thing permitted or required to be done under this Indenture by the Authority then the entity that shall succeed to such powers or duties of the Authority shall act and be obligated in the place and stead of the Authority as in this Indenture provided, and all such covenants, stipulations, obligations and agreements shall be binding upon the successor or successors thereof from time to time and upon any officer, board, body or commission to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreement shall be transferred by or in accordance with law.

Except as otherwise provided in this Indenture, all rights, powers and privileges conferred and duties and liabilities imposed upon the Authority by the provision of this Indenture shall be exercised or performed by the Authority or by such officers, board, body or commission as may be required by law to exercise such powers or to perform such duties.

Section 5.23 Indenture of Trust To Constitute a Contract. This Indenture is executed by the Authority for the benefit of the Secured Owners and constitutes a contract with the Secured Owners.

ARTICLE VI

INVESTMENTS

Section 6.1 Moneys in Funds and Accounts. Moneys held in the funds and accounts created under this Indenture shall be invested and reinvested in Permitted Investments as directed by the Authority, subject to the restrictions set forth in this Article and in any Supplemental Indenture and subject to the investment restrictions imposed upon the Authority by the laws of the State. The Authority shall direct the Trustee with respect to the investment of moneys held by the Trustee by written certificate of an Authorized Authority Representative or

by telephone instruction followed by prompt written confirmation by an Authorized Authority Representative. If the Authority fails to direct the investment of moneys as required by this Section, the Trustee shall invest such moneys held by it in Permitted Investments of the type described in subparagraph (c) of the definition of Permitted Investments, and the Trustee shall be under no obligation to determine or inquire into the legality of any investment made at the direction of the Authority.

Except as otherwise provided in this paragraph, moneys on deposit in the Debt Service Fund and TIFIA Debt Service Fund shall be invested only in Government Obligations the maturities of which shall not extend beyond the time when funds will be needed therefrom to make payment on the Bonds, the Parity Swap Agreements and the Reimbursement Obligations or TIFIA Indebtedness, as the case may be. The restriction set forth in the preceding sentence shall not be applicable to moneys in such fund (other than Eligible Funds (as defined in a Supplemental Indenture) set aside for the redemption of Bonds and moneys derived from a drawing under a Credit Facility, with respect to both of which such restriction shall always be applicable) at such times as one or more Credit Facilities and/or policies of bond insurance are in effect which assure the timely payment of the principal of and interest on all Outstanding Bonds if the Bank or Banks providing such Credit Facilities and/or the Bond Insurer or Bond Insurers providing such insurance policies, as the case may be, so agree in a written instrument filed with the Trustee. Investments in the Debt Service Fund or TIFIA Debt Service Fund shall be sold or otherwise converted to cash by the Trustee as needed to make payment of principal, premium, if any, and interest on the Bonds, the Parity Swap Agreements and the Reimbursement Obligations or TIFIA Indebtedness, as the case may be, and the Trustee shall have no liability for the selection and liquidation of such investments or for any losses which may be incurred as a result thereof.

The maturities of investments in the Construction Fund shall not extend beyond the time when funds will be needed therefrom to pay Costs.

No moneys on deposit in the Reserve Fund shall be invested in Permitted Investments maturing more than ten (10) years after the purchase of the investment. Notwithstanding the foregoing, there shall be no limit on the maturity of an investment in the Reserve Fund if the Authority has entered into an agreement pursuant to which the Authority can, at its sole option, sell to liquidate such investment at par on each applicable Interest Payment Date, and if the entity to whom the Authority can so sell such investment has long-term unsecured, uninsured and unguaranteed obligations rated in one of its two highest long-term Rating Categories by each Rating Agency which has assigned a rating both to any such Outstanding Bond and to such obligation.

Except as otherwise provided herein or in a Supplemental Indenture, (i) investments of moneys in any fund shall be deemed at all times to be a part of such fund and shall be valued at the amortized cost thereof, (ii) the interest accruing on and any profit realized from investment of moneys in the Rebate Fund shall be credited to the Rebate Fund, and the interest accruing on and any profit realized from investment of moneys in the Toll Stabilization Fund shall be credited to the Toll Stabilization Fund, (iii) the interest accruing on and any profit realized from investment of moneys in any other fund shall be credited to the Revenue Fund, and (iv) any loss resulting from such investment shall be charged to the fund in which such investment is held.

Notwithstanding the foregoing, if and to the extent so directed by an Authorized Authority Representative, the interest accruing on and any profit realized from the investment of moneys in any fund or account, other than the Debt Service Fund or TIFIA Debt Service Fund, shall be credited to the Rebate Fund.

The Trustee shall furnish to the Authority monthly cash transaction statements which describe all investment transactions made by the Trustee pursuant to this Indenture. To the extent permitted by law, the Authority waives any right to receive brokerage confirmations of security transactions as they occur to the extent that such a right is conferred upon the Authority by regulations of any applicable regulatory agency. The Trustee, its parent, or any of its affiliates may act as sponsor, advisor or manager in connection with any investments made by the Trustee under this Indenture.

ARTICLE VII

DEFEASANCE

Section 7.1 Discharge of Indenture; Defeasance. Bonds or portions thereof (such portions to be in integral multiples of the applicable authorized denomination) which have been paid in full or which are deemed to have been paid in full shall no longer be secured by or entitled to the benefits of this Indenture except for the purposes of payment from moneys or Defeasance Securities held by the Trustee or a Paying Agent for such purpose. When all Bonds and all Reimbursement Obligations relating thereto and all obligations under Parity Swap Agreements and Subordinated Indebtedness have been paid in full or are deemed to have been paid in full, and all other sums payable hereunder by the Authority, including all necessary and proper fees, compensation and expenses of the Trustee, the Registrar and the Paying Agent, have been paid or are duly provided for, then the right, title and interest of the Trustee in and to the Pledged Funds shall thereupon cease, terminate and become void, and thereupon the Trustee shall cancel, discharge and release this Indenture, shall execute, acknowledge and deliver to the Authority such instruments of satisfaction and discharge or release as shall be requisite to evidence such release and such satisfaction and discharge and shall assign and deliver to the Authority any property and Revenues at the time subject to this Indenture which may then be in the Trustee's possession, except funds or securities in which such funds are invested and held by the Trustee or the Paying Agents for payment of the principal of, premium, if any, and interest on the Bonds and all Reimbursement Obligations relating thereto and all obligations under Parity Swap Agreements.

A Bond shall be deemed to be paid within the meaning of this Article and for all purposes of this Indenture when payment of the principal, interest and premium, if any, either (i) shall have been made or caused to be made in accordance with the term of the Bond and this Indenture or (ii) shall have been provided for by irrevocably depositing with the Trustee in trust and irrevocably setting aside exclusively for such payment, (a) moneys sufficient to make such payment and/or (b) non-callable, non-prepayable Defeasance Securities maturing as to principal and interest in such amounts and at such times as will insure the availability of sufficient moneys (as calculated by an independent certified public accountant or firm of independent certified public accountants) to make such payment. At such times as Bonds shall be deemed to be paid

hereunder, such Bonds shall no longer be secured by or entitled to the benefits of this Indenture, except for the purposes of payment from such moneys or Defeasance Securities.

Notwithstanding the foregoing paragraph, no deposit made pursuant to the immediately preceding paragraph shall be deemed a payment of such Bonds until there has been delivered to the Trustee a written opinion of nationally recognized counsel experienced in bankruptcy matters that the use of the moneys or Defeasance Securities so deposited to make payments on the Bonds will not constitute a voidable preference under the United States Bankruptcy Code and until either (a) proper notice of redemption of such Bonds shall have been given in accordance with Section 3.3, or in the event such Bonds are not to be redeemed within the next succeeding 60 days, until the Authority shall have given the Trustee irrevocable instructions to notify, as soon as practicable, the holders of the Bonds in accordance with Section 3.3, that the deposit required by the preceding paragraph above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this Article and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal of and the applicable redemption premium, if any, on such Bonds; or (b) the maturity of such Bonds. Moreover, no Bond the interest rate then applicable to which can change prior to the redemption thereof and no Bond with respect to which a Credit Facility is then in effect shall be deemed to be paid within the meaning of this Article unless the Trustee shall have received written confirmation from each Rating Agency which has assigned a rating to such Bond at the request of the Authority that its rating will not be reduced or withdrawn as a result of the actions taken by the Authority pursuant to the provisions of this Article.

ARTICLE VIII

DEFAULTS AND REMEDIES

Section 8.1 Events of Default. Each of the following events shall constitute and is referred to in this Indenture as an “Event of Default”:

(a) a failure to pay the principal of or premium, if any, on any of the Bonds when the same shall become due and payable at maturity or upon redemption;

(b) a failure to pay any installment of interest on any of the Bonds when such interest shall become due and payable;

(c) a failure by the Authority to observe and perform any covenant, condition, agreement or provision (other than as specified in paragraphs (a) and (b) of this Section 8.1) contained in any of the Bonds or in this Indenture on the part of the Authority to be observed or performed, which failure shall continue for a period of 60 days after written notice, specifying such failure and requesting that it be remedied, shall have been given to the Authority by the Trustee (which notice may be given at the discretion of the Trustee and shall be given at the written request of Owners of 25% or more of the Principal Obligation of the Bonds then Outstanding), unless the Trustee, or the Trustee and Owners of Bonds in a Principal Obligation not less than the Principal Obligation of Bonds the Owners of which requested such notice, shall agree in writing to an extension of such period prior to its expiration; provided, however, that the Trustee or the Trustee and the Owners of such Principal Obligation of Bonds shall be deemed to

have agreed to an extension of such period if corrective action is initiated by the Authority within such period and is being diligently pursued;

(d) the occurrence of a Bankruptcy-Related Event;

(e) a diversion or an attempted diversion by the Authority of any Pledged Funds for any use prior to the deposit thereof into the funds and accounts held by the Trustee under this Indenture, or the existence of a lien on or a charge against any Pledged Funds which lien or charge is prior to, or (except to the extent permitted by this Indenture) on parity with that granted to secure the Bonds, the Parity Swap Agreements and related Reimbursement Obligations, or a failure or cessation of the lien against any Pledged Funds to be a valid lien, except in each of the foregoing instances any such event affecting only a *de minimis* portion of Pledged Funds; or

(f) the occurrence of any other Event of Default as is provided in a Supplemental Indenture.

If, on any date on which payment of principal of, premium, if any, or interest on the Bonds is due, sufficient moneys are not available to make such payment, the Trustee shall give notice of such insufficiency to the Authority and to the 1988 Trustee by facsimile transmission and in writing immediately thereafter.

Section 8.2 Remedies. Upon the occurrence and continuance of any Event of Default of the type described in clauses (a), (b) or (e) of Section 8.1 and the written direction of the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding, or upon receipt by the Trustee of any notification as a result of which it is compelled to accelerate the indebtedness represented by any Bond, the Trustee shall, upon notice in writing to the Authority, declare the principal of all the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and be immediately due and payable, anything in this Indenture or in the Bonds contained to the contrary notwithstanding. Upon the occurrence and continuance of any Event of Default of the type described in clause (d) of Section 8.1, all principal of all Bonds then Outstanding and the interest thereon shall, without notice, become immediately due and payable.

Upon the occurrence of any Event of Default under clauses (a) or (b) of Section 8.1, the Trustee shall immediately provide notice to the 1988 Trustee and shall take whatever action is necessary to enforce the subordinate lien on the Pledged TTF Revenues under the 1988 Trust Agreement.

Any such declaration as a result of the occurrence of and Event of Default of the type described in clauses (a), (b) or, (e) of Section 8.1 is subject to the condition that if, at any time after such declaration and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Authority shall deposit with the Trustee a sum sufficient to pay all the principal of and installments of interest on the Bonds the payment of which is overdue or the amount of the diverted Pledged Funds, as the case may be, with interest on such overdue principal at the rate borne by the respective Bonds (to the extent permitted by law), and the reasonable charges and expenses of the Trustee, and any and all other Events of Default

known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, the Trustee shall on behalf of the Owners of all Bonds rescind and annul such declaration and its consequences and waive such Event of Default; but no such rescission and annulment shall extend to or affect any subsequent Event of Default or shall impair or exhaust any right or power consequent thereon.

Upon the occurrence and continuance of any Event of Default, the Trustee in its discretion may (but not in any manner contrary to the written direction of the Owners of not less than a majority of the Principal Obligation of the Bonds then Outstanding), and upon the written direction of the Owners of not less than a majority of the Principal Obligation of the Bonds then Outstanding and receipt of indemnity to its satisfaction, shall, in its own name and as the trustee of an express trust (but subject to the limitations set forth in this Section):

(a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Owners of the Bonds with respect to which the Event of Default has occurred, and require the Authority to carry out any agreements with or for the benefit of said Owners and to perform its or their duties under the Act or any other law to which it is subject and this Indenture, provided that any such remedy may be taken only to the extent permitted under the applicable provisions of this Indenture;

(b) bring suit upon the Bonds with respect to which the Event of Default has occurred;

(c) commence an action or suit in equity to require the Authority to account as if it were the trustee of an express trust for the aforesaid Owners; or

(d) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the aforesaid Owners.

Notwithstanding the foregoing, neither the Trustee nor any Owner shall be entitled to establish or to compel the Authority to establish Tolls in excess of Tolls required to be established by the Authority pursuant to Section 5.2.

The Trustee shall be under no obligation to take any action with respect to any Event of Default unless the Trustee has actual knowledge of the occurrence of such Event of Default.

Section 8.3 Restoration to Former Position. In the event that any proceeding taken by the Trustee to enforce any right under this Indenture shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then the Authority, the Trustee, and the Secured Owners of the Bonds with respect to which the Event of Default has occurred, shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

Section 8.4 Bond Owners' Right To Direct Proceedings. Anything in this Indenture to the contrary notwithstanding, except to the extent limited by a Supplemental Indenture, Owners of a majority in Principal Obligation of the Bonds then Outstanding with respect to which the Event of Default has occurred shall have the right, at any time, by an instrument in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all remedial proceedings available to the Trustee under this Indenture to be taken in connection with the enforcement of the terms of this Indenture or exercising any trust or power conferred on the Trustee by this Indenture; provided that such direction shall not be otherwise than in accordance with the provisions of the law and this Indenture and that there shall have been provided to the Trustee security and indemnity satisfactory to the Trustee against the costs, expenses and liabilities to be incurred as a result thereof by the Trustee.

Section 8.5 Limitation on Bond Owners' Right To Institute Proceedings. No Bond Owner shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust or power hereunder, or any other remedy hereunder or on such Bonds, unless such Bond Owner or Bond Owners previously shall have given to the Trustee written notice of an Event of Default as hereinabove provided and unless also Owners of 25% or more of the Principal Obligation of the Bonds with respect to which the Event of Default has occurred then Outstanding shall have made written request of the Trustee so to do, after the right to institute such suit, action or proceeding under Section 8.2 shall have accrued, and shall have afforded the Trustee a reasonable opportunity to proceed to institute the same in either its or their name, and unless there also shall have been offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall not have complied with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the institution of such suit, action or proceeding; it being understood and intended that no one or more of the Bond Owners shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture, or to enforce any right hereunder or under the Bonds, except in the manner herein provided, and that all suits, actions and proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Bonds with respect to which the Event of Default has occurred.

Section 8.6 No Impairment of Right To Enforce Payment. Notwithstanding any other provision in this Indenture, the right of any Bond Owner to receive payment of the principal of, premium, if any, and interest on such Bond, on or after the respective due dates expressed therein and to the extent of the Pledged Funds (but subject to the application of the Pledged Funds in the order of priority set forth herein), or to institute suit for the enforcement of any such payment on or after such respective date, shall not be impaired or affected without the consent of such Bond Owner.

Section 8.7 Proceedings by Trustee Without Possession of Bonds. All rights of action under this Indenture or under any of the Bonds secured hereby which are enforceable by the Trustee may be enforced by it without the possession of any of the Bonds, or the production thereof at the trial or other proceedings relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the equal and ratable

benefit of the Owners of the Bonds with respect to which the Event of Default has occurred, subject to the provisions of this Indenture.

Section 8.8 No Remedy Exclusive. No remedy herein conferred upon or reserved to the Trustee or to Secured Owners is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder, or now or hereafter existing at law or in equity or by statute; provided, however, that any conditions set forth herein to the taking of any remedy to enforce the provisions of this Indenture or the Bonds shall also be conditions to seeking any remedies under any of the foregoing pursuant to this Section.

Section 8.9 No Waiver of Remedies. No delay or omission of the Trustee or of any Secured Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein: and every power and remedy given by this Article to the Trustee and to the Secured Owners, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 8.10 Application of Moneys. Subject to the provisions of Section 8.13, any Pledged Funds or Pledged TTF Revenues (if any) held or received by the Trustee, by any receiver or by any Bond Owner pursuant to any right given or action taken under the provisions of this Article, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees, expenses and liabilities incurred by the Trustee, shall be deposited and applied as follows:

(a) If the principal of all the Bonds then Outstanding and the interest accrued thereon has been declared to be due and payable immediately pursuant to the first paragraph of Section 8.2 (or, but for any legal prohibition on such declaration of acceleration, such principal and interest would have been declared to be due and payable immediately pursuant to the first paragraph of Section 8.2 or the provisions of any applicable Reimbursement Agreement) and such declaration has not been rescinded and annulled, there shall be deposited into the Debt Service Fund moneys sufficient to pay the amounts described in clauses (i), (ii) and (iii) below, and all such moneys shall be applied, as promptly as practicable (but subject to the provisions of the last paragraph of this Section), proportionately to (i) the payment to the persons entitled thereto of all installments of interest then due on the Bonds (including any Reimbursement Obligation resulting from a drawing on a Credit Facility to pay interest on Bonds as well as interest due with respect to all Reimbursement Obligations and including also all amounts due under all Parity Swap Agreements, except as otherwise provided therein), with interest on overdue installments, if lawful, at the weighted average rate per annum borne by the Bonds, in the order of maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment of interest, then to the payment ratably, according to the amounts due on such installment, (ii) the payment to the persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due (or which but for any legal prohibition on such declaration of acceleration would have become due) (including any Reimbursement Obligation resulting from a drawing on a Credit Facility to pay principal of Bonds) with interest on such Bonds (and any such Reimbursement Obligation) at their respective rates from the respective dates upon which they became due and, if the amount available shall

not be sufficient to pay in full the Bonds (and any such Reimbursement Obligation) due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal and interest due on such date, in each case to the persons entitled thereto, without any discrimination or privilege and (iii) the payment of any other Reimbursement Obligation and of any other amounts then owing pursuant to any Reimbursement Agreement pertaining to Bonds; and, after said deposit into the Debt Service Fund, there shall be paid the Subordinated obligations issued or incurred by the Authority pursuant to Section 5.16 including but not limited to TIFIA Indebtedness; provided, however, if the acceleration of the payment of principal and interest results from an Event of Default of the type described in clause (d) of Section 8.1 hereof, amounts due to holders of TIFIA Indebtedness for unpaid interest and principal thereon shall be on parity with payments of principal and interest on the Bonds as set forth in sub-clauses (i) and (ii) of this paragraph (a) above.

(b) If the principal of all the Bonds then Outstanding and the interest accrued thereon has not been declared to be due and payable immediately pursuant to the first paragraph of Section 8.2 (or deemed to be due and payable as contemplated in paragraph (a) above) or if such a declaration has been rescinded and annulled, then there shall be deposited into the Debt Service Fund moneys sufficient to pay the amounts described in clauses (i), (ii) and (iii) below, and all such moneys shall be applied, as promptly as practicable (but subject to the provisions of the last paragraph of this Section), (i) first, to the payment to the persons entitled thereto of all installments of interest then due on the Bonds (including any Reimbursement Obligation resulting from a drawing on a Credit Facility to pay interest on Bonds as well as interest due with respect to all Reimbursement Obligations and including also all amounts due under all Parity Swap Agreements, except as otherwise provided therein), with interest on overdue installments, if lawful, at the weighted average rate per annum borne by the Bonds, in the order of maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment of interest, then to the payment ratably, according to the amounts due on such installment, (ii) second, to the payment to the persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due (including any Reimbursement Obligation resulting from a drawing on a Credit Facility to pay principal of Bonds) with interest on such Bonds at their respective rates from the respective dates upon which they became due and, if the amount available shall not be sufficient to pay in full the Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal and interest due on such date, in each case to the persons entitled thereto, without any discrimination or privilege and (iii) third, to the payment of any other Reimbursement Obligation and of any other amounts then owing pursuant to any Reimbursement Agreement pertaining to Bonds; and, after said deposit into the Debt Service Fund, there shall be paid the Subordinated obligations issued or incurred by the Authority pursuant to Section 5.16, including but not limited to TIFIA Indebtedness.

Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied first from Pledged Funds and second from Pledged TTF Revenues (pursuant to the terms of the 1988 Trust Agreement) and at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such

application is to be made and upon such date interest on the amounts of principal and interest to be paid on such date shall cease to accrue. The Trustee shall give notice of the deposit with it of any such moneys and of the fixing of any such date by Mail to all Secured Owners of Bonds and related Parity Swap Agreements and Reimbursement Obligations with respect to which the Event of Default occurred and shall not be required to make payment to any Bond Owner until such Bonds shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 8.11 Severability of Remedies. It is the purpose and intention of this Article to provide rights and remedies to the Trustee and the Secured Owners which may be lawfully granted under the provisions of the Act and other applicable law, but should any right or remedy herein granted be held to be unlawful, the Trustee and the Secured Owners shall be entitled, as above set forth, to every other right and remedy provided in this Indenture and by applicable law.

Section 8.12 Additional and Other Events of Default and Remedies. So long as any particular Series of Bonds is Outstanding, the Events of Default and remedies as set forth in this Article may be supplemented with additional Events of Default and remedies as set forth in the Supplemental Indenture under which such Series of Bonds is issued. Additional Events of Default, not necessarily limited to the time any Series of Bonds are Outstanding, and other Events of Default intended to supersede, in whole or in part, the Events of Default set forth herein and remedies attendant thereon may likewise be added or provided for from time to time by Supplemental Indenture.

Section 8.13 Subordination. Anything in this Indenture to the contrary notwithstanding, the indebtedness issued pursuant to Section 5.16 (including, without limitation, TIFIA Indebtedness and payments under a Parity Swap Agreement which are not secured on parity with the Bonds) (such indebtedness being hereinafter referred to as “Subordinated Indebtedness”) shall be subordinated and junior in right of payment, to the extent and in the manner hereinafter set forth, to all principal of, premium, if any, and interest on the Bonds (and any Reimbursement Obligation or Parity Swap Agreement related thereto) and any refinancings, refundings, deferrals, renewals, modifications or extensions thereof (such indebtedness being hereinafter referred to as “Superior Indebtedness”); provided, however, as set forth in Section 2.13 hereof, upon the occurrence and continuance of a Bankruptcy-Related Event, TIFIA Indebtedness shall become senior lien debt on parity with all Superior Indebtedness secured, in the first instance, by the Pledged Funds, and in the second instance, by the Pledged TTF Revenues.

The Authority will not, directly or indirectly, make or agree to make, and neither the holder of any Subordinated Indebtedness nor any assignee or successor thereof will demand, accept or receive, (a) any payment (in cash, property or securities by set-off or otherwise), direct or indirect, of or on account of any principal, premium, if any, or interest in respect of any Subordinated Indebtedness, or (b) any payment for the purpose of any redemption, purchase or other acquisition, direct or indirect, of any Subordinated Indebtedness, and no such payment shall be due, except as specifically set forth in this Indenture and any Supplemental Indenture governing such Subordinated Indebtedness, provided that following an acceleration of the maturity of any Superior Indebtedness, and as long as such acceleration shall continue

unrescinded and unannulled, such Superior Indebtedness shall first be paid in full in cash before any payment is made on account of or applied on the Subordinated Indebtedness.

In the event of the occurrence of an Event of Default hereunder, then and in any such event, except as otherwise provided in the preceding paragraph:

(a) all Superior Indebtedness shall first be paid in full (including all principal, premium, if any, and interest, including interest accruing after the commencement of any such proceeding) before any payment or distribution of any character, whether in cash, securities or other property shall be made in respect of any Subordinated Indebtedness;

(b) all principal or premium, if any, and interest on the Subordinated Indebtedness shall forthwith become due and payable, and any payment or distribution of any character, whether in cash, securities or other property, which would otherwise (but for the terms hereof) be payable or deliverable in respect of any Subordinated Indebtedness, shall be paid or delivered directly to the holders of the Superior Indebtedness, for application to the payment of the Superior Indebtedness, until all Superior Indebtedness shall have been paid in full, and the holders of the Subordinated Indebtedness at the time Outstanding irrevocably authorize, empower and direct all receivers, trustees, liquidators, conservators, fiscal agents and others having authority in the premises to effect all such payments and deliveries; and

(c) to the maximum extent permitted by law, each holder of the Subordinated Indebtedness at the time Outstanding irrevocably authorizes and empowers each holder of the Superior Indebtedness (without imposing any obligation on any holder of the Superior Indebtedness or such holder's representative) to demand, sue for, collect and receive such holder's ratable share of all such payments and distributions and to receipt therefor, and to file and prove all claims therefor and take all such other action (including the right to vote the Subordinated Indebtedness) in the name of such holder or otherwise, as such holder of the Superior Indebtedness or such holder's representative may determine to be necessary or appropriate for the enforcement of this paragraph.

For all purposes of this Indenture, Superior Indebtedness shall not be deemed to have been paid in full unless the holders thereof shall have received cash equal to the amount of principal, premium, if any, and interest in respect of all Superior Indebtedness at the time Outstanding.

If any payment or distribution of any character, whether in cash, securities or other property, shall be received by any holder of any of the Subordinated Indebtedness, or such holder's representative, in contravention of any of the terms of this Indenture, such payment or distribution or security shall be held in trust for the benefit of, and shall be paid over or delivered and transferred to, the holders of the Superior Indebtedness or such holders' representative or representatives for application to the payment of all Superior Indebtedness remaining unpaid, to the extent necessary to pay all such Superior Indebtedness in full. Notwithstanding the foregoing, a holder of Subordinated Indebtedness may assume that payments received hereunder are in compliance with the terms of this Indenture unless such holder has actual knowledge that such payments are in contravention of the terms of this Indenture.

In case cash, securities or other property otherwise payable or deliverable to the holders of the Subordinated Indebtedness shall have been applied pursuant to this Section to the payment of Superior Indebtedness in full, then and in each such case, the holders of the Subordinated Indebtedness shall be subrogated to any rights of any holders of Superior Indebtedness to receive any further payments or distributions in respect of or applicable to the Superior Indebtedness.

The terms of this Section shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any Superior Indebtedness is rescinded, annulled or must otherwise be returned by any holder of Superior Indebtedness or such holder's representative, upon the insolvency, bankruptcy or reorganization of the Authority or otherwise, all as though such payment has not been made.

ARTICLE IX

TRUSTEE, PAYING AGENT AND CO-PAYING AGENTS; REGISTRAR

Section 9.1 Acceptance of Trusts. The Trustee hereby accepts and agrees to execute the trusts specifically imposed upon it by this Indenture, but only upon the additional terms set forth in this Article, to all of which the Authority agrees and the respective Secured Owners and any holders of TIFIA Indebtedness agree by their acceptance of delivery of any of the Bonds or TIFIA Indebtedness, as the case may be.

Section 9.2 Duties of Trustee. If an Event of Default has occurred and is continuing, the Trustee shall exercise its rights and powers and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

Except during the continuance of an Event of Default,

(i) the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and

(i) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. However, the Trustee shall examine the certificates and opinions to determine whether they conform to the requirements of this Indenture.

The Trustee may not be relieved from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that:

(i) this paragraph does not limit the effect of the preceding paragraph of this Section;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer unless it is proved that the Trustee was negligent in ascertaining the pertinent facts;

(iii) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it from Secured Owners or the Authority in the manner provided in this Indenture; and

(iv) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

Every provision of this Indenture that in any way relates to the Trustee is subject to all the paragraphs of this Section. The Trustee may, unless such right is restricted by Supplemental Indenture, refuse to perform any duty or exercise any right or power unless it receives indemnity satisfactory to it against any loss, liability or expense. The Trustee shall not be liable for interest on any cash held by it except as the Trustee may agree with the Authority.

Section 9.3 Rights of Trustee. Subject to the foregoing Section the Trustee may rely on any document believed by it to be genuine and to have been signed or presented by the proper person. The Trustee need not investigate any fact or matter stated in the document. Before the Trustee acts or refrains from acting, it may require a certificate of an Authorized Authority Representative or a written opinion of counsel (who may be counsel of or to the Authority). The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on the certificate or the opinion of counsel. The Trustee may act through agents or co-trustees and shall not be responsible for the misconduct or negligence of any agent or co trustee which has been appointed with due care and approved by the Authority.

Section 9.4 Individual Rights of Trustee. The Trustee in its individual or any other capacity may become the owner or pledgee of Bonds and may otherwise deal with the Authority with the same rights it would have if it were not Trustee. Any paying agent or other agent may do the same with like rights.

Section 9.5 Trustee's Disclaimer. The Trustee makes no representation as to the validity or adequacy of this Indenture or the Bonds or TIFIA Indebtedness, it shall not be accountable for the Authority's use of the proceeds from the Bonds or TIFIA Indebtedness paid to the Authority and it shall not be responsible for any statement in the Bonds other than its certificate of authentication or in TIFIA Indebtedness. The Trustee shall have no responsibility or liability with respect to any information, statements or recitals in any official statement, offering memorandum or other disclosure material prepared or distributed in connection with the issuance of Bonds.

Section 9.6 Notice of Defaults. If an event occurs which with the giving of notice or lapse of time or both would be an Event of Default, and if the event is continuing and if it is actually known to the Trustee, the Trustee shall mail to each Secured Owner with respect to which such Event of Default pertains notice of the event within 90 days after it occurs. Except in the case of a default in payment or purchase on any Bonds, the Trustee may withhold the notice

if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of the affected Secured Owners.

Section 9.7 Compensation of Trustee. For acting under this Indenture, the Trustee shall be entitled to payment of fees for its services and reimbursement of advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee in connection with its services under this Indenture, in accordance with a letter proposal approved by the Authority from time to time.

Section 9.8 Eligibility of Trustee. This Indenture shall always have a Trustee that is a corporation with trust powers, a trust company or a bank having the powers of a trust company and is organized and doing business under the laws of the United States or any state or the District of Columbia, is subject to supervision or examination by United States, state or District of Columbia authority and has a combined capital and surplus of at least \$100,000,000 as set forth in its most recent published annual report of condition.

Section 9.9 Replacement and/or Resignation of Trustee. The Trustee may resign by notifying the Authority in writing at least 60 days prior to the proposed effective date of the resignation. The Owners of a majority in Principal Obligation of the Bonds may remove the Trustee upon 30 days' prior written notice to the Trustee and the Authority and may appoint a successor Trustee with the Authority's consent. The Authority may remove the Trustee at any time and with or without cause by notice in writing delivered to the Trustee 60 days prior to the proposed removal date; provided, however, that the Authority shall have no right to remove the Trustee during any time when an Event of Default has occurred and is continuing. Notwithstanding the foregoing, the Trustee shall not be substituted without a written confirmation from each Rating Agency maintaining a rating on the Bonds at the request of the Authority to the effect that such substitution will not cause the withdrawal or reduction of such rating.

No resignation or removal of the Trustee under this Section shall be effective until a new Trustee has taken office.

If the Trustee resigns or is removed or for any reason is unable or unwilling to perform its duties under this Indenture, the Authority shall promptly appoint a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Authority. Immediately thereafter, the retiring Trustee shall transfer, in strict compliance with the terms thereof, all property held by it as Trustee to the successor Trustee (including, but not limited to, any Credit Facility then in effect), and the resignation or removal of the retiring Trustee shall then (but only then) become effective and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture.

If a Trustee is not performing its duties hereunder and a successor Trustee does not take office within 60 days after the retiring Trustee delivers notice of resignation or the Authority delivers notice of removal, the retiring Trustee, the Authority or the holders of a majority in Principal Obligation of the Bonds may petition any court of competent jurisdiction for the appointment of a successor Trustee.

Section 9.10 Successor Trustee or Agent by Merger. If the Trustee, any Paying Agent or Registrar consolidates with, merges or converts into, or transfers all or substantially all its assets (or, in the case of a bank or trust company, its corporate trust assets) to, another corporation, the resulting, surviving or transferee corporation without any further act shall be the successor Trustee, Paying Agent or Registrar.

Section 9.11 Paying Agent. The Authority may at any time or from time to time appoint a Paying Agent or Paying Agents for the Bonds or for any Series of Bonds [or for TIFIA Indebtedness], and each Paying Agent, if other than the Trustee, shall designate to the Authority and the Trustee its Principal Office and signify its acceptance of the duties and obligations imposed upon it hereunder or under a Supplemental Indenture [or applicable TIFIA Loan Agreement, as the case may be,] by a written instrument of acceptance delivered to the Authority under which each such Paying Agent will agree, particularly:

(a) to hold all sums held by it for the payment of the principal of, premium or interest on Bonds [or TIFIA Indebtedness], as the case may be, in trust for the benefit of the [respective] Bond Owners [or holders of TIFIA Indebtedness] until such sums shall be paid to such Bond Owners [or holders of TIFIA Indebtedness] or otherwise disposed of as herein provided;

(b) to keep such books and records as shall be consistent with prudent industry practice, to make such books and records available for inspection by the Authority and the Trustee at all reasonable times; and

(c) upon the request of the Trustee, to forthwith deliver to the Trustee all sums so held in trust by such Paying Agent.

Section 9.12 Registrar. The Authority shall appoint the Registrar for the Bonds or a Registrar for any Series of Bonds and may from time to time remove a Registrar and name a replacement. Each Registrar, if other than the Trustee, shall designate to the Trustee, the Paying Agent, and the Authority its Principal Office and signify its acceptance of the duties imposed upon it hereunder or under a Supplemental Indenture by a written instrument of acceptance delivered to the Authority and the Trustee under which such Registrar will agree, particularly, to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Authority, the Trustee, and the Paying Agent at all reasonable times.

Section 9.13 Other Agents. The Authority or the Trustee may from time to time appoint other agents to perform duties and obligations under this Indenture or under a Supplemental Indenture, which agents may include, but not be limited to, tender agents, remarketing agents, and authenticating agents all as provided by Supplemental Indenture or resolution of the Authority.

Section 9.14 Several Capacities. Anything in this Indenture to the contrary notwithstanding, the same entity may serve hereunder as the Trustee, Paying Agent, Registrar and any other agent as appointed to perform duties or obligations under this Indenture, under a

Supplemental Indenture or an escrow agreement, or in any combination of such capacities, to the extent permitted by law.

Section 9.15 Accounting Records and Reports of the Trustee. The Trustee shall at all times keep, or cause to be kept, proper books of record and account in which complete and accurate entries shall be made of all transactions relating to the proceeds of the Bonds and the TIFIA Indebtedness, the Revenues and all funds and accounts held by the Trustee pursuant to this Indenture. Such books of record and account shall be available for inspection by the Authority and any Secured Owner or holder of TIFIA Indebtedness, or his agent or representative duly authorized in writing, at reasonable hours and under reasonable circumstances.

The Trustee shall provide to the Authority each month a monthly report of Revenues received, amounts deposited into each fund and account held by the Trustee under this Indenture, the investments made by the Trustee pursuant to this Indenture, the amount disbursed from such funds and accounts and the balance in each of such funds and accounts.

The Trustee shall annually file and furnish to the Authority and to each Secured Owner who shall have filed his name and address with the Trustee for such purpose (at such Secured Owner's cost) and to holders of TIFIA Indebtedness a complete financial statement (which need not be audited) covering receipts, disbursements, allocation and application of Revenues and any other moneys in any of the funds and accounts established pursuant to this Indenture for the preceding Fiscal Year.

ARTICLE X

MODIFICATION OF THIS INDENTURE

Section 10.1 Limitations. This Indenture shall not be modified or amended in any respect subsequent to the first delivery of fully executed and authenticated Bonds except as provided in and in accordance with and subject to the provisions of this Article.

Section 10.2 Supplemental Indentures Not Requiring Consent of Bond Owners. The Authority may, from time to time and at any time, without the consent of or notice to the Bond Owners execute and deliver Supplemental Indentures supplementing and/or amending this Indenture or any Supplemental Indenture as follows:

(a) to provide for the issuance of a Series or multiple Series of Bonds under the provisions of Section 2.9 of this Indenture and to set forth the terms of such Bonds and the special provisions which shall apply to such Bonds;

(b) to cure any formal defect, omission, inconsistency or ambiguity in this Indenture or any Supplemental Indenture;

(c) to add to the covenants and agreements of the Authority in this Indenture or any Supplemental Indenture other covenants and agreements, or to surrender any right or

power reserved or conferred upon the Authority, and which shall not materially adversely affect the interests of the Bond Owners;

(d) to confirm, as further assurance, any interest of the Trustee in and to the Pledged Funds or in and to the funds and accounts held by the Trustee or in and to any other moneys, securities or funds of the Authority provided pursuant to this Indenture or to otherwise add additional security for the Bond Owners;

(e) to evidence any change made in the terms of any Series of Bonds if such changes are authorized by the Supplemental Indenture at the time the Series of Bonds is issued and such change is made in accordance with the terms of such Supplemental Indenture;

(f) to comply with the requirements of the Trust Indenture Act of 1939, as from time to time amended;

(g) to modify, alter, amend or supplement this Indenture or any Supplemental Indenture in connection with entering into a contract pursuant to Section 2.12 or a Reimbursement Agreement or in any other respect which, in the judgment of the Authority, as concurred in by the Trustee, is not materially adverse to the Bond Owners;

(h) to provide for uncertificated Bonds or for the issuance of coupons and bearer Bonds or Bonds registered only as to principal;

(i) to qualify the Bonds or a Series of Bonds for a rating or ratings by any Rating Agency; and

(j) to comply with the requirements of the Code as are necessary, in the opinion of Bond Counsel, to prevent the inclusion of the interest on the Bonds or a Series of Bonds in gross income for purposes of federal income taxation.

No such Supplemental Indenture shall modify any of the rights or obligations of the Trustee without its prior written consent.

The Authority may execute and deliver a Supplemental Indenture, but only after there shall have been delivered to the Authority an opinion of Bond Counsel stating that such Supplemental Indenture is authorized or permitted by this Indenture, the Act and other applicable law, complies with their respective terms, will, upon the execution and delivery thereof, be valid and binding upon the Authority in accordance with its terms and will not adversely affect the exclusion from gross income for federal income tax purposes of interest on Bonds which are then unpaid and for which there has been delivered an opinion of Bond Counsel to the effect that interest on such Bonds is excluded from gross income for federal income tax purposes.

Section 10.3 Supplemental Indentures Requiring Consent of Bond Owners.

(a) Except for any Supplemental Indenture entered into pursuant to Section 10.2 and any Supplemental Indenture entered into pursuant to Section 10.3(b) below, subject to the terms and provisions contained in this Section and not otherwise, the Owners of not less than a majority of the aggregate Principal Obligation of the Bonds then Outstanding shall have the

right from time to time to consent to and approve the execution by the Authority of any Supplemental Indenture deemed necessary or desirable by the Authority for the purposes of modifying, altering, amending, supplementing or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in a Supplemental Indenture; provided that, unless approved in writing by the Owners of all the Bonds then Outstanding or unless such change affects less than all Series of Bonds and the following subsection (b) is applicable, nothing herein contained shall permit, or be construed as permitting, (i) a change in the times, amounts or currency of payment of the principal of or interest on any Outstanding Bonds or (ii) a reduction in the principal amount or redemption price of any Outstanding Bonds or the rate of interest thereon; and provided that nothing herein contained, including the provisions of Section 10.3(b) below, shall, unless approved in writing by the Owners of all the Bonds then Outstanding, permit or be construed as permitting (iii) the creation of a lien (except as expressly permitted by this Indenture as originally executed) upon or pledge of the Pledged Funds created by this Indenture, ranking prior to or on parity with the claim created by this Indenture, or (iv) except as provided herein and except with respect to additional security which may be provided for a particular Series of Bonds, a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (v) a reduction in the aggregate Principal Obligation of Bonds the consent of the Bond Owners of which is required for any such Supplemental Indenture. Nothing herein contained, however, shall be construed as making necessary the approval by Bond Owners of the execution of any Supplemental Indenture as authorized in Section 10.2, including the granting, for the benefit of particular Series of Bonds, security in addition to the pledge of the Pledged Funds.

(b) The Authority may, from time to time and at anytime execute a Supplemental Indenture which amends the provisions of an earlier Supplemental Indenture under which a Series or multiple Series of Bonds were issued. If such Supplemental Indenture is executed for one of the purposes set forth in Section 10.2, no notice to or consent of the Bond Owners shall be required. If such Supplemental Indenture contains provisions which affect the rights and interests of less than all Series of Bonds Outstanding and Section 10.2 is not applicable, then this subsection (b) rather than subsection (a) above shall control and, subject to the terms and provisions contained in this Section 10.3 and not otherwise, the Owners of not less than a majority of the aggregate Principal Obligation of the Bonds of all Series which are affected by such changes shall have the right from time to time to consent to and approve the execution by the Authority of any Supplemental Indenture deemed necessary or desirable by the Authority for the purposes of modifying, altering, amending, supplementing or rescinding, in any particular, any of the terms or provisions contained in such Supplemental Indenture and affecting only the Bonds of such Series; provided that, unless approved in writing by the Owners of all the Bonds of all the affected Series then Outstanding, nothing herein contained shall permit, or be construed as permitting, (i) a change in the times, amounts or currency of payment of the principal of or interest on any Outstanding Bonds of such Series or (ii) a reduction in the principal amount or redemption price of any Outstanding Bonds of such Series or the rate of interest thereon. Nothing herein contained, however, shall be construed as making necessary the approval by Bond Owners of the adoption of any Supplemental Indenture as authorized in Section 10.2, including the granting, for the benefit of particular Series of Bonds, security in addition to the pledge of the Pledged Funds.

(c) If at any time the Authority shall desire to enter into any Supplemental Indenture for any of the purposes of this Section, the Authority shall cause notice of the proposed

execution of the Supplemental Indenture to be given by Mail to all Secured Owners or, under Section 10.3(b), all Secured Owners of the affected Series. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that a copy thereof is on file at the office of the Authority for inspection by all Secured Owners.

(d) Not less than one week after the date of the first mailing of such notice, the Authority may execute and deliver such Supplemental Indenture in substantially the form described in such notice, but only if there shall have first been delivered to the Authority (i) the required consents, in writing, of Bond Owners, and (ii) an opinion of Bond Counsel stating that such Supplemental Indenture is authorized or permitted by this Indenture and other applicable law, complies with their respective terms and, upon the execution and delivery thereof, will be valid and binding upon the Authority in accordance with its terms and will not adversely affect the exemption from federal income taxation of interest on the Bonds.

(e) If Bond Owners of not less than the percentage of Bonds required by this Section shall have consented to and approved the execution and delivery thereof as herein provided, no Bond Owners shall have any right to object to the adoption of such Supplemental Indenture, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution and delivery thereof, or to enjoin or restrain the Authority from executing the same or from taking any action pursuant to the provisions thereof.

Section 10.4 Effect of Supplemental Indenture. Upon execution and delivery of any Supplemental Indenture pursuant to the provisions of this Article, this Indenture or the Supplemental Indenture shall be, and shall be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture and the Supplemental Indenture of the Authority, the Trustee, the Paying Agent and all Bond Owners shall thereafter be determined, exercised and enforced under this Indenture and the Supplemental Indenture, if applicable, subject in all respects to such modifications and amendments.

Section 10.5 Supplemental Indentures To Be Part of This Indenture. Any Supplemental Indenture adopted in accordance with the provisions of this Article shall thereafter form a part of this Indenture or the Supplemental Indenture which they supplement or amend, and all of the terms and conditions contained in any such Supplemental Indenture as to any provision authorized to be contained therein shall be and shall be deemed to be part of the terms and conditions of this Indenture or the Supplemental Indenture which they supplement or amend for any and all purposes.

ARTICLE XI

MISCELLANEOUS PROVISIONS

Section 11.1 Parties in Interest. Except as herein otherwise specifically provided, nothing in this Indenture expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the Authority, the Paying Agent, the Trustee and the Secured Owners any right, remedy or claim under or by reason of this Indenture,

this Indenture being intended to be for the sole and exclusive benefit of the Authority, the Paying Agent, the Trustee and the Secured Owners.

Section 11.2 Severability. In case any one or more of the provisions of this Indenture, or of any Bonds issued hereunder shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Indenture or of Bonds, and this Indenture and any Bonds issued hereunder shall be construed and enforced as if such illegal or invalid provisions had not been contained herein or therein.

Section 11.3 No Personal Liability of Authority Officials; Limited Liability of Authority to Bond Owners. No covenant or agreement contained in the Bonds or in this Indenture shall be deemed to be the covenant or agreement of any present or future official, officer, agent or employee of the Authority in his individual capacity, and neither the members of the Authority nor any person executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Except for the payment from the Pledged Funds when due of the payments and the observance and performance of the other agreements, conditions, covenants and terms required to be performed by it contained in this Indenture, the Authority shall not have any obligation or liability to the Bond Owners with respect to this Indenture or the preparation, execution, delivery, transfer, exchange or cancellation of the Bonds or the receipt, deposit or disbursement of the payments by the Trustee, or with respect to the performance by the Trustee of any obligation required to be performed by it contained in this Indenture.

Section 11.4 Execution of Instruments; Proof of Ownership. Any request, direction, consent or other instrument in writing required or permitted by this Indenture to be signed or executed by Bond Owners or on their behalf by an attorney in fact may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Bond Owners in person or by an agent or attorney in-fact appointed by an instrument in writing or as provided in the Bonds. Proof of the execution of any such instrument and of the ownership of Bonds shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee with regard to any action taken by it under such instrument if made in the following manner:

(a) The fact and date of the execution by any person of any such instrument may be proved by the certificate of any officer in any jurisdiction who, by the laws thereof, has power to take acknowledgments within such jurisdiction, to the effect that the person signing such instrument acknowledged before him the execution thereof, or by an affidavit of a witness to such execution.

(b) The ownership of Bonds shall be proved by the registration books kept under the provisions hereof.

Nothing contained in this Section shall be construed as limiting the Trustee to such proof. The Trustee may accept any other evidence of matters herein stated which it may deem sufficient. Any request, consent of, or assignment by any Bond Owner shall bind every future

Bond Owner of the same Bonds or any Bonds issued in lieu thereof in respect of anything done by the Trustee or the Authority in pursuance of such request or consent.

Section 11.5 Governing Law. The Act and other laws of the State shall govern the construction and enforcement of this Indenture and of all Bonds issued hereunder; provided, however, that the administration of the trusts imposed upon the Trustee by this Indenture and the rights and duties of the Trustee hereunder shall be governed by, and construed in accordance with, the laws of the jurisdiction in which the Trustee has its Principal Office.

Section 11.6 Notices. Except as otherwise provided in this Indenture, all notices, certificates, requests, requisitions or other communications by the Authority, the Trustee, the Paying Agent, or the Registrar, pursuant to this Indenture shall be in writing and shall be sufficiently given and shall be deemed given when mailed by registered mail, postage prepaid, addressed as follows:

If to the Authority:	Delaware Transportation Authority Transportation Administration Building PO Box 778 Dover, DE 19903 Attention: Secretary Telephone: (302) 760-2302 Facsimile: (302) 739-7725
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If to the Trustee: (Paying Agent/Registrar)	Wilmington Trust, National Association Rodney Square North 1100 North Market Street Wilmington, DE 19890 Attention: Corporate Trust Division Telephone: (302) 363-6436 Facsimile: (____) ____-____
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Any of the foregoing may, by notice given hereunder to each of the others, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent hereunder.

Section 11.7 Holidays. 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 this Indenture, shall not be a Business Day, such payment may, unless otherwise provided in this Indenture or, with respect to any Series of Bonds or portion of Series of Bonds, provided in the Supplemental Indenture under which such Bonds are issued, be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this Indenture, and no interest shall accrue for the period after such nominal date.

Section 11.8 Validity of Bonds Not Affected by Acts of Authority. The validity of the authorization and issuance of the Bonds by the Authority shall not be dependent upon or affected in any way by:

(a) Proceedings taken by the Authority for the acquisition, construction or completion of the Pledged Facility or any part thereof;

(b) Any contracts made in connection with the acquisition, construction or completion of the Pledged Facility; or

(c) The failure to complete the Pledged Facility or any portion thereof for which the Bonds are authorized to be issued.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed all as of the date first above written.

DELAWARE TRANSPORTATION AUTHORITY

By: _____
Title: Secretary,
Department of Transportation

[SEAL]

By: _____
Title: Director of Finance,
Department of Transportation

By: _____
Title: Transportation Trust Fund Administrator

WILMINGTON TRUST, NATIONAL
ASSOCIATION, as Trustee

Attest:

By: _____
Authorized Officer

[Corporate Seal]

By: _____
Authorized Officer

APPENDIX A
SCHEDULE OF MINIMUM TOLL RATES
[TO COME]

APPENDIX B

REPAIR AND REPLACEMENT FUND REQUIREMENT – ANNUAL AMOUNTS

[TO COME]