

## NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY

Minutes of the meeting of the New Jersey Transportation Trust Fund Authority (“Authority”) held at the Office of the Commissioner in the Main Office Building of the New Jersey Department of Transportation, 1035 Parkway Avenue, Trenton, New Jersey on September 6, 2018 at 11:10 AM (EDT).

The following Authority members were present:

- Diane Gutierrez-Scaccetti, NJTTFA Chairperson, Acting Commissioner, New Jersey Department of Transportation
- Michael Kanef, NJTTFA Treasurer (Director, Office of Public Finance, New Jersey Department of the Treasury / Designee for the Honorable Elizabeth Maher Muoio, New Jersey State Treasurer)
- Gregory Lalevee, NJTTFA Vice Chairperson – [Via Teleconference]
- Robert A. Briant, Jr., NJTTFA Public Member
- Nelson Ferreira, NJTTFA Public Member
- John J. Duthie – [Via Teleconference]

Constituting a quorum of the Members of the Authority.

There were also present:

- Gary J. Brune, NJTTFA Executive Director; CFO, NJDOT
- Kavin Mistry, Deputy Director, NJDOL
- Brian McGarry, Deputy Attorney General, NJDOL
- David Moore, Deputy Director, Office of Public Finance, New Jersey Department of the Treasury

- Lewis Daidone, Assistant Commissioner of Finance and Administration, NJDOT
- Joseph Bertoni, Deputy Commissioner, NJDOT
- Nick Hansen, Administrative Analyst I, NJDOT
- Adam Sternbach, Governor's Authorities Unit
- Linda Davino, Secretary to the Authority, NJDOT
- Jackie Brown, Assistant Secretary to the Authority, NJDOT
- Tricia Gasparine, Esq., Chiesa Shahinian & Giantomasi PC
- David McCarthy, Bank of America

Chairperson Diane Gutierrez-Scaccetti presided at the meeting and Linda Davino, Authority Secretary, kept the minutes.

Chairperson Diane Gutierrez-Scaccetti convened the meeting at 11:10 AM. She introduced herself and made the following statement:

*"I wish to announce that adequate notice of today's meeting of the New Jersey Transportation Trust Fund Authority has been provided in accordance with the Open Public Meetings Act. Notice was filed with the Secretary of State. This notice was also e-mailed and mailed to five [5] newspapers of general distribution (The Trentonian, Trenton Times, Courier Post, Star Ledger, and the Atlantic City Press); posted on the Authority's website, and posted in the main entrance of the New Jersey Department of Transportation's Headquarters."*

Secretary Linda Davino called the roll. The following acknowledged their presence: Diane Gutierrez-Scaccetti, Gregory Lalevee, Robert A. Briant, Jr., Nelson Ferreira, John J. Duthie and Michael Kanef.

A brief break was taken and then after acknowledging that a quorum was present, Chairperson Diane Gutierrez-Scaccetti called the first order of business by requesting a motion to approve the minutes of the TTFA Board meeting held on May 8, 2018.

Mr. Briant moved to adopt the following resolution approving the Authority's May 8, 2018 meeting:

**WHEREAS**, Article II, Section 8 of the By-laws of the New Jersey Transportation Trust Fund Authority (the "Authority") provides that the minutes of actions taken at the meetings of the Authority be approved by the Authority.

**NOW, THEREFORE, BE IT RESOLVED**, that the minutes taken at the meeting of May 8, 2018 of the New Jersey Transportation Trust Fund Authority are hereby approved.

Chairperson Diane Gutierrez-Scaccetti asked if anyone had any questions or further discussion. The members did not have any questions or discussion on the motion. The motion was seconded by Mr. Lalevee. The members were polled with all members being in favor, and no members were in opposition; therefore, the motion was carried.

Chairperson Diane Gutierrez-Scaccetti declared said motion carried and said resolution adopted.

For the next order of business, Chairperson Diane Gutierrez-Scaccetti called the next order of business by requesting a motion to approve the minutes of the TTFA Board meeting held on May 23, 2018.

Mr. Ferreira moved to adopt the following resolution approving the Authority's May 23, 2018 meeting:

**WHEREAS**, Article II, Section 8 of the By-laws of the New Jersey Transportation Trust Fund Authority (the "Authority") provides that the minutes of actions taken at the meetings of the Authority be approved by the Authority.

**NOW, THEREFORE, BE IT RESOLVED**, that the minutes taken at the meeting of May 23, 2018 of the New Jersey Transportation Trust Fund Authority are hereby approved.

Chairperson Diane Gutierrez-Scaccetti asked if anyone had any questions or further discussion. The members did not have any questions or discussion on the motion. The motion was seconded by Mr. Briant. The members were polled with all members being in favor, and no members were in opposition; therefore, the motion was carried.

For the next order of business, Chairperson Diane Gutierrez-Scaccetti requested the consideration of officers to serve the Authority effective through Fiscal Year 2019. Board member Robert A. Briant, Jr. nominated Gregory Lalevee for Vice Chairperson. Chairperson Diane Gutierrez-Scaccetti requested a motion that Gregory Lalevee be elected to serve as Vice Chairperson of the Authority for Fiscal Year 2019. Mr. Ferreira moved to adopt the following resolution electing Mr. Gregory Lalevee as Vice Chairperson of the Authority through Fiscal Year 2019:

**WHEREAS**, the Bylaws of the Authority provide for the annual election by the Authority of Vice Chairperson and such other offices as it shall deem necessary; and

**WHEREAS**, the Authority desires to fill the position of Vice Chairperson;

**NOW, THEREFORE, BE IT RESOLVED**, that the Authority elects Mr. Gregory Lalevee to serve in the capacity of Vice Chairperson through Fiscal Year 2019.

Chairperson Diane Gutierrez-Scaccetti asked if anyone had any questions or further discussion. The members did not have any questions or discussion on the motion. The resolution

was seconded by Mr. Kanef. The members were polled with all members being in favor, and no members were in opposition. Chairperson Diane Gutierrez-Scaccetti declared said motion carried and said resolution adopted.

Next, Chairperson Diane Gutierrez-Scaccetti requested a nomination for the position of Treasurer to the Board and Mr. Briant recommended that Michael Kanef, Director, Office of Public Finance, NJ Department of the Treasury, Designee for the Honorable Elizabeth Maher Muoio, New Jersey State Treasurer) serve in the capacity of Treasurer of the Authority through Fiscal Year 2019. Mr. Duthie moved to adopt the following resolution:

**WHEREAS**, the Bylaws of the Authority provide for the annual election by the Authority of a Treasurer and such other offices as it shall deem necessary; and

**WHEREAS**, the Authority desires to fill the position of Treasurer;

**NOW, THEREFORE, BE IT RESOLVED**, that the Authority elects Mr. Michael Kanef, Director, Office of Public Finance, NJ Department of the Treasury, Designee for the Honorable Elizabeth Muoio, New Jersey State Treasurer, to serve in the capacity of Treasurer through Fiscal Year 2019.

Chairperson Diane Gutierrez-Scaccetti asked if anyone had any questions or further discussion. The members did not have any questions or discussion on the motion. The resolution was seconded by Mr. Briant. The members were polled with all members being in favor, and no members were in opposition. Chairperson Diane Gutierrez-Scaccetti declared said motion carried and said resolution adopted.

Next, Chairperson Diane Gutierrez-Scaccetti requested a nomination for the position of Assistant Treasurer to the Board and Mr. Briant nominated that David K. Moore, Deputy Director, Office of Public Finance, NJ Department of the Treasury serve in the capacity of Assistant

Treasurer of the Authority through Fiscal Year 2019. Mr. Lalevee moved to adopt the following resolution:

**WHEREAS**, the Bylaws of the Authority provide for the annual election by the Authority of an Assistant Treasurer and such other offices as it shall deem necessary; and

**WHEREAS**, the Authority desires to fill the position of Assistant Treasurer;

**NOW, THEREFORE, BE IT RESOLVED**, that the Authority elects David K. Moore, Manager, Office of Public Finance, NJ Department of the Treasury, to serve in the capacity of Assistant Treasurer through Fiscal Year 2019.

Chairperson Diane Gutierrez-Scaccetti asked if anyone had any questions or further discussion. The members did not have any questions or discussion on the motion. The resolution was seconded by Mr. Kanef. The members were polled with all members being in favor, and no members were in opposition. Chairperson Diane Gutierrez-Scaccetti declared said motion carried and said resolution adopted.

Next, Chairperson Diane Gutierrez-Scaccetti requested a nomination for the position of Comptroller to the Board and Mr. Briant recommended that Samuel Braun, Division of Budget, NJ Department of Transportation, serve in the capacity of Comptroller through Fiscal Year 2019.

Mr. Ferreira moved to adopt the following resolution:

**WHEREAS**, the Bylaws of the Authority provide for the annual election by the Authority of Comptroller and such other offices as it shall deem necessary; and

**WHEREAS**, the Authority desires to fill the position of Comptroller;

**NOW, THEREFORE, BE IT RESOLVED**, that the Authority elects Samuel Braun, to serve in the position of Comptroller of the Authority through Fiscal Year 2019.

Chairperson Diane Gutierrez-Scaccetti asked if anyone had any questions or further discussion. The members did not have any questions or discussion on the motion. The resolution was seconded by Mr. Kanef. The members were polled with all members being in favor, and no members were in opposition. Chairperson Diane Gutierrez-Scaccetti declared said motion carried and said resolution adopted.

Next, Chairperson Diane Gutierrez-Scaccetti requested a nomination for the position of Secretary to the Board and Mr. Briant recommended that Linda Davino, be nominated to serve as Secretary of the Authority through Fiscal Year 2019. Mr. Lalevee moved to adopt the following resolution:

**WHEREAS**, the Bylaws of the Authority provide for the annual election by the Authority of Secretary and such other offices as it shall deem necessary; and

**WHEREAS**, the Authority desires to fill the position of Secretary;

**NOW, THEREFORE, BE IT RESOLVED**, that the Authority elects Linda Davino to serve in the capacity of Secretary through Fiscal Year 2019.

Chairperson Diane Gutierrez-Scaccetti asked if anyone had any questions or further discussion. The members did not have any questions or discussion on the motion. The resolution was seconded by Mr. Ferreira. The members were polled with all members being in favor, and no members were in opposition. Chairperson Diane Gutierrez-Scaccetti declared said motion carried and said resolution adopted

Next, Chairperson Diane Gutierrez-Scaccetti requested a nomination for the position of Assistant Secretary to the Board and Mr. Briant recommended that Jackie Brown be nominated

to serve as Assistant Secretary of the Authority through Fiscal Year 2019. Mr. Kanef moved to adopt the following resolution:

**WHEREAS**, the Bylaws of the Authority provide for the annual election by the Authority of Assistant Secretary and such other offices as it shall deem necessary; and

**WHEREAS**, the Authority desires to fill the position of Assistant Secretary;

**NOW, THEREFORE, BE IT RESOLVED**, that the Authority elects Jackie Brown to serve in the capacity of Assistant Secretary through Fiscal Year 2019.

Chairperson Diane Gutierrez-Scaccetti asked if anyone had any questions or further discussion. The members did not have any questions or discussion on the motion. The resolution was seconded by Mr. Ferreira. The members were polled with all members being in favor, and no members were in opposition. Chairperson Diane Gutierrez-Scaccetti declared said motion carried and said resolution adopted.

Please note Agenda Item F. was tabled.

Next, Chairperson Diane Gutierrez-Scaccetti stated that that a vacancy presently exists on the TTFA's Audit Committee. In accordance with Executive Order 122 signed by Governor McGreevey, the Audit Committee must have no less than three members. Preferably, at least one of the Audit Committee members should have significant financial expertise. Chairperson Diane Gutierrez-Scaccetti requested a recommendation regarding the person who should fill this position and Mr. Briant recommended that Michael Kanef serve in the capacity of a member of the Audit Committee. Mr. Gregory Lalevee moved to adopt the following resolution:

**RESOLUTION APPOINTING A TTFA AUDIT COMMITTEE MEMBER**

**WHEREAS**, the New Jersey Transportation Trust Fund Authority (the "Authority") was established pursuant to the New Jersey Transportation Trust Fund Authority Act of 1984, as amended, N.J.S.A. 27:1B-1 et seq., ("Act"); and

**WHEREAS**, on July 23, 2004, Governor McGreevey issued Executive Order No. 122 (McGreevey 2004) which requires the governing body of a State authority to establish an Audit Committee and sets forth certain duties and obligations of the Audit Committee; and

**WHEREAS**, there is currently a vacancy on the Audit Committee; and

**WHEREAS**, the Authority desires to appoint an individual to serve on the Audit Committee in compliance with the requirements of E.O. 122 (McGreevey 2004), who shall be a member of the Board.

**NOW, THEREFORE, BE IT RESOLVED** that:

1. The Authority hereby appoints Michael Kanef to serve on the Audit Committee in accordance with Article VI of the By-laws. Mr. Kanef shall serve until such time as his/her successor is appointed.
2. This Resolution shall take effect upon adoption in accordance with the Act.

Chairperson Diane Gutierrez-Scaccetti asked if anyone had any questions or further discussion. The members did not have any questions or discussion on the motion. The above resolution was seconded by Mr. Nelson Ferreira. The members were polled with all members being in favor, and no members were in opposition. Chairperson Diane Gutierrez-Scaccetti declared said motion carried and said resolution adopted.

Chairperson Diane Gutierrez-Scaccetti called the next order of business by requesting that Tricia Gasparine, Esq., Bond Counsel to the Authority, lead a discussion regarding the approval of the resolution authorizing the execution and delivery of an Amended and Restated Term Loan Agreement, which will amend and restate the Term Loan Agreement dated as of October 26, 2016 by and between the Authority and Bank of America, N. A. entered into in connection with the Authority's \$500,000,000 Federal Highway Reimbursement Revenue Notes, 2016 Series B, approving the forms of the various financing documents and delegates to the Authorized Officers

authority to take certain actions necessary to execute and deliver this Amended and Restated Term Loan Agreement.

Ms. Gasparine provided that as the Resolution authorizes the execution and delivery of an Amended and Restated Term Loan Agreement. Specifically, the Term Loan Agreement will be amended to revise the terms relating to the transfer of the Term Loan Agreement, explicitly permit ratings to be obtained on the 2016 Series B Notes and reduce the interest rate on the 2016 Series B Notes. As the Commissioner said, the Resolution also authorizes the execution and delivery of a First Amendment to First Supplemental Indenture and other actions in connection with the foregoing.

Mr. Kanef commented that the net present value ("NPV") savings would be \$3 million for the TTFA on the \$500 million note.

Chairperson Diane Gutierrez-Scaccetti asked if anyone had any questions or further discussion and, hearing none, then requested a motion to adopt the resolution entitled: "Approval of The Supplemental Federal Highway Reimbursement Revenue Note Resolution," Mr. Ferreira moved to adopt the Resolution (which is appended to these minutes).

The motion was seconded by Mr. Kanef and adopted on a call of roll as follows:

**AYE: 6**

**NAY:**

**ABSTAIN:**

**ABSENT:**

Chairperson Diane Gutierrez-Scaccetti declared said motion carried and said resolution adopted.

Please note Agenda Item I. was tabled.

For the next order of business, Chairperson Diane Gutierrez-Scaccetti stated that she had a special resolution from the NJTTFA Board, thanking Gary Brune for his outstanding service to the New Jersey Department of Transportation and as Executive Director to the New Jersey Transportation Trust Fund Authority. Chairperson Diane Gutierrez-Scaccetti read the resolution to the Board and noted that Mr. Brune had a long career at the Office of Management and Budget which had prepared him to come to the Department of Transportation and support all of the good work that is done here. She stated on behalf of the Trust Fund Authority we thank you for your services and we wish you well as you start your next chapter in life.

Mr. Brune thanked the Commissioner and all of the individuals that bring the information together such as individuals from the Governor's Authority's Unit, Office of Public Finance and our Deputy Attorney Generals and that's what makes everything work. Mr. Brune thanked Chairperson Diane Gutierrez-Scaccetti and he wished her the best of luck.

Chairperson Diane Gutierrez-Scaccetti then asked if there would be any further discussion. Hearing none, she requested a motion for the approval of the Resolution of the New Jersey Transportation Trust Fund Authority.

Mr. Briant moved to adopt the following resolution:

**RESOLUTION OF THE NEW JERSEY  
TRANSPORTATION TRUST FUND AUTHORITY  
SEPTEMBER 6, 2018**

**WHEREAS**, Gary J. Brune has served as Executive Director to the New Jersey Transportation Trust Fund Authority, an independent agency of the New Jersey state government, from August 2010 to September 2018, and

**WHEREAS**, the Executive Director plays a key role in the operation of the Authority, charged with coordinating the work of multidisciplinary teams from public and private entities to address the bonding and investing responsibilities associated with the Authority, and,

**WHEREAS**, Gary J. Brune fulfilled all the duties of the Executive Director with dedication, professionalism and hard work and often under restricted time lines, and,

**WHEREAS**, even under the most stressful of circumstances, Gary J. Brune always provided direction and leadership, and

**WHEREAS**, the people of the State of New Jersey, the New Jersey Department of Transportation, and the New Jersey Transportation Trust Fund Authority take great pleasure in recognizing the significant contributions and commitment personified by Gary J. Brune

**NOW THEREFORE, BE IT RESOLVED** that:

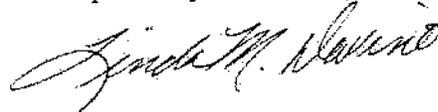
- 1) That this Authority hereby honors and salutes Gary J. Brune as he retires from his extraordinary career at the New Jersey Department of Transportation, and his duties as Executive Director to the Transportation Trust Fund Authority, commends his outstanding performance to the people of the State of New Jersey, and extends sincere best wishes on his future endeavors.

The motion was seconded by Mr. Gregory Lalevee. The members were polled with all members being in favor, and no members were in opposition. Chairperson Diane Gutierrez-Scaccetti declared said motion carried and said resolution adopted.

There being no further business coming from the Authority, Chairperson Diane Gutierrez-Scaccetti requested a motion to adjourn the meeting. Mr. Briant moved that the September 6, 2018 meeting of the New Jersey Transportation Trust Fund Authority be adjourned. Mr. Gregory Lalevee seconded the motion, which was carried by unanimous vote.

The September 6, 2018 meeting of the New Jersey Transportation Trust Fund Authority ended at approximately 11:30 AM.

Respectfully Submitted,



Linda M. Davino

Secretary of the Authority

**AGENDA ITEM H**  
**APPROVAL OF THE SUPPLEMENTAL FEDERAL HIGHWAY REIMBURSEMENT REVENUE**  
**NOTE RESOLUTION**

This Resolution authorizes the execution and delivery of an Amended and Restated Term Loan Agreement, which will amend and restate the Term Loan Agreement dated as of October 26, 2016 by and between the Authority and Bank of America, N.A. entered into in connection with the Authority's \$500,000,000 Federal Highway Reimbursement Revenue Notes, 2016 Series B (the "2016 Series B Notes"). Specifically, the Term Loan Agreement will be amended to (a) revise the terms relating to the transfer of the Term Loan Agreement, (b) explicitly permit ratings to be obtained on the 2016 Series B Notes and (c) reduce the interest rate on the 2016 Series B Notes. This Resolution also authorizes the execution and delivery of a First Amendment to First Supplemental Indenture and other actions in connection with the foregoing.

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**NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY**

**SUPPLEMENTAL FEDERAL HIGHWAY REIMBURSEMENT REVENUE NOTE RESOLUTION**

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**Adopted \_\_\_\_\_, 2018**

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**NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY**

**SUPPLEMENTAL FEDERAL HIGHWAY REIMBURSEMENT REVENUE NOTE RESOLUTION**

Adopted \_\_\_\_\_, 2018

**W I T N E S S E T H**

**WHEREAS**, the Authority (as hereinafter defined) was established and exists pursuant to the Act (as hereinafter defined); and

**WHEREAS**, the Act provides that there exists an urgent need for a stable and assured method of financing the planning, acquisition, engineering, construction, reconstruction, repair and rehabilitation of New Jersey's transportation system and that unless additional State funding is provided immediately for New Jersey's transportation system, the cost of repair and reconstruction will increase geometrically and the economic well-being and safety of users of the State's transportation system will be endangered; and

**WHEREAS**, pursuant to the Act, the Authority has the power, among others, to issue notes in anticipation of the receipt of appropriations, grants, reimbursements or other funds, including without limitation grants from the federal government for federal aid highways or public transportation systems, the principal of or interest on which, or both, shall be payable out of the proceeds of appropriations, grants, reimbursements or other funds, including without limitation grants from the federal government for federal aid highways or public transportation systems, which notes shall not be subject to the bonding limitations as provided in Section 9(i) of the Act; and

**WHEREAS**, in order to provide funds to finance State Transportation System Costs, the Authority expects to issue notes from time to time including, without limitation, Federal Highway Reimbursement Revenue Notes payable from and secured by certain federal highway reimbursement funds received by NJDOT pursuant to Title 23 of the United States Code (the "Federal Highway Reimbursement Revenues"); and

**WHEREAS**, in order to provide funds to finance eligible projects under Title 23 of the United States Code ("Federal Projects"), the Authority may also issue Federal Highway Grant Anticipation Revenue Notes, payable from and secured by certain federal highway transportation funds received by NJDOT pursuant to Title 23 of the United States Code (the "Federal Highway Grant Revenues"); and

**WHEREAS**, on November 2, 2016, the Authority issued its \$500,000,000 Federal Highway Reimbursement Revenue Notes, 2016 Series B (the "2016 Series B Notes"); and

**WHEREAS**, the 2016 Series B Notes were issued under and pursuant to the Act, a Federal Highway Reimbursement Revenue Note Resolution adopted by the Authority on October 14, 2016 (the "2016 Note Resolution"), and a Master Trust Indenture (the "Master Indenture") dated as of October 26, 2016 by and between the Authority and U.S. Bank National Association, as Trustee (the "Trustee"), as supplemented by a First Supplemental Trust Indenture dated as of October 26, 2016 by and between the Authority and the Trustee (the "First Supplemental Indenture"); and

**WHEREAS**, the 2016 Series B Notes were sold to Bank of America, N.A. (the "Bank") pursuant to a Term Loan Agreement dated as of October 26, 2016 by and between the Authority and the Bank (the "Term Loan Agreement"); and

**WHEREAS**, the Authority and the Bank now wish to amend the Term Loan Agreement to (i) revise the terms relating to the transfer of the Term Loan Agreement, (ii) explicitly permit ratings to be obtained on the 2016 Series B Notes and (iii) reduce the interest rate on the 2016 Series B Notes; and

**WHEREAS**, the Authority now wishes to authorize (i) the execution and delivery of an Amended and Restated Term Loan Agreement, (ii) a First Amendment to First Supplemental Indenture, and (iii) other actions in connection therewith, all as hereinafter set forth.

**NOW, THEREFORE, BE IT RESOLVED** by the Members of the New Jersey Transportation Trust Fund Authority as follows:

**ARTICLE I  
AUTHORITY AND DEFINITIONS**

**1.1. Authority for this Supplemental Resolution.**

This Supplemental Federal Highway Reimbursement Revenue Note Resolution (the "Supplemental Note Resolution") is adopted pursuant to the provisions of the Act.

**1.2. Definitions.**

All capitalized terms used herein and not otherwise defined shall have the same meanings, respectively, in this Supplemental Note Resolution as such terms are given in the 2016 Note Resolution or the Master Trust Indenture.

In addition, in this Supplemental Note Resolution, the following terms shall have the meanings set forth below:

**"Act"** means the New Jersey Transportation Trust Fund Authority Act of 1984, constituting Chapter 73, Laws of New Jersey of 1984, as heretofore or hereafter from time to time amended and supplemented.

**"Amended and Restated Term Loan Agreement"** means the Amended and Restated Term Loan Agreement authorized pursuant to Section 2.1 hereof.

**"Authority"** means the New Jersey Transportation Trust Fund Authority, a public body corporate and politic created and existing under and by virtue of the Act, and any board, body, authority, agency, political subdivision or other instrumentality of the State which shall hereafter succeed to the powers, duties and functions thereof.

**"Authorized Authority Representative"** means the Chairperson of the Authority, the Vice Chairperson of the Authority, the Executive Director of the Authority or the Treasurer of the Authority.

**"Bank"** means Bank of America, N.A. and/or any affiliate of Bank of America, N.A., and their respective successors and permitted assigns.

**"Bond Counsel"** means Chiesa Shahinian & Giantomasi PC or any other attorney or firm of attorneys selected from time to time by the Authority having recognized standing and expertise in the field of law relating to municipal finance and whose legal opinions are generally accepted by purchasers of municipal obligations.

**"First Amendment to First Supplemental Indenture"** means the First Amendment to First Supplemental Indenture authorized pursuant to Section 2.2 hereof.

**"Indenture"** means the Master Trust Indenture, as amended and supplemented.

**"Master Trust Indenture"** means the Master Trust Indenture dated as of October 26, 2016, by and between the Authority and the Trustee.

**"State"** means the State of New Jersey.

**"State Attorney General"** means the Attorney General of the State.

**"Term Loan Agreement"** means the Term Loan Agreement relating to the 2016 Series B Notes dated as of October 26, 2016 by and between the Authority and the Bank.

**"Trustee"** means U.S. Bank National Association, a national banking association, and its successors and permitted assigns, as Trustee under the Indenture.

Unless expressly provided to the contrary, all Article and section references are to the Articles and sections of this Note Resolution.

## **ARTICLE II AUTHORIZATION OF AMENDMENTS**

### **2.1. Authorization of Amended and Restated Term Loan Agreement.**

The form of the Amended and Restated Term Loan Agreement presented to this meeting is hereby approved for execution by the Authority, provided that an Authorized Authority Representative is hereby authorized, with the advice of Bond Counsel and the State Attorney General, to make such changes, insertions and deletions to and omissions from such form as may be necessary or appropriate. The Authorized Authority Representatives are, and each such Authorized Authority Representative is, hereby authorized and directed to approve the terms of the Amended and Restated Term Loan Agreement and to execute and deliver such Amended and Restated Term Loan Agreement to the Bank, provided that the provisions of such Amended and Restated Term Loan Agreement are acceptable to counsel to the Authority (including Bond Counsel and the State Attorney General).

### **2.2. Authorization of First Amendment to First Supplemental Indenture.**

The First Amendment to First Supplemental Indenture, in substantially the form presented to this meeting, is hereby approved for execution by the Authority, provided that an Authorized Authority Representative is hereby authorized, with the advice of Bond Counsel and

the State Attorney General, to make such changes, insertions and deletions to and omissions from such form as may be necessary or appropriate.

**ARTICLE III  
ADDITIONAL ACTIONS**

**3.1. Additional Actions.**

The Authorized Authority Representatives are hereby authorized to execute and deliver such other documents and certificates and to take such actions as may be necessary or advisable in connection with the execution and delivery of the Amended and Restated Term Loan Agreement and the First Amendment to First Supplemental Indenture.

**ARTICLE IV  
EFFECTIVE DATE**

**4.1. Effective Date.**

This Supplemental Note Resolution shall take effect upon its adoption in accordance with the Act.

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FIRST AMENDMENT TO  
FIRST SUPPLEMENTAL TRUST INDENTURE  
DATED AS OF OCTOBER 26, 2016

by and between

NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY

and

U.S. BANK NATIONAL ASSOCIATION

as Trustee

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

Relating to  
New Jersey Transportation Trust Fund Authority  
Federal Highway Reimbursement Revenue Notes, 2016 Series B

THIS FIRST AMENDMENT TO FIRST SUPPLEMENTAL TRUST INDENTURE (the "First Amendment"), dated as of \_\_\_\_\_, 2018, is made and entered into by and between the NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY (the "Authority"), a body corporate and politic constituting an instrumentality of the State of New Jersey (the "State"), created and existing under and by virtue of the New Jersey Transportation Trust Fund Authority Act of 1984, L. 1984, c. 73, as amended and supplemented (the "Act"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association, having a corporate trust office in Morristown, New Jersey, as trustee (the "Trustee");

WITNESSETH

WHEREAS, the Authority was established and exists pursuant to the Act; and

WHEREAS, the Act provides that there exists an urgent need for a stable and assured method of financing the planning, acquisition, engineering, construction, reconstruction, repair and rehabilitation of New Jersey's transportation system and that unless additional State funding is provided immediately for New Jersey's transportation system, the cost of repair and reconstruction will increase geometrically and the economic well-being and safety of users of the State's transportation system will be endangered; and

WHEREAS, pursuant to the Act, the Authority has the power, among others, to issue notes in anticipation of the receipt of appropriations, grants, reimbursements or other funds, including without limitation grants from the federal government for federal aid highways or public transportation systems, the principal of or interest on which, or both, shall be payable out of the proceeds of appropriations, grants, reimbursements or other funds, including without limitation grants from the federal government for federal aid highways or public transportation systems, which notes shall not be subject to the bonding limitations as provided in Section 9(i) of the Act; and

WHEREAS, in order to provide funds to finance State Transportation System Costs, the Authority expects to issue notes from time to time including, without limitation, Federal Highway Reimbursement Revenue Notes payable from and secured by certain federal highway reimbursement funds received by NJDOT pursuant to Title 23 of the United States Code (the "Federal Highway Reimbursement Revenues"); and

WHEREAS, in order to provide funds to finance eligible projects under Title 23 of the United States Code ("Federal Projects"), the Authority may also issue Federal Highway Grant Anticipation Revenue Notes, payable from and secured by certain federal highway transportation funds received by NJDOT pursuant to Title 23 of the United States Code (the "Federal Highway Grant Revenues"); and

WHEREAS, on November 2, 2016, the Authority issued its \$500,000,000 Federal Highway Reimbursement Revenue Notes, 2016 Series B (the "2016 Series B Notes"); and

WHEREAS, the 2016 Series B Notes were issued under and pursuant to the Act, a Federal Highway Reimbursement Revenue Note Resolution adopted by the Authority on October 14, 2016 (the "2016 Note Resolution"), and a Master Trust Indenture (the "Master Indenture") dated as of October 26, 2016 by and between the Authority and U.S. Bank National Association, as Trustee (the "Trustee"), as supplemented by a First Supplemental Trust Indenture dated as of October 26, 2016 by and between the Authority and the Trustee (the "First Supplemental Indenture"); capitalized terms used but not defined herein shall have the meanings

given them in the Master Trust Indenture, the First Supplemental Indenture or the hereinafter defined Amended and Restated Term Loan Agreement); and

WHEREAS, the 2016 Series B Notes were sold to Bank of America, N.A. (the "Bank") pursuant to a Term Loan Agreement dated as of October 26, 2016 by and between the Authority and the Bank (the "Original Term Loan Agreement"); and

WHEREAS, on \_\_\_\_\_, 2018, the Authority adopted its Supplemental Federal Highway Reimbursement Revenue Note Resolution (the "Supplemental Resolution") which authorized, among other things, amendments to the Original Term Loan Agreement to (i) revise the terms relating to the transfer of the Original Term Loan Agreement, (ii) explicitly permit ratings to be obtained on the 2016 Series B Notes and (iii) reduce the interest rate on the 2016 Series B Notes (collectively, the "Amendments"); and

WHEREAS, the Authority and the Bank are entering into an Amended and Restated Term Loan Agreement dated as of \_\_\_\_\_, 2018 (the "Amended and Restated Term Loan Agreement") to reflect such Amendments; and

WHEREAS, this First Amendment amends the First Supplemental Indenture as necessary in connection with the Amendments and the execution and delivery of the Amended and Restated Term Loan Agreement; and

WHEREAS, the execution and delivery by the Authority of this First Amendment has been authorized pursuant to the Supplemental Resolution; and

WHEREAS, in consideration of the foregoing and the mutual promises and agreements contained herein, and intending to be legally bound hereby, the Authority and the Trustee hereby agree as follows:

## ARTICLE I

### AMENDMENTS TO FIRST SUPPLEMENTAL INDENTURE

Section 101. **Details of 2016 Series B Notes.** Section 402(b) of the First Supplemental Indenture is hereby amended and restated in its entirety to be and read as follows:

"(b) The 2016 Series B Notes shall mature on June 15 in each of the years and in the principal amounts, and shall bear interest at the rates per annum, as follows:

Term Loan Maturity Date (June 15)	Principal Amount	Interest Rate*
2025	\$242,725,000	2.77%
2026	257,275,000	2.99%

\*As restated in and subject to adjustment in accordance with the terms of the Amended and Restated Term Loan Agreement.

**ARTICLE II**  
**CONFIRMATION**

Section 201. **Confirmation of First Supplemental Indenture.** Except as expressly amended by this First Amendment, the First Supplemental Indenture is and shall remain unchanged and in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, the Authority and the Trustee have caused this First Amendment to First Supplemental Indenture to be executed by their respective duly authorized officers as of the date first above written.

NEW JERSEY TRANSPORTATION TRUST  
FUND AUTHORITY

By: \_\_\_\_\_  
Gary Brune  
Executive Director

U.S. BANK NATIONAL ASSOCIATION

By: \_\_\_\_\_  
Paul O'Brien  
Vice President

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AMENDED AND RESTATED TERM LOAN AGREEMENT

Dated [\_\_\_\_], 2018,

between

NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY

and

BANK OF AMERICA, N.A.

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## AMENDED AND RESTATED TERM LOAN AGREEMENT

This AMENDED AND RESTATED TERM LOAN AGREEMENT dated [\_\_\_\_], 2018 (as amended, restated, supplemented or otherwise modified from time to time, this "*Agreement*"), between NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY, a public body corporate and politic and an instrumentality of the State of New Jersey (the "*Authority*"), and BANK OF AMERICA, N.A. (together with its successors and assigns, the "*Bank*").

### RECITALS

WHEREAS, the Authority was created and operates pursuant to the New Jersey Transportation Trust Fund Authority Act of 1984, constituting Chapter 73, Laws of New Jersey of 1984, as amended and supplemented (the "*Act*"); and

WHEREAS, pursuant to the Act, a resolution adopted by the Authority on October 14, 2016, as amended and supplemented, including by the Supplemental Resolution (as hereinafter defined) (the "*Resolution*") and a Master Trust Indenture, dated as of October 26, 2016 (the "*Master Indenture*") by and between the Authority and U.S. Bank National Association, as Trustee (the "*Trustee*") as supplemented by a First Supplemental Trust Indenture dated as of October 26, 2016, by and between the Authority and the Trustee (as amended pursuant to the First Amendment to First Supplemental Indenture (as hereinafter defined), the "*First Supplemental Indenture*" and, together with the Master Indenture, as the Master Indenture may be further amended, supplemented or otherwise modified from time to time in the future, the "*Indenture*"), the Authority is authorized to enter into bank loan agreements evidenced by debt obligations, the payment of which are secured by the Funding Agreement (as hereinafter defined); and

WHEREAS, the Authority has requested that the Bank provide a term loan to the Authority for the purpose of (i) paying for State Transportation System Costs (as defined herein) including capitalized interest on the Notes (as defined herein) to and including June 15, 2018, and (ii) paying the costs of issuance of the Notes (collectively, the "*Project*"), and the Bank is willing to do so on the terms and conditions set forth herein; and

WHEREAS, pursuant to the Resolution, the Authority authorized the execution and delivery of the Original Term Loan Agreement (defined below), pursuant to which the Authority obtained a loan in the amount of \$500,000,000 to provide funding for the Project, as described above; and

WHEREAS, the Bank made the loan to the Authority upon the terms and conditions set forth in the Term Loan Agreement dated October 26, 2016 (the "*Original Term Loan Agreement*"), between the Bank and the Authority, and in the Indenture and the Funding Agreement, and as a condition to making such loan, the Bank required the Authority to enter into the Original Term Loan Agreement and to evidence such loan, the Authority issued notes to the Bank in the aggregate principal amount of \$500,000,000; and

WHEREAS, the Bank and the Authority have agreed to amend and restate the Original Term Loan Agreement in its entirety in the form of this Agreement to (i) revise the terms relating to the transfer of the Original Term Loan Agreement, (ii) explicitly permit ratings to be obtained on the 2016 Series B Notes, (iii) reduce the interest rate on the 2016 Series B Notes (collectively, the “Amendments”) and (iv) to make such other changes as are necessary or desirable in connection with such Amendments; and

WHEREAS, on [\_\_\_\_], 2018, the Authority adopted its Supplemental Federal Highway Reimbursement Revenue Note Resolution (the “Supplemental Resolution”) which authorized, among other things, the Amendments to the Original Term Loan Agreement and the execution and delivery of the Amendment to First Supplemental Indenture; and

WHEREAS, this Agreement shall supersede, amend and restate the Original Term Loan Agreement, upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, to induce the Bank to enter into this amended and restated Agreement and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Authority and the Bank hereby agree as follows:

## ARTICLE I

### DEFINITIONS AND ACCOUNTING TERMS

*Section 1.01. Defined Terms:* As used in this Agreement, the following terms shall have the meanings set forth below:

“Act” has the meaning set forth in the recitals hereof.

“Additional Notes” has the meaning set forth in the Master Indenture.

“Affiliate” means, with respect to any Person, any Person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such first Person. A Person shall be deemed to control another Person for the purposes of this definition if such first Person possesses, directly or indirectly, the power to direct, or cause the direction of, the management and policies of the second Person, whether through the ownership of voting securities, common directors, trustees or officers, by contract or otherwise.

“Agreement” has the meaning set forth in the introductory paragraph hereof.

“Amendment to First Supplemental Indenture” means the First Amendment to First Supplemental Indenture dated [\_\_\_\_], 2018 between the Authority and the Trustee, which amends and supplements the First Supplemental Indenture.

“Amendments” has the meaning set forth in the recitals hereof.

“*Applicable Spread*” means 0 basis points, which Applicable Spread is subject to the maintenance of the current long-term unenhanced ratings assigned by the Rating Agencies to the Program Bonds. The Applicable Spread will be increased upon any downgrade of the Program Bonds below the current ratings of “A3” (or its equivalent) by Moody’s, “A-” (or its equivalent) by S&P or “A-” (or its equivalent) by Fitch, and shall then be equal to the number of basis points associated with the applicable rating category set forth below:

LEVEL	MOODY’S RATING	S&P RATING	FITCH RATING	APPLICABLE SPREAD
Level 1	Baa1	BBB+	BBB+	0.25%
Level 2	Baa2	BBB	BBB	0.25%
Level 3	Baa3	BBB-	BBB-	0.25%

The term “*Rating*” as used above shall mean the lowest long-term rating assigned by any of Fitch, Moody’s or S&P to the Program Bonds. In the event of a split among Ratings (*i.e.*, one of the Rating Agencies’ Rating is at a different level than the Rating of another Rating Agency), the Applicable Spread shall be based upon the Level in which the lowest Rating appears. Any change in the Applicable Spread resulting from a change in a Rating shall be and become effective upon a change by any Rating Agency and as of and on the date of the last announcement of the change in such Rating. References to Ratings above are references to rating categories as presently determined by the Rating Agencies, and in the event of adoption of any new or changed rating system by any such Rating Agency, including, without limitation, any recalibration of the Ratings in connection with the adoption of a “global” rating scale, each of the Ratings from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect.

“*Approving Opinion*” means, with respect to any action relating to the Term Loan, an opinion delivered by Bond Counsel to the effect that such action is (i) permitted by this Agreement and the other Loan Documents; and (ii) will not adversely affect the exclusion of interest on the Term Loan from gross income of the Bank for purposes of federal income taxation.

“*Authority*” has the meaning set forth in the introductory paragraph hereto.

“*Authorized Officer*” means the Chairperson, Vice Chairperson or Executive Director or any other authorized officer of the Authority who shall have the power to execute contracts pursuant to the Authority’s by-laws.

“*Bank*” means, initially, Bank of America, N.A., and its successors and assigns, and upon the receipt from time to time by the Authority of a notice described in Section 8.06(b) from time

to time means the Person designated in such notice as the Purchaser, as more fully provided in Section 8.06(b) hereof.

*"Bond Counsel"* means Chiesa Shahinian & Giantomasi P.C., or any other firm or firms of attorneys nationally recognized on the subject of municipal finance selected by the Authority.

*"Business Day"* means a day which is not (a) a legal holiday in the State, a Saturday, Sunday or legal holiday on which banking institutions in New Jersey, New York or the states where the principal corporate office of the Authority or the principal corporate trust office of the Trustee is located are authorized by law to close, (b) a day on which the New York Stock Exchange or the Federal Reserve Bank is closed or (c) a day on which the principal office of the Bank is closed.

*"Change in Law"* means the occurrence, after the Effective Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a *"Change in Law."*

*"Code"* means the Internal Revenue Code of 1986, as amended.

*"Commissioner"* means the Commissioner of the New Jersey Department of Transportation.

*"Debt Moratorium"* means an authorized postponement or deferral of the maturity of, or the deadline for paying a debt or performing an obligation which exceeds six (6) months.

*"Default"* means any event or condition that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

*"Default Rate"* means, for any day, a rate of interest per annum equal to twelve percent (12%).

*"Department"* means the New Jersey Department of Transportation.

*"Designated Jurisdiction"* means any country or territory to the extent that such country or territory itself is the subject of any Sanction.

*"Determination of Taxability"* means and shall be deemed to have occurred on the first to occur of the following:

(i) the date when the Authority files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability has occurred;

(ii) the date when the Authority shall be advised in writing by the commissioner of the Internal Revenue Service or any district director of the Internal Revenue Service (or any other government official or agent exercising the same or a substantially similar function from time to time) that, based upon filings of the Authority, or upon any review or audit of the Authority or upon any other ground whatsoever, an Event of Taxability shall have occurred; or

(iii) the date when the Authority shall receive notice from the Bank that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of the Bank the interest on the Term Loan due to the occurrence of an Event of Taxability; provided, however, no Determination of Taxability shall occur under subparagraph (ii) or (iii) hereunder unless the Authority has been afforded the reasonable opportunity, at its expense, to contest any such assessment, and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined; provided further, however, that upon demand from the Bank, the Authority shall reimburse the Bank within ten (10) business days for any payments, including any taxes, interest, penalties or other charges the Bank shall be obligated to make as a result of the Determination of Taxability, subject to the provisions of Section 2.05.

*"Dollar"* and *"\$"* mean lawful money of the United States.

*"DTC"* means The Depository Trust Company and its successors.

*"Effective Date"* means [\_\_\_\_], 2018, which, subject to the satisfaction or waiver by the Bank of each of the conditions precedent set forth in Article IV hereof, is the date on which this Agreement shall become effective to amend and restate the Original Term Loan Agreement in its entirety.

*"Event of Default"* with respect to this Agreement has the meaning set forth in Section 7.01 of this Agreement and, with respect to any Loan Document, has the meaning assigned therein.

*"Event of Non-Appropriation"* has the meaning set forth in the Master Indenture.

*"Event of Taxability"* means a change in Law or fact or the interpretation thereof, or the occurrence or existence of any fact, event or circumstance (including, without limitation, the taking of any action by the Authority, or the failure to take any action by the Authority, or the making by the Authority of any misrepresentation herein or in any certificate required to be given in connection with this Agreement) which has the effect of causing interest paid or payable on the Notes to become includable, in whole or in part, in the gross income of the Bank for federal income tax purposes or (ii) the entry of any decree or judgment by a court of competent

jurisdiction, or the taking of any official action by the Internal Revenue Service or the United States Department of the Treasury, which decree, judgment or action shall be final under applicable procedural law, in either case, which has the effect of causing interest paid or payable on the Notes to become includable, in whole or in part, in the gross income of the Bank for federal income tax purposes.

*"Excess Interest Amount"* has the meaning set forth in Section 2.10 hereof.

*"Federal Transportation Funds"* has the meaning set forth in the Master Indenture.

*"Financing Facility"* has the meaning set forth in the Master Indenture.

*"Financing Facility Payment Obligations"* has the meaning set forth in the Master Indenture.

*"First Supplemental Indenture"* has the meaning set forth in the recitals hereof.

*"Fiscal Year"* means the twelve month period from July 1 through the following June 30.

*"Fitch"* means Fitch, Inc., and any successor rating agency.

*"Fixed Rate"* means, for each maturity of the Notes, the applicable rate per annum set forth on Exhibit "B" hereto.

*"Funding Agreement"* means the Reimbursement Revenue Funding Agreement dated as of October 26, 2016, between the Authority and the Commissioner, as may be amended, supplemented or otherwise modified from time to time.

*"Funding Agreement Event"* means and includes:

(a) The Commissioner shall fail to perform and comply, in all material respects, with each and every covenant and agreement required to be performed or observed by it in the Funding Agreement, and such failure to perform and comply shall have resulted in a Material Adverse Effect;

(b) The Commissioner shall fail to comply with and observe the obligations and requirements set forth in the Constitution of the State and in all statutes and regulations binding upon it relating to the Funding Agreement, and such failure to perform and comply shall have resulted in a Material Adverse Effect;

(c) The Commissioner shall take, or fail to take, any action under the Funding Agreement which would materially adversely affect the rights, remedies or security of the Trustee under the Indenture or the Bank under this Agreement; or

(d) The Commissioner shall amend or modify, or permit to be amended or modified the Funding Agreement without the prior written consent of the Bank if any

such amendment or modification would result in a Material Adverse Effect; *provided, however*, that nothing set forth in the immediately preceding sentence shall prohibit the Authority from making an amendment to the Funding Agreement in accordance with Section 10 thereof.

“*GASB*” means standards outlined in the Government Accounting Standards Board, Statement No. 34 Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments as in effect from time to time.

“*Governmental Authority*” means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

“*Incremental Amounts*” means, with respect to any Fiscal Year, any increase in the principal, interest or other amounts payable on the Notes during such Fiscal Year that become payable after the first day of such Fiscal Year pursuant to any provisions of this Agreement including, without limitation:

- (a) additional interest that accrues and becomes payable in such Fiscal Year because of an increase in the Applicable Spread;
- (b) additional interest that accrues and becomes payable in such Fiscal Year because the Notes bear interest at the Default Rate, the Taxable Rate, the Mandatory Prepayment Rate or the Maximum Rate;
- (c) additional principal that becomes payable on the Notes in such Fiscal Year by reason of the commencement during such Fiscal Year of a Mandatory Prepayment Amortization Period.

“*Information*” has the meaning set forth in Section 8.07.

“*Indenture*” means the meaning set forth in the recitals hereof.

“*Interest Payment Date*” means (i) each June 15 and December 15 commencing December 15, 2018, (ii) any date on which the Term Loan is prepaid (including each Mandatory Prepayment Amortization Payment Date), and (iii) the Maturity Date.

“*Interest Rate*” means the sum of (i) the Applicable Spread plus (ii) the Fixed Rate applicable to each maturity of the Notes.

“*Laws*” means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all

applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

*"Lending Office"* means the Bank's address and, as appropriate, account as set forth on Schedule I, or such other address or account as the Bank may from time to time notify the Authority, in writing.

*"Lien"* means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

*"Loan Documents"* means this Agreement, the Notes, the Resolution, the Indenture, the Funding Agreement, and any and all future renewals and extensions or restatements of, or amendments or supplements to, any of the foregoing permitted hereunder and thereunder.

*"Make Whole Amount"* means an amount calculated in accordance with Exhibit "C" hereto.

*"Mandatory Prepayment Amortization Commencement Date"* has the meaning set forth in Section 2.02.

*"Mandatory Prepayment Amortization End Date"* means the earliest to occur of (i) the third anniversary of the Mandatory Prepayment Amortization Commencement Date, (ii) the Maturity Date and (iii) the date on which the Term Loan is otherwise repaid or prepaid in full.

*"Mandatory Prepayment Amortization Payment Date"* means (i) the first Business Day of the sixth (6<sup>th</sup>) calendar month following the Mandatory Prepayment Amortization Commencement Date and the first Business Day of every sixth (6<sup>th</sup>) calendar month thereafter prior to the Mandatory Prepayment Amortization End Date and (ii) the Mandatory Prepayment Amortization End Date.

*"Mandatory Prepayment Amortization Period"* has the meaning set forth in Section 2.02.

*"Mandatory Prepayment Rate"* means, for any day, a rate of interest per annum equal to twelve percent (12.00%).

*"Master Indenture"* has the meaning set forth in the recitals hereof.

*"Material Adverse Effect"* means (a) a change in, or material adverse effect upon, the operations, business, property or condition (financial or otherwise) of the Authority or the State that may have a material adverse effect on the Authority's ability or obligation to pay principal or interest on the Term Loan or the Authority's obligations hereunder, (b) a material impairment of

the ability of the Authority to perform its obligations hereunder or of the ability of the Authority or the Commissioner to perform its obligations under any Loan Document to which either is a party or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against the Authority of this Agreement or against the Authority or the Commissioner with respect to any other Loan Document or the rights and remedies of the Bank hereunder or thereunder.

*"Maturity Date"* means the respective dates set forth on Exhibit "B", as applicable.

*"Maximum Lawful Rate"* means the maximum rate of interest on the Obligations permitted by applicable law.

*"Maximum Rate"* means twelve percent (12%) per annum.

*"Moody's"* means Moody's Investors Service, Inc. and any successor rating agency.

*"Notes"* means the Authority's \$500,000,000, aggregate principal amount, Federal Highway Reimbursement Revenue Notes, 2016 Series B evidencing the Term Loan made by the Bank, as amended and restated by those certain Amended and Restated Federal Highway Reimbursement Revenue Notes, 2016 Series B in the aggregate principal amount of \$500,000,000, substantially in the form of Exhibit A, and as may be further amended, modified or supplemented from time to time in accordance with the terms hereof and thereof.

*"Note Payment Obligations"* has the meaning set forth in the Master Indenture.

*"Obligations"* means all advances to, and debts, liabilities, covenants and duties of, the Authority arising hereunder or under any other Loan Document, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising.

*"OFAC"* means the Office of Foreign Assets Control of the United States Department of the Treasury.

*"Original Term Loan Agreement"* has the meaning set forth in the recitals hereof.

*"Participant"* has the meaning set forth in Section 8.06(c).

*"Patriot Act"* means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. 107-56 (signed into law October 26, 2001).

*"Person"* means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

*"Program Bonds"* means bonds issued by the Authority pursuant to the Act and the 2012 Transportation Program Bond Resolution adopted by the Authority on October 6, 2012, as amended and supplemented.

*"Property"* means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, whether now owned or hereafter acquired.

*"Publicly Offered Notes"* means the Authority's \$2,741,425,000, aggregate principal amount, Federal Highway Reimbursement Revenue Notes, 2016 Series A issued under the Indenture and any other Additional Notes issued thereunder.

*"Rating Agency"* means any of Fitch, Moody's or S&P, as applicable.

*"Related Parties"* means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliates.

*"Resolution"* has the meaning set forth in the recitals hereof.

*"S&P"* means S&P Global Ratings, and any successor rating agency.

*"Sanction(s)"* means any international economic sanction administered or enforced by the United States Government (including, without limitation, OFAC), the United Nations Security Council, the European Union, Her Majesty's Treasury or other relevant sanctions authority.

*"State"* means the State of New Jersey.

*"State Legislature"* means the New Jersey State Legislature.

*"State Transportation System Costs"* means any and all purposes for which the Authority is authorized to issue Notes and Subordinate Debt (as defined in the Master Indenture) pursuant to the Act.

*"Subordinate Debt Financing Facility Payment Obligations"* has the meaning set forth in the Master Indenture.

*"Taxable Date"* means the date on which interest on the Notes is first includable in gross income of the Bank or any Participant as a result of an Event of Taxability as such date is established pursuant to a Determination of Taxability.

*"Taxable Period"* has the meaning set forth in Section 2.09 hereof.

*"Taxable Rate"* shall mean the product of the rate then in effect on the Notes multiplied by 1.54, or, if either the Default Rate or the Mandatory Prepayment Rate is in effect, the Default

Rate or Mandatory Prepayment Rate, as applicable, provided that the Taxable Rate shall not exceed the Maximum Rate.

*"Term Commitment"* means the Bank's obligation to make a Term Loan to the Authority in an aggregate principal amount of \$500,000,000 at any time, and subject to the other terms and provisions hereof.

*"Term Loan"* means the one-time advance made by the Bank on November 2, 2016 in the amount of the Term Commitment pursuant to this Agreement.

*"Trustee"* means U.S. Bank National Association, and its successors and assigns and any other Trustee appointed pursuant to the Master Indenture.

*"Trust Estate"* has the meaning set forth in the Master Indenture.

*"Unavailability of Federal Transportation Funds"* has the meaning set forth in the Master Indenture.

*"United States"* and *"U.S."* mean the United States of America.

*Section 1.02. Other Interpretive Provisions.* With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words *"include," "includes"* and *"including"* shall be deemed to be followed by the phrase *"without limitation."* The word *"will"* shall be construed to have the same meaning and effect as the word *"shall."* Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person's successors and assigns, (iii) the words *"hereto," "herein," "hereof"* and *"hereunder,"* and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (vi) the words *"asset"* and *"property"* shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including;" the words "to" and "until" each mean "to but excluding;" and the word "through" means "to and including."

(c) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

*Section 1.03. Accounting Terms.* All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GASB applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, *except* as otherwise specifically prescribed herein.

*Section 1.04. Times of Day.* Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

## ARTICLE II

### THE TERM LOAN

*Section 2.01. The Term Loan.* Pursuant to the terms of the Original Term Loan Agreement, the Bank made a single loan to the Authority in an amount equal to the Term Commitment. Amounts borrowed under the Original Term Loan Agreement, as amended and restated by this Agreement, and repaid or prepaid may not be reborrowed.

*Section 2.02. Mandatory Prepayment.* If any of the events described in Sections 7.01(a), (e), (f)(i), (g), (h) or (j) shall occur, the Bank may deliver a notice to the Authority of the occurrence of such event which shall include a direction that the Mandatory Prepayment Amortization Period will commence on the date specified by the Bank (the "Mandatory Prepayment Amortization Commencement Date") and the Authority shall cause the outstanding principal amount of the Term Loan to be repaid in principal installments on each Mandatory Prepayment Amortization Payment Date (each such payment, a "*Mandatory Prepayment Amortization Payment*"), with the final installment in an amount equal to the entire then outstanding principal amount of the Term Loan on the Mandatory Prepayment Amortization End Date (the period commencing on the Mandatory Prepayment Amortization Commencement Date and ending on the Mandatory Prepayment Amortization End Date is herein referred to as the "*Mandatory Prepayment Amortization Period*"). Each Mandatory Prepayment Amortization Payment shall be that amount of principal which will result in equal (as nearly as possible) aggregate Mandatory Prepayment Amortization Payments over the Mandatory Prepayment Amortization Period. During the Mandatory Prepayment Amortization Period, interest on the Term Loan shall accrue at the Mandatory Prepayment Rate, be paid on each Interest Payment Date and shall be rounded upwards to the fourth decimal. Notwithstanding anything herein to the contrary, at any time prior to the first Mandatory Prepayment Amortization Payment, the

Bank shall have the right to withdraw its direction with respect to the Mandatory Prepayment Amortization Commencement Date, and upon such a withdrawal, the principal amount of the Term Loan shall continue to amortize in installments in the principal amounts and on the dates set forth in Exhibit B hereto, and in any event the aggregate outstanding principal amount of the Term Loan shall be due and payable on each Maturity Date as set forth in Exhibit B hereto.

*Section 2.03. Repayment of Term Loan.* The Authority shall repay to the Bank the principal amount of the Term Loan on the dates and in the amounts set forth on Exhibit "B" hereto.

*Section 2.04. Interest.* (a) Except as otherwise provided in Section 2.02 above or in this Section 2.04, the Term Loan shall bear interest (i) at the interest rate set forth in the Original Term Loan Agreement until the Effective Date, and (ii) at the Interest Rate from the Effective Date to but not including each Maturity Date, be paid on each Interest Payment Date and be rounded upwards to the fourth decimal place.

(b) (i) From and after the occurrence of an Event of Default, the Term Loan and any other amounts owed to the Bank hereunder, shall bear interest at the Default Rate.

(ii) From and after the Taxable Date, the Term Loan shall bear interest at the Taxable Rate.

(iii) Accrued and unpaid interest on principal and interest past due on the Term Loan (including interest on past due interest) and other Obligations hereunder shall be due and payable upon demand, subject to Section 2.05.

*Section 2.05. Insufficient State Appropriation.* To the extent that there is not a sufficient State appropriation of amounts necessary to pay any amounts when due and payable under Sections 2.04(b)(ii), 2.10(c), 2.11(c), 3.01, 3.02(c), and 8.04 of this Agreement as a result of an Event of Non-Appropriation or an Unavailability of Federal Transportation Funds, such amounts shall not be deemed due and payable hereunder until ten (10) Business Days after appropriation from the State of such amounts, provided that the Authority take reasonable action to request such appropriation from the State in an amount sufficient to pay all such amounts due under this Agreement.

*Section 2.06. Amendment Fee.* The Authority shall pay to the Bank a fee for each Amendment to this Agreement or any other Loan Document or any consent or waiver by the Bank with respect to any Loan Document, in each case, in a minimum amount of \$2,500 plus the reasonable fees and expenses of counsel to the Bank; *provided, however* that no fee is due by the Authority with respect to the execution and delivery of this Agreement.

*Section 2.07. Computation of Interest and Fees; Payments.* (a) All computations of fees and interest shall be made on the basis of a 360-day year comprised of twelve (12) thirty (30) day months. Interest shall accrue on the Term Loan for the day on which the Term Loan is made, and shall not accrue on the Term Loan, or any portion thereof, for the day on which the Term Loan or

such portion is paid. Each determination by the Bank of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

(b) All payments by the Authority hereunder shall be made to the Bank, at the Lending Office in Dollars and in immediately available funds not later than 2:00 p.m. on the date specified herein. All payments received by the Bank after 2:00 p.m. shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by the Authority shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

*Section 2.08. Evidence of Debt.* The Term Loan shall be evidenced by the Notes. The Notes and the accounts or records maintained by the Bank shall be conclusive absent plain error of the amount of the Term Loan made by the Bank to the Authority and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Authority hereunder to pay any amount owing with respect to the Term Loan or other Obligations. The Authority shall execute and deliver to the Bank the Notes, which shall evidence the Term Loan in addition to such accounts or records.

*Section 2.09. Delivery of the Notes; DTC Book-Entry System Only.* Unless the Authority and the Registered Owner otherwise agree, the Notes shall at all times be registered in the name of Cede & Co., as the nominee of DTC, as the registered owner of the Notes, and held in the custody of DTC.

*Section 2.10. Determination of Taxability.* (a) In the event a Determination of Taxability occurs, the Authority hereby agrees to pay to the Bank (and if applicable, each Participant) on demand therefor (i) an amount equal to the difference between (A) the amount of interest that would have been paid to the Bank (and if applicable, each Participant) on the Term Loan during the period for which interest on the Term Loan is included in the gross income of the Bank (and if applicable, each Participant) if the Term Loan had borne interest at the Taxable Rate, beginning on the Taxable Date (the "*Taxable Period*"), and (B) the amount of interest actually paid to the Bank (and if applicable, each Participant) during the Taxable Period, and (ii) an amount equal to any interest, penalties or charges owed by the Bank (and if applicable, each Participant) as a result of interest on the Term Loan becoming included in the gross income of the Bank (and if applicable, each Participant), together with any and all reasonable attorneys' fees, court costs, or other out-of-pocket costs incurred by the Bank (and if applicable, each Participant) in connection therewith.

(b) Subject to the provisions of clause (c) below, the Bank (and if applicable, each Participant) shall afford the Authority the opportunity, at the Authority's sole cost and expense, to contest (i) the validity of any amendment to the Code which causes the interest on the Notes to be included in the gross income of the Bank (and if applicable, each Participant) or (ii) any challenge to the validity of the tax exemption with respect to the interest on the Notes, including the right to direct the necessary litigation contesting such challenge (including administrative audit appeals); and

(c) As a condition precedent to the exercise by the Authority of its right to contest set forth in clause (b)(ii) above, the Authority shall, on demand, subject to Section 2.05, immediately reimburse the Bank for any and all expenses (including reasonable attorneys' fees for services that may be required or desirable, as determined by the Bank in its sole discretion) that may be incurred by the Bank in connection with any such contest, and shall, on demand, immediately reimburse the Bank for any and all penalties or other charges payable by the Bank (and if applicable, each Participant) for failure to include such interest in its gross income.

*Section 2.11. Maximum Rate.* (a) If the amount of interest payable for any period in accordance with the terms hereof exceeds the amount of interest that would be payable for such period had interest for such period been calculated at the Maximum Rate, then interest for such period shall be payable in an amount calculated at the Maximum Rate.

(b) Any interest that would have been due and payable for any period but for the operation of the immediately preceding paragraph (a) shall accrue and be payable as provided in this paragraph (b) and shall, less interest actually paid to the Bank for such period, constitute the "Excess Interest Amount." If there is any accrued and unpaid Excess Interest Amount as of any date, then the principal amount with respect to which interest is payable shall bear interest at the Maximum Rate until payment to the Bank of the entire Excess Interest Amount.

(c) Notwithstanding the foregoing, on the date on which no principal amount with respect to the Term Loan remains unpaid, the Authority shall pay to the Bank a fee equal to any accrued and unpaid Excess Interest Amount, subject to Section 2.05.

*Section 2.12. Obligations Absolute.* Subject to the limitations set forth in Section 8.05, the payment obligations of the Authority under this Agreement shall be unconditional and irrevocable and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including without limitation the following:

(a) any lack of validity or enforceability of this Agreement, the Notes or any of the other Loan Documents;

(b) any amendment or waiver of or any consent to departure from all or any of the Loan Documents;

(c) the existence of any claim, set-off, defense or other right which the Authority may have at any time against the Bank or any other Person, whether in connection with this Agreement, the other Loan Documents, the transactions contemplated herein or therein or any unrelated transaction; or

(d) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing.

Notwithstanding this Section 2.12, the Bank acknowledges the Authority may have the right to bring a collateral action with respect to one or more of the foregoing circumstances. The Authority's payment obligations shall remain in full force and effect pending the final disposition

of any such action. All fees payable pursuant to this Agreement shall be deemed to be fully earned when due and non-refundable when paid.

*Section 2.13. Make Whole.* If the Authority shall prepay the Term Loan on any date and in any amount other than as set forth in Exhibit B hereto, whether before or after default, then upon the demand from the Bank, the Authority shall pay to the Bank a fee in an amount equal to the Make Whole Amount.

### ARTICLE III

#### TAXES AND YIELD PROTECTION

*Section 3.01. Taxes.*

If any payments to the Bank under this Agreement are made from outside the United States, the Authority will not deduct any foreign taxes from any payments it makes to the Bank. If any such taxes are imposed on any payments made by the Authority (including payments under this paragraph), the Authority will pay the taxes and will also pay to the Bank, at the time interest is paid, any additional amount which the Bank specifies as necessary to preserve the after-tax yield the Bank would have received if such taxes had not been imposed. The Authority will confirm that it has paid the taxes by giving the Bank official tax receipts (or notarized copies) within thirty (30) days after the due date. All amounts payable pursuant to this Section 3.01 shall be payable solely out of amounts paid by the Commissioner to the Authority or the Trustee, as assignee of the Authority, under the Funding Agreement in accordance with the terms thereof and of the Master Indenture and shall be subject to and dependent upon appropriations being made from time to time for such purposes by the State Legislature; *provided, however*, that the State Legislature has no legal obligation to make any such appropriations and the failure of the Authority to pay any obligations hereunder as a result of an Event of Non-Appropriation or an Unavailability of Federal Transportation Funds shall not constitute an Event of Default under the Indenture or under this Agreement.

*Section 3.02. Increased Costs.*

(a) *Increased Costs Generally.* If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, the Bank;

(ii) subject the Bank to any taxes on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on the Bank any other condition, cost or expense affecting this Agreement;

and the result of any of the foregoing shall be to increase the cost to the Bank with respect to this Agreement, the Notes, or the making, maintenance or funding of the Term Loan, or to reduce the amount of any sum received or receivable by the Bank hereunder (whether of principal, interest or any other amount) then, upon request of the Bank, the Authority will pay to the Bank such additional amount or amounts as will compensate the Bank for such additional costs incurred or reduction suffered.

(b) *Capital Requirements.* If the Bank determines that any Change in Law affecting the Bank or the Bank's holding company, if any, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on the Bank's capital or liquidity or on the capital or liquidity of the Bank's holding company, if any, as a consequence of this Agreement or the Notes to a level below that which the Bank or the Bank's holding company could have achieved but for such Change in Law (taking into consideration the Bank's policies and the policies of the Bank's holding company with respect to capital adequacy), then from time to time the Authority will pay to the Bank such additional amount or amounts as will compensate the Bank or such the Bank's holding company for any such reduction suffered.

(c) *Certificates for Reimbursement.* A certificate of the Bank setting forth the amount or amounts necessary to compensate the Bank or its holding company, as the case may be, as specified in subsection (a) or (b) of this Section 3.02 and delivered to the Authority shall be conclusive absent manifest error. Subject to the provisions of Section 2.05, the Authority shall pay the Bank the amount shown as due on any such certificate within ten (10) Business Days after receipt thereof. Notwithstanding the foregoing or anything herein to the contrary, the Authority shall not be obligated to pay an amount greater than five basis points (0.05%) multiplied by the outstanding principal amount of the Term Loan.

(d) *Delay in Requests.* Failure or delay on the part of the Bank to demand compensation pursuant to the foregoing provisions of this Section 3.02 shall not constitute a waiver of the Bank's right to demand such compensation; *provided* that the Authority shall not be required to compensate the Bank pursuant to the foregoing provisions of this Section 3.02 for any increased costs incurred or reductions suffered more than nine (9) months prior to the date that the Bank notifies the Authority of the Change in Law giving rise to such increased costs or reductions and of the Bank's intention to claim compensation therefor.

*Section 3.03. Survival.* All of the Authority's obligations under this Article III shall survive the termination of this Agreement and the repayment, satisfaction or discharge of all other Obligations.

## ARTICLE IV

### CONDITIONS PRECEDENT

The effectiveness of this Agreement is subject to the conditions precedent set forth in this Article IV.

*Section 4.01. Closing Conditions.* At the Effective Date and as a condition to the amendment and restatement of the Original Term Loan Agreement, the Authority shall provide the Bank with each of the following, each to be in form and substance satisfactory to the Bank.

(a) The following documents:

(i) a copy of the Resolution certified by an Authorized Officer as being true and complete and in full force and effect on the Effective Date;

(ii) a copy of the Amendment to First Supplemental Indenture, certified by an Authority Officer as being true and complete and in full force and effect on the Effective Date;

(iii) a certificate dated the Effective Date and executed by an Authorized Officer certifying the names, titles, offices and signatures of the persons authorized to sign, on behalf of the Authority, the Loan Documents to which it is a party and the other documents to be delivered by it hereunder or thereunder;

(vi) executed originals of this Agreement, and the Notes, as amended and restated; and

(viii) A certificate of an Authorized NJDOT Representative, dated the Effective Date, stating in substance that, to such Authorized NJDOT Representative's knowledge, NJDOT is in compliance with all applicable provisions of Title 23 and any other applicable law necessary on the Effective Date to receive and continue to receive Federal Transportation Funds for the payment of the Notes pursuant to Title 23 without penalty.

(b) An opinion, dated the Effective Date and addressed to the Bank or on which the Bank is otherwise expressly authorized to rely, from Bond Counsel to the Authority to the effect that the execution of this Agreement is permitted under the Loan Documents and that the amendment of the Original Term Loan Agreement by means of this Agreement will not adversely effect the exclusion from gross income of interest on the Notes for federal income tax purposes and such other customary matters as the Bank may reasonable request, including, without limitation, opinions as to the due authorization, execution, delivery and enforceability of this Agreement and the Amendment to First Supplemental Indenture.

(c) A certificate dated the Effective Date and executed by an Authorized Officer certifying (A) that there has been no event or circumstance since June 30, 2017, that has had or could be reasonably expected to have, either individually or in the aggregate, a Material Adverse

Effect, (B) that the representations and warranties contained in Article V hereof and the other Loan Documents are true and correct in all material respects on the Effective Date, and (C) no event has occurred and is continuing, or would result from entry into this Agreement, which would constitute a Default or Event of Default.

*Section 4.02. Litigation.* The Bank shall have received a certificate of an Authorized Officer certifying that there is no controversy or litigation now pending against the Authority concerning the execution and delivery of this Agreement, the Amendment to First Supplemental Indenture, the Notes, or the Loan Documents, or in any way contesting or affecting the validity of the Act, the Notes, the Loan Documents or the proceedings of the Authority taken with respect to the execution and delivery of this Agreement, the Amendment to First Supplemental Indenture, the Notes or the pledge of the Trust Estate, or the appropriation of debt service to pay the Notes.

*Section 4.03. Other Matters.* All other legal matters pertaining to the execution and delivery of this Agreement and the Loan Documents shall be satisfactory to the Bank and its counsel, and the Bank shall have received such other statements, certificates, agreements, documents and information with respect to the Authority and the other parties to the Loan Documents and matters contemplated by this Agreement as the Bank may reasonably request.

*Section 4.04. Rating on the Notes.* The Bank and the Authority acknowledge that the Bank, at the expense of the Bank, is currently seeking a rating(s) on the Notes by one or more Rating Agencies. The parties further acknowledge that receipt of such rating(s) is not a condition to the execution of this Agreement.

## ARTICLE V

### REPRESENTATIONS AND WARRANTIES

The Authority represents and warrants to the Bank that:

*Section 5.01. Organization; Existence.* The Authority is a public body corporate and politic, duly created and existing as an instrumentality of the State.

*Section 5.02. Power and Authority.* The Authority has and had at the time of adoption, execution, delivery, issuance, sale or performance full power, right and authority to (i) execute, deliver and perform its obligations under each of the Loan Documents, and any and all instruments and documents required to be executed, adopted or delivered pursuant to or in connection herewith or therewith, (ii) incur indebtedness in the amount and in the form of the Term Loan as provided in this Agreement and make payment of principal and interest on the Term Loan as provided in this Agreement and to pay the other Obligations at the times and in the manner set forth herein, and (iii) perform each and all of the matters and things herein and therein provided for and the Authority has complied in all material respects with the laws of the State in all matters relating to such execution, delivery and performance; subject in all respects to the limitations set forth in Section 8.05 hereof.

*Section 5.03. Due Authorization, Etc.* Each of the Loan Documents to which the Authority is a party have been duly authorized, executed, issued and delivered by the Authority. This Agreement and each of the other Loan Documents to which the Authority is a party constitutes a legal, valid and binding obligation of the Authority, enforceable against the Authority in accordance with its terms, except as such enforceability may be limited by the valid exercise of judicial discretion and the constitutional powers of the United States of America and to valid bankruptcy, insolvency, reorganization, moratorium, or other similar laws and equitable principles relating to or affecting creditors' rights generally from time to time in effect. The obligations of the Authority under this Agreement are special, limited obligations of the Authority payable solely from and secured solely by the Trust Estate. Notwithstanding the pledge effected by the Master Indenture or any provision of the Master Indenture, all amounts payable by the Commissioner to the Authority or the Trustee, as assignee of the Authority, pursuant to the Funding Agreement shall be subject to and dependent upon appropriations being made from time to time for such purposes by the State Legislature; *provided however*, that the State Legislature has no legal obligation to make any such appropriations and the failure of the Authority to pay any obligations hereunder as a result of an Event of Non-Appropriation or an Unavailability of Federal Transportation Funds shall not constitute an Event of Default under the Indenture or under this Agreement.

*Section 5.04. Necessary Actions Taken.* The Authority has taken all actions necessary to be taken by it (i) to incur indebtedness in the amount and in the form of the Term Loan upon the terms set forth in the Loan Documents, (ii) for the execution, adoption and delivery by the Authority of any and all such other instruments and the taking of all such other actions on the part of the Authority as may be necessary or appropriate for the effectuation and consummation of the transactions on the part of the Authority contemplated by the Loan Documents or in connection herewith or therewith and (iii) to authorize or approve, as appropriate, the execution or adoption, issuance and delivery of, and the performance of its obligations under and the transactions contemplated by each of the Loan Documents to which it is a party and the payment of the Term Loan and other Obligations under this Agreement at the times and in the manner set forth.

*Section 5.05. No Contravention.* Except as disclosed to the Bank in writing prior to the date hereof, this Agreement and the adoption of the Resolution and the execution and delivery of each of the other Loan Documents and compliance with the provisions hereof and thereof, will not, in any material respect, conflict with or result in a violation of the laws or the Constitution of the State, including any debt limitations or other restrictions or conditions on the debt-issuing power of the Authority under the Act, as amended from time to time, and will not conflict with or result in a violation of, or breach of, or constitute a default under, in any material respect, any law, judgment, order, decree or administrative regulation or any of the terms, conditions or provisions of the Act or any ordinance, judgment, decree, contract, loan agreement, note, bond, resolution, indenture, mortgage, deed of trust or other agreement or instrument to which the Authority is a party or by which it is bound and will not, except as expressly provided herein, result in the imposition or creation of any lien, charge, or encumbrance upon or invalidate or materially adversely affect in any way the Trust Estate. The Authority has not received any written notice, not subsequently withdrawn, given in accordance with the remedy provisions of

the Master Indenture, that an Event of Default under the Master Indenture has occurred and such Event of Default has not been cured, remedied or waived.

*Section 5.06. Compliance.* The Authority is in compliance in all material respects with the terms and conditions of the Master Indenture and each of the other Loan Documents to which it is a party, and no breach of the terms hereof or thereof has occurred and is continuing, and no Default or Event of Default has occurred and is continuing.

*Section 5.07. No Default.* No default by the Authority has occurred and is continuing in the payment of the principal of or premium, if any, or interest on any Note (as defined in the Master Indenture) under the Master Indenture which would be reasonably likely to result in a Material Adverse Effect.

*Section 5.08. Right To Be Sued.* Under the Act, the Authority has the power to sue and be sued.

*Section 5.09. Litigation.* There is no action, suit or proceeding pending in any court, any other governmental authority with jurisdiction over the Authority or any arbitration in which service of process has been completed against the Authority or, to the knowledge of the Authority, any other action, suit or proceeding pending or threatened in any court, any other governmental authority with jurisdiction over the Authority or any arbitrator, in either case against the Authority, or the Master Indenture or any of the Loan Documents, which if determined adversely to the Authority would adversely affect the legality, validity or enforceability of the Master Indenture or any of the Loan Documents or the rights and remedies of the Bank under any of the Loan Documents or which is reasonably likely to have a Material Adverse Effect, except any action, suit or proceeding (i) described to the Bank in writing prior to the date hereof, or (ii) which has been brought prior to the Effective Date as to which the Bank has received an opinion of counsel satisfactory to the Bank in form and substance satisfactory to the Bank and its counsel, to the effect that such action, suit or proceeding is without substantial merit.

*Section 5.10. Disclosure.* To the best knowledge of the Authority, neither the Loan Documents nor any other certificate or statement of the Authority relating to this Agreement or the transaction contemplated hereby contains any untrue statement of any material fact which would be reasonably likely to result in a Material Adverse Effect.

*Section 5.11. Reserved.*

*Section 5.12. Incorporation of Representations and Warranties by Reference.* The Authority hereby makes to the Bank the same representations and warranties made by the Authority in each Loan Document to which it is a party, which representations and warranties, as well as the related defined terms contained therein, are hereby incorporated by reference for the benefit of the Bank with the same effect as if each and every such representation and warranty and defined term were set forth herein in its entirety. No amendment to such representations and warranties or defined terms made pursuant to any Loan Document shall be effective to amend

such representations and warranties and defined terms as incorporated by reference herein without the prior written consent of the Bank.

*Section 5.13. Maximum Rate.* The Maximum Rate under this Agreement is twelve percent (12%) per annum. Such Maximum Rate does not exceed the Maximum Lawful Rate.

*Section 5.14. Pledge.* (a) The obligation of the Authority to pay the principal of and interest on the Term Loan and the obligation of the Authority to pay the Make Whole Amount pursuant to Section 2.13 hereof constitute "*Note Payment Obligations*" under the Master Indenture and the Funding Agreement and the obligation of the Authority to pay the other Obligations of the Authority under or arising out of this Agreement constitutes "*Financing Facility Payment Obligations*" under the Master Indenture and the Funding Agreement, and as such are entitled to the liens and pledge created pursuant to the Indenture, and shall be payable pursuant to the terms and provisions of the Funding Agreement, including, without limitation, Section 4 thereof. No filing, registration, recording or publication of the Master Indenture or any other instrument is required to establish the pledge provided for thereunder or to perfect, protect or maintain the lien created thereby on the Pledged Revenues and the Trust Estate to secure the Obligations.

*Section 5.15. Reserved.*

*Section 5.16. OFAC.* Neither the Authority, nor, to the knowledge of the Authority, any Related Party, (a) is currently the subject of any Sanctions, (b) is located, organized or residing in any Designated Jurisdiction, or (c) to the Authority's knowledge, is engaged in any transaction with any Person who is the subject of Sanctions. The proceeds from the Term Loan or the transaction contemplated by this Agreement will be used as described in the recitals hereto. For purposes of this Section 5.16, the term Related Party means the Authority, the directors and officers of the Authority, the State, the Governor, the Treasurer and the Office of Public Finance of the State.

## ARTICLE VI

### COVENANTS

So long as the Term Loan or any other Obligation hereunder shall remain unpaid or unsatisfied, the Authority shall:

*Section 6.01. Maintenance of Existence.* The Authority shall maintain its existence pursuant to the Act and the laws of the State.

*Section 6.02. Reports, Certificates and Other Information.* (a) Commencing with the Fiscal Year of the State beginning July 1, 2017, the Authority shall provide or cause to be provided to the Bank, a copy of the report filed by the Authority pursuant to the Continuing Disclosure Agreement dated as of November 1, 2016, relating to the Publicly Offered Bonds, by and between the Authority and the Trustee, as dissemination agent;

(b) The Authority will use its best efforts to furnish or cause to be furnished to the Bank if and as soon as the same are prepared and available for public distribution, a copy of the fiscal annual appropriation act of the State;

(c) (i) Promptly upon obtaining knowledge of any Default or Event of Default, or notice thereof, and within ten (10) Business Days thereafter, the Authority shall furnish or cause to be furnished to the Bank copies of a certificate signed by an Authorized Officer specifying in reasonable detail the nature and period of existence thereof and what action the Authority has taken or proposes to take with respect thereto and (ii) promptly following a written request of the Bank, a certificate of an Authorized Officer as to the existence or absence, as the case may be, of a Default or an Event of Default under this Agreement;

(d) As promptly as practicable, the Authority shall furnish or cause to be furnished to the Bank copies of written notice to the Bank of all litigation served against the Authority and all proceedings before any court or governmental authority contesting or affecting the validity or enforceability of this Agreement or the Loan Documents which would have a Material Adverse Effect; and

(e) The Authority shall furnish or cause to be furnished to the Bank copies of such other publicly available information regarding the affairs and condition of the Authority or the State as the Bank may from time to time reasonably request.

*Section 6.03. Maintenance of Books and Records.* The Authority will keep proper books in accordance with the provisions of the Indenture.

*Section 6.04. Access to Books and Records.* To the extent permitted by law, the Authority will permit any Person designated by the Bank (at the expense of the Bank) to visit any of the offices of the Authority upon prior written notice and during reasonable business hours to examine the books and financial records (except books and financial records the examination of which by the Bank is prohibited by law), including minutes of meetings of any relevant governmental committees or agencies, and make copies thereof or extracts therefrom (at the expense of the Bank), and to discuss the affairs, finances and accounts of the Authority with their principal officials as such relate to the Term Loan and the other Obligations under this Agreement, all at such reasonable times and as often as the Bank may reasonably request, and in such manner as not to disrupt the normal business operations of the Authority.

*Section 6.05. Compliance with Documents.* The Authority agrees that it will perform and comply, in all material respects with each and every covenant and agreement required to be performed or observed by it in each of the Loan Documents, which provisions, as well as related defined terms contained therein, are hereby incorporated by reference herein with the same effect as if each and every such provision were set forth herein in its entirety all of which shall be deemed to be made for the benefit of the Bank and shall be enforceable against the Authority. To the extent that any such incorporated provision permits the Authority or any other party to waive compliance with such provision or requires that a document, opinion or other instrument or any event or condition be acceptable or satisfactory to the Authority or any other party, for purposes of this Agreement, such provision shall be complied with unless it is specifically waived by the

Bank in writing and such document, opinion or other instrument and such event or condition shall be acceptable or satisfactory only if it is acceptable or satisfactory to the Bank which shall only be evidenced by the written approval by the Bank of the same, which shall not be unreasonably withheld or delayed. To the extent permitted by law, no termination or amendment to such covenants and agreements or defined terms or release of the Authority with respect thereto made pursuant to any of the Loan Documents, shall be effective to terminate or amend such covenants and agreements and defined terms or release the Authority with respect thereto in each case as incorporated by reference herein without the prior written consent of the Bank, which shall not be unreasonably withheld or delayed. Notwithstanding any termination or expiration of any such Loan Document, the Authority shall, to the extent permitted by law, unless such Loan Document has terminated in accordance with its terms and has been replaced by a new Loan Document, continue to observe the covenants therein contained for the benefit of the Bank until the termination of this Agreement. All such incorporated covenants shall be in addition to the express covenants contained herein and shall not be limited by the express covenants contained herein nor shall such incorporated covenants be a limitation on the express covenants contained herein; *provided* that any obligations that result from the covenants are subject to the limitations under Section 8.05 of this Agreement.

*Section 6.06. Compliance with Law.* The Authority shall comply with and observe the obligations and requirements set forth in the Constitution of the State and in all statutes and regulations binding upon it relating to the Loan Documents.

*Section 6.07. Further Assurances.* From time to time hereafter, the Authority will execute and deliver such additional instruments, certificates or documents, and will take all such actions as the Bank may reasonably request for the purposes of implementing or effectuating the provisions of the Loan Documents or for the purpose of more fully perfecting or renewing the rights of the Bank with respect to the Loan Documents. Upon the exercise by the Bank of any power, right, privilege or remedy pursuant to the Loan Documents which requires any consent, approval, registration, qualification or authorization of any governmental authority or instrumentality, the Authority will, to the extent permitted by law, execute and deliver all necessary applications, certifications, instruments and other documents and papers that the Bank may be required to obtain for such governmental consent, approval, registration, qualification or authorization.

*Section 6.08. No Impairment.* The Authority will neither take any action, nor direct the Trustee to take any action, under the Resolution, the Indenture, the Funding Agreement or any Loan Document which would materially adversely affect the rights, remedies or security of the Trustee or the Bank under this Agreement or any other Loan Document or which would result in a Material Adverse Effect.

*Section 6.09. Application of Loan Proceeds.* The Authority will neither take nor omit to take any action, which action or omission will in any way result in the proceeds of the Term Loan being applied in a manner other than as provided in the Indenture.

*Section 6.10. Maintenance of Tax-Exempt Status of Interest.* The Authority represents that the Authority expects and intends to be able to comply with and will, to the extent permitted

by law, comply with the provisions and procedures set forth in its tax regulatory agreement which is being delivered simultaneously with the issuance of the Notes, and do and perform all acts and things necessary or desirable in order to assure that, under the Code as presently in effect, interest on the Notes will, for purposes of Federal income taxation, be and remain excluded from the gross income of the recipients thereof.

*Section 6.11. Amendments to the Indenture and the Funding Agreement.* The Authority will not amend or modify, or permit to be amended or modified the Indenture with respect to the Term Loan without the prior written consent of the Bank if any such amendment or modification would result in a Material Adverse Effect.

The Authority will not amend or modify, or permit to be amended or modified, the Funding Agreement without the prior written consent of the Bank if any such amendment or modification would result in a Material Adverse Effect; *provided, however*, that nothing set forth in the immediately preceding sentence shall prohibit the Authority from making an amendment to the Funding Agreement in accordance with Section 10 thereof.

*Section 6.12. Reserved.*

*Section 6.13. Underlying Rating.* The Authority shall at all times maintain a rating on the Publicly Offered Bonds from at least two Rating Agencies. The Authority covenants and agrees that it shall not at any time withdraw any long-term unenhanced rating on the Publicly Offered Bonds from any Rating Agency if the effect of such withdrawal would be to cure a Default or an Event of Default under this Agreement.

## ARTICLE VII

### EVENT OF DEFAULTS AND REMEDIES

*Section 7.01. Event of Defaults and Remedies; Incremental Amounts.* The occurrence of any of the following events (whatever the reason for such event and whether voluntary, involuntary, or effected by operation of Law) shall be an "Event of Default" hereunder, unless waived in writing by Bank; *provided* that neither the failure by the Authority to pay when due the principal or redemption price of, or interest on, the Notes or Obligations required to be made hereunder, or a failure by the Authority to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Agreement or the Notes, resulting from the occurrence of an Event of Non-Appropriation or the Unavailability of Federal Transportation Funds shall constitute an Event of Default (as defined in the Master Indenture) under the Master Indenture or an Event of Default (as defined in this Agreement) under this Agreement:

(a) The Authority fails to pay, or cause to be paid, when due, the principal of or interest on the Notes;

(b) the Authority shall fail to pay any Obligation (other than the obligation to pay the principal of or interest on the Notes) when due and such failure shall continue for three (3) Business Days;

(c) Any representation, warranty or statement made by or on behalf of the Authority herein or by the Authority or the Commissioner in any Loan Document or in any certificate delivered pursuant hereto or thereto shall prove to be untrue in any material respect on the date as of which made or deemed made;

(d) (i) The Authority fails to perform or observe any term, covenant or agreement contained in Section 5.15, 6.01, 6.05, 6.08, 6.09, 6.10 or 6.11 of this Agreement or (ii) the Authority fails to perform or observe any other term, covenant or agreement contained in this Agreement (other than those referred to in Section 7.01(a), 7.01(b) and 7.01(d)(i) hereof) and any such failure cannot be cured or, if curable, remains uncured for sixty (60) days after written notice thereof to the Authority;

(e) (i) The Authority shall (A) fail to pay any obligation (other than payments on the Term Loan) secured by a charge, lien or encumbrance on the Trust Estate with a priority of payment from Trust Estate that is on a parity with the Term Loan, the Note Payment Obligations, or other Financing Facility Payment Obligations ("*Secured Debt*"), beyond the period of grace, if any, provided in the instrument or agreement under which such Secured Debt was created, or (B) fail in the observance or performance of any agreement or condition relating to any Secured Debt or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which failure or other event or condition is to cause, or to permit the holder or holders of such Secured Debt (or a trustee or agent on behalf of such holder or holders) to cause (determined without regard to whether any notice is required), any such Secured Debt to become due prior to its stated maturity; or (ii) the Commissioner shall (A) fail to pay pursuant to the terms of the Funding Agreement (x) the principal of or interest on any Note Payment Obligations issued pursuant to the Indenture or (y) any Financing Facility Payment Obligations due and owing pursuant to any Financing Facility executed and delivered by the Authority in connection with any Note Payment Obligations issued pursuant to the Master Indenture, in each case, beyond the period of grace, if any, provided in the instrument or agreement under which such indebtedness was created, or (B) fail to observe or perform any agreement or condition relating to any such indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which failure or other event or condition is to cause, or to permit the holder or holders of such indebtedness (or a trustee or agent on behalf of such holder or holders) to cause (determined without regard to whether any notice is required), any such indebtedness to become due prior to its stated maturity;

(f) (i) A court or other governmental authority with jurisdiction to rule on the validity of this Agreement, the Resolution, the Indenture, the Funding Agreement or any other Loan Document shall find, announce or rule in a final non-appealable judgment that (x) any material provision of this Agreement, the Resolution, the Indenture, the Funding Agreement or any other Loan Document or (y) any provision of the Indenture or the Funding Agreement relating to the security for the Term Loan or the other Obligations under this Agreement, the Authority's ability

or obligation to pay the Obligations under this Agreement or perform its obligations hereunder or the Commissioner's ability or obligation to pay or perform under the Loan Documents to which it is a party or the rights and remedies of the Bank, is not a valid and binding agreement of the Authority or the Commissioner, as applicable, or (ii) the Authority shall contest the validity or enforceability of this Agreement, any other Loan Document or any provision of the Indenture or the Funding Agreement relating to the security for the Term Loan or the other Obligations under this Agreement, the Authority's ability to pay the Obligations under this Agreement or perform its obligations hereunder or the Commissioner's ability or obligation to pay or perform under the Loan Documents to which it is a party or the rights and remedies of the Bank, or the Authority shall seek an adjudication that this Agreement or the Authority, the State or the Commissioner shall seek an adjudication that any other Loan Document or any provision of the Indenture or the Funding Agreement relating to the security for the Term Loan or the Obligations under this Agreement, the Authority's ability to pay the Obligations under this Agreement or perform its obligations hereunder or the Commissioner's ability or obligation to pay or perform under the Loan Documents to which it is a party or the rights and remedies of the Bank, is not valid and binding on the Authority or the Commissioner, as applicable;

(g) Any provision of the Indenture or the Funding Agreement relating to the security for the Term Loan, the Authority's ability or obligation to pay the Term Loan or perform its obligations hereunder or the Commissioner's ability or obligation to pay or perform under the Loan Documents to which it is a party, or the rights and remedies of the Bank, or any Loan Document, or any material provision thereof shall cease to be in full force or effect, or the Authority or the Commissioner or any Person duly authorized to act by or on behalf of the Authority or the Commissioner shall deny or disaffirm in a written proceeding the Authority's obligations under the Indenture or any other Loan Document or the Commissioner's obligations under the Funding Agreement;

(h) A Debt Moratorium, debt restructuring, debt adjustment or comparable restriction is imposed on the repayment, or a repudiation by the Authority, the State or the Commissioner of the payment, when due and payable of the principal of or interest on any obligation secured by a lien, charge or encumbrance upon the Trust Estate or any general obligation indebtedness of the State or any indebtedness of the State payable from an appropriation by the State Legislature; *provided, however,* that an Event of Non-Appropriation or the Unavailability of Federal Transportation Funds shall not constitute a debt moratorium, a debt restructuring, a debt adjustment or a comparable restriction or a repudiation for purposes of this Section 7.01(j);

(i) Any two of Fitch, Moody's and S&P shall have downgraded its rating of the Program Bonds (without regard to credit enhancement) to below "Baa3" (or its equivalent), "BBB-" (or its equivalent), and "BBB-" (or its equivalent) respectively, or suspended or withdrawn its rating of the same; or

(j) any Funding Agreement Event shall have occurred.

Notwithstanding the foregoing, or any other provision of this Agreement or the Master Indenture, for purposes of this Section 7.01 and Section 9.01 of the Master Indenture, the failure of the Authority to pay any Incremental Amounts on the respective due dates of such Incremental

Amounts shall not constitute an Event of Default under this Agreement or the Master Indenture so long as (x) the Commissioner complies with Sections 2(a)(ii) and 4(b) of the Funding Agreement with respect to the payment of Reimbursement Revenues to the Trustee, as assignee of the Authority, upon receipt of a Post Sufficiency Event Notice from the Trustee, and (y) such Incremental Amounts are paid in full by the semi-annual Interest Payment Date next following the first Interest Payment Date on which such Incremental Amounts would otherwise be due.

*Section 7.02. Remedies Upon Event of Default.* If any Event of Default occurs and is continuing, the Bank may exercise, or cause to be exercised, any and all remedies as it may have under the Indenture and as otherwise available at law and at equity.

*Section 7.03. Solely for the Benefit of Bank.* The rights and remedies of the Bank specified herein are for the sole and exclusive benefit, use and protection of the Bank, and the Bank is entitled, but shall have no duty or obligation to the Authority or any other Person or otherwise, to exercise or to refrain from exercising any right or remedy reserved to the Bank hereunder or under any of the other Loan Documents.

*Section 7.04. Discontinuance of Proceedings.* In case the Bank shall proceed to invoke any right, remedy or recourse permitted hereunder or under the Loan Documents and shall thereafter elect to discontinue or abandon the same for any reason, the Bank shall have the unqualified right so to do and, in such event, the Authority and the Bank shall be restored to their former positions with respect to the Obligations, the Loan Documents and otherwise, and the rights, remedies, recourse and powers of the Bank hereunder shall continue as if the same had never been invoked.

## ARTICLE VIII

### MISCELLANEOUS

*Section 8.01. Amendments, Etc.* No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Authority therefrom, shall be effective unless in writing signed by the Bank and the Authority, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. In the case of any such waiver or consent relating to any provision hereof, any Default or Event of Default so waived or consented to shall be deemed to be cured and not continuing, but no such waiver or consent shall extend to any other or subsequent Default or Event of Default or impair any right consequent thereto.

*Section 8.02. Notices; Effectiveness; Electronic Communication.* (a) Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by fax transmission or e-mail transmission as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, if to the Authority or the Bank, to the address, fax number, e-

mail address or telephone number specified for such Person on Schedule I. Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by fax transmission or e-mail transmission shall be deemed to have been given when sent (except that, if not given during normal business hours of the Authority, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in subsection (b) below, shall be effective as provided in such subsection (c).

(b) *Electronic Communications.* Notices and other communications to the Bank hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Bank. The Bank or the Authority, in its discretion, agrees to accept notices and other communications to it hereunder by electronic communications pursuant to procedures provided by it, provided that the approval of such procedures may be limited to particular notices or communications.

(c) Unless the Bank otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor; *provided that*, for both clauses (i) and (ii), if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice, email or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(d) *Change of Address, Etc.* Each of the Authority and the Bank may change its address, fax number or telephone number or e-mail address for notices and other communications hereunder by notice to the other parties hereto.

(e) *Reliance by the Bank.* The Bank shall be entitled to rely and act upon any notices (including telephonic or electronic notices) purportedly given by or on behalf of the Authority even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. All telephonic notices to and other telephonic communications with the Bank may be recorded by the Bank, and each of the parties hereto hereby consents to such recording.

(f) *Reliance by the Authority.* The Authority shall be entitled to rely and act upon any notices (including telephonic or electronic notices) purportedly given by or on behalf of the Bank even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. All telephonic notices to and other telephonic communications with the Authority may be recorded by the Authority, and each of the parties hereto hereby consents to such recording.

*Section 8.03. No Waiver; Cumulative Remedies.* No failure by the Bank to exercise, and no delay by the Bank in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, and provided under each other Loan Document, are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

*Section 8.04. Costs and Expenses; Damage Waiver.* (a) The Authority shall pay all out-of-pocket expenses incurred by the Bank (including the fees, charges and disbursements of any counsel for the Bank), and all fees and time charges for attorneys who may be employees of the Bank, in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section 8.04, or (B) all such out-of-pocket expenses incurred during any workout, restructuring or negotiations. Notwithstanding anything to the contrary contained herein, the foregoing is subject to the limitations of the provisions of the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq. and the New Jersey Tort Claims Act, N.J.S.A. 59:2-1 et seq., and to the provisions of Section 8.05 of this Agreement.

(b) *Reimbursement by the Authority.* To the fullest extent permitted by applicable law, the Authority shall reimburse the Bank for any and all losses, claims, damages, liabilities and related expenses (including the reasonable fees, charges and disbursements of any counsel for the Bank) incurred by the Bank or asserted against the Bank by any Person (including the Authority) other than the Bank arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, (ii) the performance by the parties hereto of their respective obligations hereunder or thereunder, or (iii) the Term Loan or the use or proposed use of the proceeds therefrom or (iv) to the extent not otherwise paid by, or payable by, the Authority hereunder, the loss of tax-exemption of the Notes, *provided* that such reimbursement shall not, as to the Bank, be available to the extent that such losses, claims, damages, liabilities or related expenses are the result of the gross negligence or willful misconduct of the Bank; *provided, however,* that the foregoing is subject to the limitations of the provisions of the New Jersey Tort Claims Act, N.J.S.A. 59:2-1 et seq., and the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq.; *provided further,* that the foregoing is subject to Section 8.05 of this Agreement.

(c) *Waiver of Consequential Damages, Etc.* To the fullest extent permitted by applicable law, the Authority shall not assert any claim against the Bank on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, the Term Loan or the use of the proceeds thereof. The Bank shall not be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by the Bank through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence or willful misconduct of the Bank as

determined by a final and nonappealable judgment of a court of competent jurisdiction; *provided, however,* that the foregoing is subject to the limitations of the provisions of the New Jersey Tort Claims Act, N.J.S.A. 59:2-1 *et seq.*, and the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 *et seq.*; *provided further,* that the foregoing is subject to Section 8.05 of this Agreement.

(d) *Payments.* All amounts due under this Section 8.04 shall be due and payable within ten (10) Business Days after receipt of demand therefor provided that, if there is not a sufficient State appropriation of amounts to satisfy any amounts due under this Section 8.04, the Authority hereby covenants to take reasonable action to request an appropriation from the State in an amount sufficient to pay all such amounts due under this Section 8.04 and such amounts will be due and payable within ten (10) Business Days of appropriation by the State Legislature.

(e) *Survival.* The agreements in this Section 8.04 shall survive the payment in full of the Term Loan, the repayment, satisfaction or discharge of all other Obligations and the termination of this Agreement.

*Section 8.05. Limited Obligation.* The Authority's obligations under or that arise out of this Agreement shall be payable solely out of amounts paid to the Authority by the Commissioner under the Funding Agreement in accordance with the terms thereof and the Indenture. THE STATE IS NOT OBLIGATED TO PAY, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE IS PLEDGED TO THE PAYMENT OF THE AUTHORITY'S OBLIGATIONS UNDER THIS AGREEMENT. THIS AGREEMENT AND THE LOAN DOCUMENTS ARE SPECIAL, LIMITED OBLIGATIONS OF THE AUTHORITY, PAYABLE SOLELY OUT OF THE TRUST ESTATE UNDER THE INDENTURE. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS DO NOT NOW AND SHALL NEVER CONSTITUTE A CHARGE AGAINST THE GENERAL CREDIT OF THE AUTHORITY. THE AUTHORITY HAS NO TAXING POWER. Notwithstanding the pledge effected by the Indenture or any provision of the Indenture, all amounts payable by the Commissioner pursuant to the Funding Agreement shall be subject to and dependent upon appropriations being made from time to time for such purposes by the State Legislature; *provided, however,* that the State Legislature has no legal obligation to make any such appropriations and the failure of the Authority to pay any obligations hereunder as a result of an Event of Non-Appropriation or an Unavailability of Federal Transportation Funds shall not constitute an Event of Default under the Indenture or under this Agreement.

*Section 8.06. Successors and Assigns.*

(a) *Successors and Assigns Generally.* The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the Authority may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Bank; *provided, however,* that the consent of the Bank shall not be required for a transfer of the Authority's rights or obligations as and to the extent it may be required by law (but, rather, the Authority will provide notice to the Bank of such transfer).

(b) The Bank may at any time, without the consent of the Authority, assign or transfer to one or more transferees all or any part of its rights and obligations under this Agreement upon notice to the Authority, *provided, however,* that any assignment or transfer of this Agreement

pursuant to this Section 8.06(b) shall not be made to the Authority or any of the Authority's Affiliates. Notwithstanding anything to the contrary contained in this subsection (b), any assignment or transfer by the Bank hereunder shall be subject to the following conditions: (i) the Bank shall be responsible for all costs resulting from the transfer, and (ii) the transferee shall be in compliance with L. 2005, c. 51, L. 2005, e. 271, L. 2012, c.25 and all other applicable law.

(c) *Participations.* The Bank may at any time, without the consent of, or notice to, the Authority, sell participations to any Person (other than a natural Person or the Authority or any of the Authority's Affiliates) (each, a "*Participant*") in all or a portion of the Bank's rights and/or obligations under this Agreement (including all or a portion of the Term Loan); *provided that* (i) the Bank's obligations under this Agreement shall remain unchanged, (ii) the Bank shall remain solely responsible to the Authority hereto for the performance of such obligations and (iii) the Authority shall continue to deal solely and directly with the Bank in connection with the Bank's rights and obligations under this Agreement.

Any agreement or instrument pursuant to which the Bank sells such a participation shall provide that the Bank shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement.

(d) *Certain Pledges.* The Bank may at any time pledge or grant a security interest in all or any portion of its rights under this Agreement (including under the Notes, if any) to secure obligations of the Bank, including any pledge or grant to secure obligations to a Federal Reserve Bank or to any State or local government entity with respect to public deposits; *provided that* no such pledge or grant shall release the Bank from any of its obligations hereunder or substitute any such pledgee or grantee for the Bank as a party hereto.

*Section 8.07. Treatment of Certain Information; Confidentiality.* The Bank agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its Related Parties (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent required or requested by any regulatory authority purporting to have jurisdiction over such Person or its Related Parties (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section 8.07, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights and obligations under this Agreement or (ii) any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to the Authority and its obligations, this Agreement or payments hereunder, (g) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section 8.07 or (y) becomes available to the Bank or any of its Affiliates on a nonconfidential basis from a source other than the Authority. For purposes of this Section 8.07, "Information" means all information received from the Authority relating to the

Authority, other than any such information that is available to the Bank on a nonconfidential basis prior to disclosure by the Authority or the State, provided that, in the case of information received from the Authority or the State after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section 8.07 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

*Section 8.08. Counterparts; Integration; Effectiveness.* This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Loan Documents constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Bank and when the Bank shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by fax transmission or e-mail transmission (e.g., "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Agreement. Without limiting the foregoing, to the extent a manually executed counterpart is not specifically required to be delivered under the terms of any Loan Document, upon the request of any party, such fax transmission or e-mail transmission shall be promptly followed by such manually executed counterpart.

*Section 8.09. Survival of Representations and Warranties.* All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Bank, regardless of any investigation made by the Bank or on its behalf and notwithstanding that the Bank may have had notice or knowledge of any Default at the time of making the Term Loan, and shall continue in full force and effect as long as any other Obligation hereunder shall remain unpaid or unsatisfied.

*Section 8.10. Severability.* If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions.

*Section 8.11. Governing Law; Jurisdiction; Etc.* THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT (EXCEPT, AS TO ANY OTHER LOAN DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY

SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW JERSEY.

(b) *Submission to Jurisdiction.* THE AUTHORITY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE BANK OR ANY RELATED PARTY OF THE BANK IN ANY WAY RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY FORUM OTHER THAN THE STATE COURTS OF THE STATE OF NEW JERSEY, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW JERSEY STATE COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.

*Section 8.12. Waiver of Jury Trial.* EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 8.12.

*Section 8.13. Non-Reliance; Assessment and Understanding.* Each of the Authority and the Bank are acting for its own account, and has made its own independent decisions to enter into this Agreement and this Agreement is appropriate or proper for it based upon its own judgment and upon advice from such advisers as it has deemed necessary. Neither the Authority nor the Bank is relying on any communication (written or oral) of the other party as advice or a recommendation to enter into this Agreement; it being understood that information and explanation relating to the terms and conditions of this Agreement shall not be considered a advice or a recommendation to enter into this Agreement. Each party is also capable of assuming, and assumes, the risks of this Agreement. Neither the Authority nor the Bank is acting as a fiduciary for or as an adviser to the other in respect of this Agreement or the Term Loan.

*Section 8.14. Electronic Execution of Certain Documents.* If and to the extent applicable, the words "execute," "execution," "signed," "signature," and words of like import in any Loan Document (including waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Bank, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any

applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, the New Jersey Uniform Electronic Transactions Act or any other similar state laws based on the Uniform Electronic Transactions Act.

*Section 8.15. USA Patriot Act.* The Bank is subject to the Patriot Act and hereby notifies the Authority that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies the Authority, which information includes the name and address of the Authority and other information that will allow the Bank to identify the Authority in accordance with the Patriot Act. The Authority shall, promptly following a request by the Bank, provide all documentation and other information that the Bank requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act.

*Section 8.16. Tort Claims Act; Contractual Liability Act.* Notwithstanding anything to the contrary contained herein, this Agreement is subject to the limitations of the provisions of the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq., the New Jersey Tort Claims Act, N.J.S.A. 59:2-1 et seq. and the provisions of Section 8.05 of this Agreement. While the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq. is not applicable by its terms to claims arising under contracts with the Authority, the Bank hereby agrees that such statute (except N.J.S.A. 59:13-9) shall be applicable to all claims arising against the Authority under this Agreement.

*Section 8.17. Entire Agreement.* This Agreement and the other Loan Documents represent the final agreement among the parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten oral agreements among the parties.

*Section 8.18. No Third-Party Rights.* Nothing in this Agreement, whether express or implied, shall be construed to give to any Person other than the parties hereto any legal or equitable right, remedy or claim under or in respect of this Agreement, which is intended for the sole and exclusive benefit of the parties hereto.

*Section 8.19. Amendment and Restatement.* This Agreement shall become effective on the Effective Date and shall supersede, amend and restate all provisions of the Original Term Loan Agreement as of such date. From and after the Effective Date, all references made to the Original Term Loan Agreement in any instrument or document shall without more, be deemed to refer to this Agreement. Without limiting the foregoing, the parties to this Agreement hereby acknowledge and agree that the "Agreement" referred to in the Original Term Loan Agreement shall from and after the Effective Date be deemed to reference this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the Effective Date.

BANK OF AMERICA, N.A.

By \_\_\_\_\_  
Name: Patrick Ingram  
Title: Senior Vice President

NEW JERSEY TRANSPORTATION TRUST  
FUND AUTHORITY

By \_\_\_\_\_  
Name: Gary G. Brune  
Title: Executive Director

## SCHEDULE I

### ADDRESSES

The Authority: New Jersey Transportation Trust Fund Authority  
1035 Parkway Avenue  
P.O. Box 600  
Trenton, New Jersey 08625  
Attention: Executive Director  
Facsimile: (609) 530-3611  
Telephone: (609) 530-2040

With a copy to:

New Jersey Office of Public Finance  
50 West State Street  
5th Floor, P.O. Box 005  
Trenton, New Jersey 08625  
Attention: Director, Office of Public Finance  
Facsimile: 609-777-1987  
Telephone: 609-984-4888

The Bank: Bank of America Merrill Lynch  
One Bryant Park, 12<sup>th</sup> Floor  
New York, NY 10036  
Attention: Patrick Ingram  
Telephone: (646) 743-2196  
E-mail: [patrick.ingram@baml.com](mailto:patrick.ingram@baml.com)

With a copy to: Bank of America, N.A.  
100 Westminster Street  
Providence, RI 02903  
Attention: Karen Cambio  
Telephone: (401) 278-2916  
E-mail: [karen.cambio@baml.com](mailto:karen.cambio@baml.com)

With respect to payments: Bank of America, N.A.  
ABA No. 026009593  
Account No. 1366211001000

EXHIBIT A

UNITED STATES OF AMERICA

STATE OF NEW JERSEY

NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY

AMENDED AND RESTATED

FEDERAL HIGHWAY REIMBURSEMENT REVENUE NOTES, 2016 SERIES B

THE PRINCIPAL OF AND INTEREST ON THE 2016 SERIES B NOTES ARE PAYABLE SOLELY FROM THE TRUST ESTATE (AS DEFINED IN THE INDENTURE) AND NEITHER THE STATE OF NEW JERSEY NOR ANY POLITICAL SUBDIVISION THEREOF, OTHER THAN THE AUTHORITY (TO THE LIMITED EXTENT SET FORTH IN THE INDENTURE), IS OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST ON THIS NOTE AND THE ISSUE OF WHICH IT IS ONE AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF NEW JERSEY OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THIS NOTE OR THE ISSUE OF WHICH IT IS ONE.

No: R-[\_\_]

<u>Interest</u> <u>Rate</u> %	<u>Maturity</u> <u>Date</u>	<u>Dated</u> <u>Date</u> [____], 2018	<u>CUSIP</u>
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Registered Owner: CEDE & CO.

Principal Sum: Dollars

NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY (the "Authority"), a public body corporate and politic and an instrumentality of the State of New Jersey (the "State") created and existing under the laws of the State, acknowledges itself indebted to, and for value received hereby promises to pay to, the registered owner stated hereon or registered assigns, on the Maturity Date stated hereon, but solely from the funds pledged therefor, upon presentation and surrender of this note at the designated corporate trust office of U.S. Bank National Association (such bank and any successors thereto being herein called the "Paying Agent" and "Trustee"), the Principal Sum stated hereon in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts, and to pay from such pledged funds on June 15 and December 15, in each year, commencing December 15, 2018 (and as further described in Section 2.04(a) of the hereinafter described Agreement), until the Authority's obligation with respect to the payment of such Principal Sum shall be discharged to the registered owner hereof; interest from the Dated Date hereof on such Principal Sum by check or draft of the Trustee hereinafter mentioned mailed to such registered owner who shall appear as of the fifteenth (15th) day (or if such day shall not be a Business Day, the preceding Business Day) next preceding such interest payment date on the books of the Authority maintained by the Note Registrar.

This Note shall bear interest at the Interest Rate stated above, subject to adjustment in accordance with the terms of that certain Amended and Restated Term Loan Agreement, dated [\_\_\_\_], 2018 (the "Agreement"), between the Authority and Bank of America, N.A. (the "Bank").

This Note is one of a duly authorized series of notes of the Authority designated "Federal Highway Reimbursement Revenue Notes, 2016 Series B" (herein called the "2016 Series B Notes"), in the original aggregate principal amount of \$500,000,000 issued under and in full compliance with the Constitution and Statutes of the State of New Jersey, and particularly chapter 73 of the Laws of New Jersey of 1984, as amended and supplemented (herein called the "Act"), and pursuant to a Federal Highway Reimbursement Revenue Note Resolution adopted by the Authority on October 14, 2016, as amended and supplemented, including by the Supplemental Federal Highway Reimbursement Revenue Note Resolution adopted by the Authority on [\_\_\_\_], 2018 (collectively, the "Resolution") and a Master Trust Indenture dated as of October 26, 2016, by and between the Authority and the Trustee (the "Master Trust Indenture"), as amended and supplemented, including by a First Supplemental Trust Indenture dated as of October 26, 2016, as amended and supplemented by that certain First Amendment to First Supplemental Indenture dated [\_\_\_\_], 2018, each between the Authority and the Trustee (collectively, the "First Supplemental Indenture;" the Master Trust Indenture and First Supplemental Indenture are collectively referred to herein as the Indenture). Capitalized terms used but not defined in this Note shall have the meanings given to them in the Indenture or the Agreement, as the case may be, unless the context indicates otherwise.

As provided in the Indenture, the 2016 Series B Notes and all other obligations issued under the Indenture on a parity with the 2016 Series B Notes (herein collectively called the "Notes") are direct and special obligations of the Authority payable solely from and secured as to payment of the principal of, and interest thereon, in accordance with their terms and the provisions of the Indenture, solely by the Trust Estate, subject only to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture. The Trust Estate under the Indenture includes all right, title and interest of the Authority in and to (i) the Pledged Revenues, (ii) the Funding Agreements, (iii) all moneys and securities held by the Trustee in the Funds and Accounts established and created under the Indenture, but expressly excluding the Construction Fund, the Costs of Issuance Fund, the Expense Fund and the Rebate Fund, (iv) with respect to each Series of Reserve Fund Notes, if any, all monies and securities held by the Trustee in the Account within the Debt Service Reserve Fund established for such Series of Reserve Fund Notes, and (v) any and all other property and monies from time to time hereafter by delivery or by writing conveyed, mortgaged, pledged, assigned or transferred as and for additional security under the Indenture by the Authority or by anyone on its behalf or with its written consent to the Trustee. **A FAILURE BY THE COMMISSIONER TO MAKE ANY PAYMENTS UNDER ANY FUNDING AGREEMENT BY REASON OF THE OCCURRENCE OF AN EVENT OF NON-APPROPRIATION OR UNAVAILABILITY OF FEDERAL TRANSPORTATION FUNDS SHALL NOT CONSTITUTE AN EVENT OF DEFAULT UNDER SUCH FUNDING AGREEMENT. THE NEW JERSEY STATE LEGISLATURE IS UNDER NO LEGAL OBLIGATION TO MAKE APPROPRIATIONS FOR THE PURPOSE OF MAKING PAYMENTS UNDER ANY SUCH FUNDING AGREEMENT. ALL LIABILITIES OR POTENTIAL LIABILITIES OF THE COMMISSIONER UNDER THE FUNDING AGREEMENTS ARE FURTHER SUBJECT TO THE PROVISIONS OF N.J.S.A. 59:1-1 ET SEQ. AND OF N.J.S.A. 59:13-1 ET SEQ.**

Copies of the Resolution, the Indenture and the Agreement are on file at the office of the Authority and at the above mentioned office of the Trustee, and reference is hereby made to the Act and to the Indenture and any and all supplements thereto and modifications and amendments thereof for a

description of the pledge and assignment and covenants securing the Notes, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the Holders of the Notes with respect thereto, the terms and conditions upon which the Notes are issued and may be issued thereunder, the terms and provisions upon which this Note shall cease to be entitled to any lien, benefit or security under the Indenture and for the other terms and provisions thereof. All covenants, agreements and obligations of the Authority under the Indenture may be discharged and satisfied at or prior to the maturity or prepayment of this Note if moneys or certain specified securities shall have been deposited with the Trustee.

As provided in the Indenture, Notes may be issued from time to time pursuant to supplemental indentures in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as provided in the Indenture. The aggregate principal amount of Notes which may be issued under the Indenture is not limited except as provided in the Indenture, and all Notes issued and to be issued under the Indenture are and will be equally secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in the Indenture.

To the extent and in the manner permitted by the terms of the Indenture, the provisions of the Indenture or any supplemental indenture amendatory thereof or supplemental thereto, or any Funding Agreement, may be modified or amended by the Authority, with the written consent of (a) the Holders of at least a majority in principal amount of the Notes Outstanding at the time such consent is given who are affected by the proposed modification or amendment; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Notes of any specified like Series and maturity remain Outstanding, the consent of the Holders of such Notes shall not be required and such Notes shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Notes required for such amendment, and (b) any Financing Facility Provider the consent of which is required by the applicable Financing Facility. No such modification or amendment shall permit a change in the terms of redemption (including sinking fund installment) or maturity of the principal of any Outstanding Note or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Holder of such Note, or shall reduce the percentages or otherwise affect the classes of Notes the consent of the Holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto. For the purposes the provisions of the Indenture described in this paragraph, (i) a Series shall be deemed to be affected by a modification or amendment of the Indenture if the same adversely affects or diminishes the rights of the Holders of Notes of such Series, and (ii) the term "Note" shall include any Subordinate Debt, and the term "Financing Facility" shall include any Subordinate Debt Financing Facility.

This Note is transferable, as provided in the Indenture, only upon the books of the Authority kept for that purpose at the above-mentioned office of the Trustee, as Note Registrar, by the registered owner hereof in person, or by such registered owner's attorney duly authorized in writing, upon surrender of this Note together with a written instrument of transfer satisfactory to the Note Registrar duly executed by the registered owner or such registered owner's duly authorized attorney, and thereupon a new fully registered note or notes in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Indenture and upon payment of the charges therein prescribed. The Authority, the Trustee and any Paying Agent may deem and treat the registered owner as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal of and interest due hereon and for all other purposes.

The 2016 Series B Notes are subject to prepayment prior to maturity as set forth in the

Agreement.

Amounts may be deposited by the Authority, in its sole discretion in the Debt Service Account with respect to the 2016 Series B Notes of any maturity to be applied by the Trustee, if so directed by the Authority, on the date specified by the Authority, which date shall be at least twenty-five (25) days (or such shorter period as shall be acceptable to the Trustee) prior to the maturity date of any such 2016 Series B Notes, to the purchase of such 2016 Series B Notes. All purchases of any 2016 Series B Notes pursuant to the Indenture shall be made at prices not exceeding the applicable principal of such 2016 Series B Notes plus accrued interest, and such purchases shall be made by the Trustee as directed in writing from time to time by the Authority.

**THE NOTES, FINANCING FACILITY PAYMENT OBLIGATIONS, SUBORDINATED DEBT AND SUBORDINATED DEBT FINANCING FACILITY PAYMENT OBLIGATIONS ARE SPECIAL, LIMITED OBLIGATIONS OF THE AUTHORITY, PAYABLE SOLELY OUT OF THE TRUST ESTATE AND DO NOT NOW AND SHALL NOT EVER CONSTITUTE A CHARGE AGAINST THE GENERAL CREDIT OF THE AUTHORITY.**

**BONDS, NOTES AND OTHER OBLIGATIONS OF THE AUTHORITY ISSUED UNDER THE INDENTURE SHALL NOT BE A DEBT OR LIABILITY OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF (OTHER THAN THE AUTHORITY TO THE LIMITED EXTENT STATED IN THE INDENTURE) AND SHALL NOT CREATE OR CONSTITUTE ANY INDEBTEDNESS, LIABILITY OR OBLIGATION OF THE STATE OR OF ANY POLITICAL SUBDIVISION (OTHER THAN THE AUTHORITY TO THE LIMITED EXTENT STATED IN THE INDENTURE) OR BE OR CONSTITUTE A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OR OF ANY POLITICAL SUBDIVISION, BUT ALL BONDS, NOTES AND OBLIGATIONS ISSUED UNDER THE INDENTURE SHALL BE PAYABLE SOLELY FROM THE TRUST ESTATE. THE AUTHORITY HAS NO TAXING POWER.**

It is hereby certified and recited that all conditions, acts and things required by law and the Indenture to exist, to have happened and to have been performed precedent to and in the issuance of this Note, exist, have happened and have been performed and that the series of Notes of which this is one, complies in all respects with the applicable laws of the State of New Jersey, including, particularly, the Act.

This Note shall not be entitled to any benefit under the Indenture or be valid or become obligatory for any purpose until this Note shall have been authenticated by the execution by the Trustee of the Trustee's Certificate of Authentication hereon.

The Authority acknowledges, agrees and understands that this Note is given in replacement of and in substitution for, but not in payment of, that certain Federal Highway Reimbursement Revenue Notes, 2016 Series B dated on October 26, 2016 in the original principal amount of \$500,000,000 issued by the Authority to the order of the Bank, as the same may have been amended or modified from time to time (collectively, the "Prior Note"), and further, that: (a) the obligations of the Authority as evidenced by the Prior Note shall continue in full force and effect, as amended and restated by this Note, all of such obligations being hereby ratified and confirmed by the Authority; (b) any and all liens, pledges, assignments and security interests securing the Authority obligations under the Prior Note shall continue in full force and effect, are hereby ratified and confirmed by the Authority, and are hereby acknowledged by the Authority to secure, among other things, all of the Authority's obligations to the Bank under this Note, with the same priority, operation and effect as that relating to the obligations under the Prior Note;

and (c) nothing herein contained shall be construed to extinguish, release, or discharge, or constitute, create, or effect a novation of, or an agreement to extinguish, the obligations of the Authority with respect to the indebtedness originally described in the Prior Note or any of the liens, pledges, assignments and security interests securing such obligations.

IN WITNESS WHEREOF, the NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY has caused this Note to be executed in its name and on its behalf by the manual or facsimile signature of its Chairperson, Vice Chairperson or Executive Director as of the Dated Date hereof.

NEW JERSEY TRANSPORTATION  
TRUST FUND AUTHORITY

By: \_\_\_\_\_  
Chairperson, Vice-Chairperson  
or Executive Director

[FORM OF CERTIFICATE OF AUTHENTICATION ON ALL NOTES]

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This note is one of the 2016 Series B Notes delivered pursuant to the within mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION, as Trustee

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

EXHIBIT B

PRINCIPAL AMORTIZATION

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate*</u>
June 15, 2025	\$242,725,000	2.77%
June 15, 2026	\$257,275,000	2.99%

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\* As restated in and subject to adjustment in accordance with the terms of the Agreement, the Term Loan shall bear interest (i) at the interest rate set forth in the Original Term Loan Agreement until the Effective Date, and (ii) at the Interest Rate shown above from the Effective Date to but not including each Maturity Date.

## EXHIBIT C

### CALCULATION OF MAKE WHOLE AMOUNT

For purposes of determining the Make Whole Amount in connection with a prepayment of the Term Loan prior to the Maturity Dates, the Make Whole Amount will be the sum calculated separately for each Prepaid Installment, as follows:

(i) The Bank will first determine the amount of interest which would have accrued each month for the Prepaid Installment had it remained outstanding until the applicable Original Payment Date, using the interest rate applicable to the Prepaid Installment under Section 2.04 of the Agreement.

(ii) The Bank will then subtract from each monthly interest amount determined in (i) above, the amount of interest which would accrue for that Prepaid Installment if it were reinvested from the prepayment date through the Original Payment Date, using the Treasury Rate.

(iii) If (i) minus (ii) for the Prepaid Installment is greater than zero, the Bank will discount the monthly differences to the date of the prepayment date by the Treasury Rate. The Bank will then add together all of the discounted monthly differences to determine the amount of the Prepaid Installment.

The following definitions will apply to the calculation of the Make Whole Amount:

*"Original Payment Date"* means, with respect to any Prepaid Installment, June 15, 2025 or June 15, 2026, as applicable.

*"Prepaid Installment"* means the principal amount of the Term Loan prepaid on a date other than an Original Payment Date.

*"Treasury Rate"* means the yield on the Treasury Constant Maturity Series with maturity equal to the Original Payment Date of the Prepaid Installment which are principal payments (calculated as of the date of redemption in accordance with accepted financial practice and rounded to the nearest quarter-year), as reported in Federal Reserve Statistical Release H.15, Selected Interest Rates of the Board of Governors of the Federal Reserve System, or any successor publication. If no maturity exactly corresponding to such Original Payment Date appears in Release H.15, the Treasury Rate will be determined by linear interpolation between the yields reported in Release H.15. If for any reason Release H.15 is no longer published, the Bank shall select a comparable publication to determine the Treasury Rate.

Capitalized terms not otherwise defined herein shall have the meanings set forth in the Amended and Restated Term Loan Agreement dated [\_\_\_\_], 2018, between the New Jersey Transportation Trust Fund Authority and Bank of America, N.A.