
A MASTER BOND RESOLUTION PROVIDING FOR THE ISSUANCE OF AIRPORT
REVENUE BONDS AND OBLIGATIONS OF RICHLAND-LEXINGTON AIRPORT
DISTRICT; AND OTHER MATTERS RELATED THERETO

MASTER BOND RESOLUTION

Adopted [_____], 2026

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A MASTER BOND RESOLUTION PROVIDING FOR THE ISSUANCE OF AIRPORT REVENUE BONDS AND OBLIGATIONS OF RICHLAND-LEXINGTON AIRPORT DISTRICT; AND OTHER MATTERS RELATED THERETO.

NOW, THEREFORE, BE IT RESOLVED BY THE RICHLAND-LEXINGTON AIRPORT COMMISSION, AS FOLLOWS:

ARTICLE I

DEFINITIONS; RECITALS; INTERPRETATION

Section 1.01 Definitions. The capitalized terms used in this Master Bond Resolution and in any Supplemental Resolution shall, for all purposes of this Master Bond Resolution, have the meanings specified in this Article I, unless a different definition is given such term in a Supplemental Resolution or unless the context clearly requires otherwise.

“Account” means any account established pursuant to this Master Bond Resolution or any Supplemental Resolution.

“Accreted Value” means (a) with respect to any Capital Appreciation Bonds, as of any date of calculation, the sum of the amount set forth in a Supplemental Resolution as the amount representing the initial principal amount of such Capital Appreciation Bond plus the interest accumulated, compounded and unpaid thereon as of the most recent compounding date, or (b) with respect to the principal amount of any Original Issue Discount Bonds, as of the date of calculation, the amount representing the initial public offering price of such Original Issue Discount Bond plus the amount of the discounted principal that has accreted since the date of issue.

“Act” means Title 55, Chapter 11, Article 5, and Title 6, Chapter 17, Code of Laws of South Carolina 1976, as amended.

“Aggregate Annual Debt Service” means for any Fiscal Year, the aggregate amount of Annual Debt Service on all Outstanding Bonds and, if applicable, Bonds proposed to be issued.

“Airport” means the Columbia Metropolitan Airport and any other airport hereafter owned and operated by the District.

“Airport General Fund” means the Airport General Fund established pursuant to Section 4.01 hereof.

“Airport Facilities” or **“Airport Facility”** means a facility or group of facilities or category of facilities that constitute or are part of the Airport System.

“Airport System” means the Airport and all operations of the Airport, including all of its revenue-producing functions, facilities and properties, whether or not directly related to the air transportation of people and goods.

“Annual Debt Service” means, with respect to any Bond, the aggregate amount of principal, interest and such other amounts becoming due and payable during a Fiscal Year. For the purpose of this definition, any principal and interest payable on January 1 shall be deemed to be payable in the Fiscal Year ending on the immediately preceding December 31. For each Series of Outstanding Bonds, and, if applicable, any Series of Bonds proposed to be issued, Annual Debt Service shall be computed using the principles and assumptions set forth below:

(a) In determining the amount of principal due in each Fiscal Year, except to the extent that another subparagraph of this definition applies, payment shall be assumed to be made on Outstanding Bonds or on Bonds proposed to be issued in accordance with any principal maturity or amortization provisions established or authorized pursuant to the related Supplemental Resolutions, setting forth the terms of such Bonds, including, as a principal payment, the Accreted Value of any Capital Appreciation Bonds or Original Issue Discount Bonds maturing or scheduled for redemption in such Fiscal Year. In determining the amount of interest due in each Fiscal Year, except to the extent subparagraphs (b), (c) or (d) of this definition apply, (i) interest payable at a fixed rate shall be assumed to be made at such fixed rate and on the required payment dates and (ii) the interest rate to be used for Variable Rate Indebtedness that has been Outstanding for at least 12 months shall be the average rate over the 12 months immediately preceding the date of calculation, or for Variable Rate Indebtedness that has been Outstanding fewer than 12 months the interest rate to be used shall be the actual rate on the date of calculation, or, for Variable Rate Indebtedness proposed to be issued the interest rate to be used for such computation shall be determined by a Consultant to be a reasonable market rate for fixed-rate Bonds of a corresponding term issued under this Master Bond Resolution on the date of such calculation, with no credit enhancement and taking into consideration whether such Bonds bear interest that is or is not excluded from gross income for federal income tax purposes and that is or is not subject to any alternative minimum tax.

For the purpose of verifying compliance with the rate covenant contained in Section 6.03 hereof, Variable Rate Indebtedness shall be deemed to bear interest at the actual rate or rates borne during any applicable Fiscal Year.

The amount of Capitalized Interest on deposit in any Debt Service Account shall be subtracted from the amount of interest due for any related Fiscal Year, but only to the extent that such Capitalized Interest is dedicated to a particular interest payment coming due during such Fiscal Year.

(b) Each maturity of a Series of Bonds that constitutes Balloon Indebtedness shall be treated as if it were to be amortized over a term of not more than 40 years and with substantially level annual debt service payments commencing not later than the year following the year in which such Balloon Indebtedness was issued, and extending not later than 40 years from the date such Balloon Indebtedness was originally issued. For fixed rate obligations, the interest rate used for such computation shall be the applicable fixed rates. For Balloon Indebtedness that also constitutes Variable Rate Indebtedness, the interest rate used for such computation shall be determined by a Consultant to be a reasonable market rate for fixed-rate Bonds of a corresponding term issued under this Master Bond Resolution on the date of such calculation, with no credit enhancement and taking into consideration whether such Bonds bear interest that

is or is not excluded from gross income for federal income tax purposes and that is or is not subject to any alternative minimum tax.

(c) Notwithstanding subparagraph (b) above, if any stated maturity date of Bonds that constitute Balloon Indebtedness occurs within 12 months from the date of the calculation of Annual Debt Service, the principal amount maturing shall be assumed to become due and payable on the stated maturity date unless there is delivered a certificate of an Authorized Officer of the District stating that (i) the District intends to refinance such maturity and (ii) the probable terms of such refinancing. Upon delivery of such certificate, such Balloon Indebtedness shall be assumed to be refinanced, and Annual Debt Service shall be calculated, in accordance with the probable terms set out in such certificate, except that such assumption shall not result in an interest rate lower than that which would be assumed under subparagraph (b) above and such Balloon Indebtedness shall be amortized over a term of not more than 40 years from the date of refinancing.

(d) If any Outstanding Bonds or any Bonds that are then proposed to be issued constitute Tender Indebtedness, then Tender Indebtedness shall be treated as if the principal amount of such Bonds were to be amortized over a term of not more than 40 years from the date such Tender Indebtedness was originally issued, except that if any principal maturity or amortization schedule is set forth in a Supplemental Resolution, such schedule shall be used to determine the principal maturity or amortization of such Bonds. The interest rate used for such computation shall be determined by a Consultant to be a reasonable market rate for fixed-rate Bonds of a corresponding term issued under this Master Bond Resolution on the date of such calculation, with no credit enhancement and taking into consideration whether such Bonds bear interest that is or is not excluded from gross income for federal income tax purposes and that is or is not subject to any alternative minimum tax. For all principal and interest payments becoming due prior to the year in which such Tender Indebtedness is first subject to tender, such payments shall be treated as described in the other applicable subparagraphs of this definition.

(e) With respect to any Interim Indebtedness, it shall be assumed that the principal amount of the Interim Indebtedness will be continuously refinanced and will remain Outstanding until the first Fiscal Year for which interest on the Interim Indebtedness has not been capitalized or otherwise funded or provided for. For such first Fiscal Year, it shall be assumed that (i) the Outstanding principal amount of the Interim Indebtedness will be refinanced with a Series of additional Bonds that will be amortized over a period not to exceed 40 years in such manner as will cause the maximum annual debt service payments applicable to such Series in any 12 month period not to exceed 110% of the minimum annual debt service payments applicable to such Series for any other 12 month period, and (ii) the Series of additional Bonds will bear interest at a fixed interest rate estimated by a Consultant to be the interest rate such Series of additional Bonds would bear if issued on such terms on the date of such estimate.

(f) If, pursuant to a Supplemental Resolution, the Commission has made an Irrevocable Commitment to use Passenger Facility Charges, Federal Direct Payments, or money available under a grant to pay Annual Debt Service on the Bonds for any Fiscal Year or period of Fiscal Years, then such amounts shall be deposited into the applicable Debt Service Account when received and shall be excluded from the computation of Annual Debt Service for the purpose of calculating Aggregate Annual Debt Service for the proposed issuance of any Series of

Bonds as set forth in Section 5.04 hereof and for the purpose of verifying compliance with the rate covenant in Section 6.03 hereof.

(g) If money that is not included in the definition of “Revenues” has been used to pay or has been irrevocably deposited with and is held by the District to pay principal and/or interest on Bonds, then the principal and/or interest paid from such money shall be excluded from the computation of Annual Debt Service for the purpose of calculating Aggregate Annual Debt Service for the proposed issuance of any Series of Bonds as set forth in Section 5.03 hereof and for the purpose of verifying compliance with the rate covenant in Section 6.03 hereof.

“**Approved PFC Projects**” means any additions, betterments, extensions, other improvements of or related to the Airport or other costs incurred for any purpose at or related to the Airport from time to time (whether or not located at the Airport), including, without limitation, the acquisition of land, all of which shall have been authorized by the FAA in a Record of Decision or Final Agency Decision (or comparable decision named in accordance with then current FAA terminology), and shall constitute an “Approved Project,” as such term is defined in the PFC Regulations.

“**Authorized Officer of the District**” means the Chair and Vice Chair of the Commission and the President/CEO and Chief Financial Officer of the District, or any other officer or employee of the Commission authorized by resolution of the Commission, and for which a certification of incumbency and specimen signatures has been delivered to the Trustee, to perform specific acts or duties related to the subject matter of the authorization.

“**Average Aggregate Annual Debt Service**” means the Aggregate Annual Debt Service of any Outstanding Bonds, proposed Series of Bonds, or other obligations, as applicable, to become due from the date of computation to the date of maturity of the last of such Outstanding Bonds, proposed Series of Bonds, or other obligations, divided by the number of years from the date of computation to the date of maturity of the last of such Outstanding Bonds, proposed Series of Bonds, or other obligations.

“**Balloon Indebtedness**” means all or any portion of a Series of Bonds 25% or more of the initial principal amount of which matures on the same date or within such Fiscal Year. For purposes of this definition, the principal amount maturing on any date shall be reduced by the amount of such Bonds scheduled to be amortized by prepayment or redemption prior to their stated maturity date.

“**Beneficial Owners**” shall have the meaning given such term in Section 2.11 hereof.

“**Bond**” or “**Bonds**” means any debt obligation of the District issued with respect to the Airport as a taxable or tax-exempt obligation under and in accordance with the provisions of Article II hereof, including, but not limited to, any bonds, notes, bond anticipation notes, and other instruments creating an indebtedness of the District, and obligations incurred through lease or installment purchase agreements or other agreements or certificates of participation therein and Repayment Obligations to the extent provided in Section 5.04 hereof expressly issued and designated as a “Bond” or “Bonds” thereunder. The term “Bond” or “Bonds” herein does not include any Subordinate Obligation.

“**Bond Counsel**” means a firm or firms of attorneys that are nationally recognized as experts in the area of municipal finance and which are familiar with the transactions contemplated under this Master Bond Resolution and which are acceptable to the District.

“**Bondholder,**” “**holder,**” “**Owner,**” “**owner**” or “**registered owner**” means the person in whose name any Bond or Bonds are registered on the books maintained by the Bond Registrar and shall include any Credit Provider or Liquidity Provider to which a Repayment Obligation is then owed, to the extent that such Repayment Obligation is deemed to be a Bond under the provisions of Section 5.04 hereof.

“**Bond Resolution**” means collectively, the Master Bond Resolution and any applicable Supplemental Resolution.

“**Bond Register**” means the books for the registration, transfer and exchange of Bonds maintained by the Bond Registrar.

“**Bond Registrar**” means the bond registrar selected from time to time by the Commission or its designee with respect to the Bonds or any Series of Bonds, which Bond Registrar may be an Authorized Officer of the District.

“**Business Day**” means any day except Saturday, Sunday, a legal holiday or a day on which banking institutions located in the states of South Carolina or New York, or any state in which the designated office of the Trustee is located are authorized by law to close or a day on which the payment system of the Federal Reserve is not operational, provided that such term may have a different meaning for any specified Series of Bonds if so provided by Supplemental Resolution.

“**Capital Appreciation Bonds**” means Bonds all or a portion of the interest on which is compounded and accumulated at the rates and on the dates set forth in a Supplemental Resolution and is payable only upon redemption or on the maturity date of such Bonds. Bonds which are issued as Capital Appreciation Bonds, but later convert to Bonds on which interest is paid periodically shall be Capital Appreciation Bonds until the conversion date and from and after such conversion date shall no longer be Capital Appreciation Bonds but shall be treated as having a principal amount equal to their Accreted Value on the conversion date.

“**Capitalized Interest**” means the amount of interest on Bonds, if any, funded from the proceeds of the Bonds or other money that is deposited with the Trustee in a Debt Service Account as shall be described in a Supplemental Resolution upon issuance of Bonds to be used to pay interest on the Bonds.

“**CFC Authorization**” means any resolution of the Commission or any agreement between the District and any other party, as the same may be amended, modified or superseded from time to time, which authorizes or provides for the imposition and collection of a Contract Facility Charge from customers of automobile rental companies.

“**Code**” means the Internal Revenue Code of 1986, as amended, and the United States Treasury Regulations applicable with respect thereto.

“**Commission**” means the Richland-Lexington Airport Commission as the governing body of the District and any successor to its functions.

“**Common Reserve Account**” means the account within the Debt Service Reserve Fund created pursuant to Section 4.01 hereof and that may be required to be funded for the purpose of providing additional security for Bonds issued pursuant to this Master Bond Resolution and as specified in any Supplemental Resolution as participating in the Common Reserve Account.

“**Construction Fund**” means any of the Construction Funds authorized to be established as provided by Section 4.10 hereof.

“**Consultant**” means any Independent consultant, consulting firm, engineer, architect, engineering firm, architectural firm, accountant or accounting firm, financial advisory or investment banking firm, or other expert qualified for work of the character required, as determined by an Authorized Officer of the District, and retained by the District to perform acts and carry out the duties provided for such consultant in this Master Bond Resolution or in a Supplemental Resolution.

“**Continuing Disclosure Undertaking**” means the continuing disclosure undertaking or continuing disclosure agreement, if any, relating to a Series of Bonds, as amended from time to time in accordance with its terms.

“**Costs**” or “**Costs of a Project**” means all costs of planning, developing, financing, constructing, installing, equipping, furnishing, improving, acquiring, enlarging and/or renovating a Project and placing the same in service and shall include, but not be limited to the following: (a) costs of real or personal property, rights, franchises, easements and other interests in property, real or personal, and the cost of demolishing or removing structures and site preparation, infrastructure development, and landscaping and acquisition of land to which structures may be removed; (b) the costs of materials and supplies, machinery, equipment, vehicles, rolling stock, furnishings, improvements and enhancements; (c) labor and related costs and the costs of services provided, including costs of consultants, advisors, architects, engineers, accountants, planners, attorneys, financial and feasibility consultants, in each case, whether an employee of the District or a Consultant; (d) costs of the District properly allocated to a Project and with respect to costs of its employees or other labor costs, including the cost of medical, pension, retirement and other benefits as well as salary and wages and the allocable costs of administrative, supervisory and managerial personnel and the properly allocable cost of benefits provided for such personnel; (e) Costs of Issuance and other financing expenses, including costs related to issuance of and securing of Bonds, costs of Credit Facilities, Liquidity Facilities, Capitalized Interest, the Common Reserve Account, any Series Debt Service Reserve Account (other than the Common Reserve Account), Paying Agent’s fees and expenses; and (f) such other costs and expenses that can be capitalized under generally accepted accounting principles applicable to governmental entities in effect at the time the cost is incurred by the District.

“**Costs of Issuance**” means issuance costs with respect to the Bonds, including but not limited to the following: underwriters spread, discount or fees; Credit Provider fees, Liquidity Provider fees and Reserve Fund Surety Policy fees; counsel fees (including bond counsel, underwriters counsel, disclosure counsel, counsel to the District, as well as any other specialized

counsel fees incurred in connection with the borrowing); financial advisor fees of any financial advisor to the District incurred in connection with the issuance of the Bonds; Consultant fees; fees and expenses of the Trustee and counsel to the Trustee; initial remarketing agent fees or auction agent fees; rating agency fees; escrow agent, verification agent and paying agent fees; accountant fees and other expenses related to issuance of the Bonds; printing costs (for the Bonds and of the preliminary and final official statements relating to the Bonds); and fees and expenses of the District incurred in connection with the issuance of the Bonds.

“Credit Facility” means a policy of municipal bond insurance, a letter of credit, surety bond, line of credit, guarantee, standby purchase agreement, or other financial instrument that obligates a third party to pay, or provide funds to the District for the payment of, the principal of and/or interest on Bonds whether such obligation is to pay in the first instance and seek reimbursement or to pay only if the District fails to do so. The phrase “Credit Facility” excludes a Reserve Fund Surety Policy.

“Credit Provider” means the party obligated to make payment of principal of and interest on the Bonds under a Credit Facility.

“Customer Facility Charges,” “Contract Facility Charge,” or “CFC” means all amounts received by the District from the payment of the Customer Facility Charge or Contract Facility Charge established by the CFC Authorization. For avoidance of doubt, Customer Facility Charges and Contract Facility Charges (sometimes referred to as CFCs) are not part of “Revenues” for purposes of this Master Bond Resolution; provided, however, that the Commission may by Supplemental Resolution designate such CFCs as part of Revenues as provided herein.

“Debt Service Account” means a Debt Service Account established pursuant to Section 4.05 hereof.

“Debt Service Fund” means the Debt Service Fund established pursuant to Section 4.01 hereof.

“Debt Service Reserve Fund” means the Debt Service Reserve Fund established pursuant to Section 4.01 hereof.

“District” means the Richland-Lexington Airport District, and its successors and assigns.

“Event of Default” means any occurrence or event specified in Section 7.01 hereof.

“FAA” means the Federal Aviation Administration, or the successor to its powers and authority.

“Federal Direct Payments” means amounts payable by the federal government to the District, pursuant to Sections 54AA and 6431 of the Code, as may be amended from time to time, in connection with the District’s issuance of Bonds with respect to the Airport, in lieu of any credit otherwise available to the Owners of Bonds. The phrase “Federal Direct Payments” shall also include a federal program that provides a refundable credit payment to the District in connection with the issuance of a Series of Bonds, similar to the refundable credit payment

payable to issuers of Bonds under Section 54AA of the Code, which is enacted subsequent to the adoption of this Master Bond Resolution.

“Federal Securities” means any direct general non-callable obligations of the United States of America, including obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States of America, and Refcorp strips.

“Final Agency Decision” means a Final Agency Decision of the FAA relating to the District’s Approved PFC Projects as may be issued, modified or amended from time to time.

“Fiscal Year” means the 12-month period used by the District for its general accounting purposes, as it may be changed from time to time. The Fiscal Year at the time this Master Bond Resolution was adopted begins on January 1 and ends on December 31 of the immediately following calendar year.

“Fitch” means Fitch Ratings, a corporation organized and existing under the laws of the State of Delaware, its successors and its assigns, and, if such corporation shall for any reason no longer perform the functions of a securities rating agency, “Fitch” shall be deemed to refer to any nationally recognized rating agency designated by the District.

“Fund” means any fund established pursuant to this Master Bond Resolution or any Supplemental Resolution.

“General Airport Account” means a General Airport Account established by the District pursuant to Section 4.01 hereof.

“General Obligation Bonds of the District” means indebtedness of the District secured in whole or in part by a pledge of its full faith, credit, and taxing power.

“Gross Revenue Fund” means the Gross Revenue Fund established pursuant to Section 4.01 hereof.

“Independent” means, when used with respect to any specified firm or individual, such a firm or individual who (a) does not have any direct financial interest or any material indirect financial interest in the operations of the District, other than the payment to be received under a contract for services to be performed, and (b) is not connected with the District as an official, officer or employee.

“Interim Indebtedness” means any Bond or Bonds (a) for or with respect to which no principal payments are required to be made other than on the maturity date thereof, which date shall be no later than five years from the date of their delivery to their initial purchasers, and (b) which are authorized by a Supplemental Resolution that declares the District’s intent, at the time of issuance, to refund or refinance all or a part of the same prior to or on such maturity date, including commercial paper, notes, and similar obligations.

“Irrevocable Commitment” means an unalterable agreement to assume a financial obligation. This phrase may include terms and other conditions that the Commission may

describe by Supplemental Resolution or other official action of the Commission, such as, but in no way limited to, a financial obligation of the District that may last for a specific period of time.

“**Kroll**” means Kroll Bond Rating Agency, Inc., and its successors and assigns, and if such rating agency shall for any reason no longer perform the functions of a securities rating agency, the term “Kroll” shall be deemed to refer to any other nationally recognized securities rating agency designated by the District.

“**Liquidity Facility**” means a letter of credit, line of credit, standby purchase agreement or other financial instrument, including a Credit Facility, which is available to provide funds with which to purchase Bonds.

“**Liquidity Provider**” means the entity, including a Credit Provider, which is obligated to provide funds to purchase Bonds under the terms of a Liquidity Facility.

“**Mail**” means by first-class United States mail, postage prepaid.

“**Master Bond Resolution**” means this Master Bond Resolution, together with all amendments thereto.

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

“**Net Proceeds**” means insurance proceeds received as a result of damage to or destruction of the Airport System or any condemnation award or amounts received by the District from the sale of the Airport System under the threat of condemnation less expenses (including attorneys’ fees and expenses) incurred in the collection of such proceeds or award.

“**Net Revenues**” means, for any given period, the Revenues for such period, less the Operation and Maintenance Expenses for such period. Notwithstanding the foregoing, for purposes of calculating Net Revenues for purposes of Sections 5.03 and 6.03, no determination thereof shall take into account:

- (a) any loss, realized or unrealized, resulting from the extinguishment or forgiveness of indebtedness or the establishment of reserves therefor;
- (b) any gain or loss resulting from the sale, exchange or other disposition of assets not in the ordinary course of business;
- (c) any loss resulting from any discontinued operations;
- (d) pension or OPEB Obligations and other employment or post-employment benefit liabilities or similar accounting determinations under generally accepted accounting principles applicable to governmental entities that do not result in any actual disposition of cash;

- (e) depreciation or amortization charges or allowances;
- (f) any unusual charges for employee severance;
- (g) non-cash adjustments to the value or recognition of assets or liabilities resulting from changes in generally accepted accounting principles applicable to governmental entities;
- (h) unrealized gains or losses on investments, including “other than temporary” declines in book value;
- (i) unrealized losses from the write-down, reappraisal or revaluation of assets; or
- (j) other nonrecurring items of any extraordinary nature which do not involve the receipt, expenditure or transfer of funds or other assets.

“*Notes*” means Bonds issued under the provisions of Article II hereof that have a maturity of one year or less from their date of original issuance.

“*Operating and Maintenance Fund*” means the Operating and Maintenance Fund established pursuant to Section 4.01 hereof.

“*Operating and Maintenance Reserve Fund*” means the Operating and Maintenance Reserve Fund established pursuant to Section 4.01 hereof.

“*Operation and Maintenance Expenses*” means reasonable and necessary costs paid or incurred by the District for maintaining and operating the Airport System, determined in accordance with generally accepted accounting principles applicable to governmental entities, including all reasonable expenses of management and repair and all other expenses necessary to maintain and preserve the Airport System in good repair and working order, and including all administrative costs of the District that are charged directly or apportioned to the operation of the Airport System, such as salaries and wages of employees, payments for pensions and other employment or post-employment benefit obligations, overhead, taxes (if any) and insurance premiums, governmental charges and assessments, any Bond Registrar or Paying Agent fees, and including all other reasonable and necessary costs of the District or charges required to be paid by the District in order to comply with the terms hereof; but excluding in all cases:

- (a) reserves for depreciation, replacement, litigation, or obsolescence; and
- (b) any Operation and Maintenance Expenses payable from money other than Revenues.

“*Original Issue Discount Bonds*” means Bonds which are sold at an initial public offering price of less than face value and which are specifically designated as Original Issue Discount Bonds in the Supplemental Resolution under which such Bonds are issued.

“*Outstanding*” or “*outstanding*,” when used with respect to Bonds, means all Bonds that have been authenticated and delivered under this Master Bond Resolution, except the following:

- (a) any portion of the Bonds theretofore fully paid by the Paying Agent to the registered holders or canceled by the Paying Agent or delivered to the Paying Agent for cancellation;
- (b) any portion of the Bonds that has been defeased by the deposit of funds or qualified securities with the Paying Agent or other qualified party in compliance with this Master Bond Resolution;
- (c) Bonds deemed to be paid in accordance with Article VIII hereof;
- (d) Bonds in lieu of which other Bonds have been authenticated and delivered pursuant to this Master Bond Resolution and any Supplemental Resolution;
- (e) Bonds that have become due (at maturity or on redemption, acceleration or otherwise) and for the payment of which sufficient money, including interest accrued to the due date, are held by the Paying Agent;
- (f) Bonds which, under the terms of the Supplemental Resolution pursuant to which they were issued, are deemed to be no longer Outstanding;
- (g) Repayment Obligations deemed to be Bonds under Section 5.05 hereof to the extent such Repayment Obligation arose under the terms of a Liquidity Facility and are secured by a pledge of Outstanding Bonds acquired by the Liquidity Provider, provided the Liquidity Provider purchased and holds Bonds pursuant to the Liquidity Facility; and
- (h) for purposes of any consent or other action to be taken by the holders of a specified percentage of Bonds under this Master Bond Resolution, Bonds held by or for the account of the District or by any person controlling, controlled by or under common control with the District, unless such Bonds are pledged to secure a debt to an unrelated party.

“Paying Agent” means the paying agent selected from time to time by the Commission or its designee with respect to any Bonds or Series of Bonds.

“Payment Date” means, with respect to any Bonds, each date on which interest is due and payable thereon and each date on which principal is due and payable thereon whether by maturity or redemption thereof.

“Permitted Investments” means, except as may be otherwise limited or restricted by the terms of a Supplemental Resolution, any investment permitted from time to time for funds held by or in the name of the District under the laws of the State. At the time of the adoption of this Master Bond Resolution, the following investments constitute Permitted Investments under the laws of the State:

- (a) Obligations of the United States and its agencies, the principal and interest of which is fully guaranteed by the United States.

- (b) Obligations issued by the Federal Financing Bank, Federal Farm Credit Bank, the Bank of Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, and the Farmers Home Administration, if, at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations.
- (c) (i) General obligations of the State or any of its political units; or (ii) revenue obligations of the State of South Carolina or its political units, if at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations.
- (d) Savings and Loan Associations to the extent that the same are insured by an agency of the federal government.
- (e) Certificates of deposit where the certificates are collaterally secured by securities of the type described in (1) and (2) above held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest; provided, however, such collateral shall not be required to the extent the same are insured by an agency of the federal government.
- (f) Repurchase agreements when collateralized by securities as set forth in this definition.
- (g) No load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of the District if the particular portfolio of the investment company or investment trust in which the investment is made (a) is limited to obligations described in items (1), (2), (3), and (6) of this definition, and (b) has among its objectives the attempt to maintain a constant net asset value of one dollar a share and to that end, value its assets by the amortized cost method.
- (h) The South Carolina Pooled Investment Fund established pursuant to the provisions of Title 6, Chapter 6 of the Code of Laws of South Carolina 1976, as amended.

Such investments shall have maturities consistent with the time or times when the invested moneys will be needed in cash.

For purposes of this definition, in the case of a defeased obligation, an obligation shall be treated as the obligation of the issuer of the obligation included in the qualifying defeasance escrow for the defeased obligation. A “defeased obligation” means any obligation the payment of which is secured and payable solely from a qualifying defeasance escrow and the terms of which may not be amended or modified without the consent of each of the holders of the defeased obligation. A “qualifying defeasance escrow” means a deposit of securities, including defeasance obligations, with a trustee or similar fiduciary under the terms of an agreement that requires the trustee or fiduciary to apply the proceeds of any interest payments or maturity of the defeasance obligation to the payment of the defeased obligation and when the trustee or fiduciary has received verification from a certified public accountant that the payments will be sufficient to pay the defeased obligation timely. A defeasance obligation must not be callable or subject to prepayment by the issuer and it must be a direct general obligation of the United States and its agencies, or an obligation the payment of principal and interest on which is fully and unconditionally guaranteed by the United States. Notwithstanding anything contained herein to the contrary, the Trustee shall have no obligation to enter into any repurchase agreement, investment agreement or any similar agreements with respect to the investment of any moneys held under this Indenture unless (i) such agreement is in form and content acceptable to the Trustee in its sole discretion, (ii) any liability of the Trustee under such agreement is limited to loss occasioned by the negligence or willful misconduct of the Trustee, and (iii) the District shall pay to the Trustee an additional fee established by the Trustee in accordance with its customary practices.

“*PFCs*” or “*Passenger Facility Charges*” means charges collected by the District pursuant to the authority granted by the Aviation Safety and Capacity Expansion Act of 1990 Pub. L. 101-508, Title IX, Subtitle B, Sections 9110 and 9111, the Wendel H. Ford Aviation Investment and Reform Act for the 21st Century, Pub. L. 106-181 and 14 CFR Part 158, all as amended from time to time, or any other applicable federal law, and by the Records of Decision or Final Agency Decisions (or comparable decision named in accordance with then-current FAA terminology), and interest earnings thereon net of amounts that collecting air carriers are entitled to retain for collecting, handling and remitting such passenger facility charge revenues.

“*PFC Act*” means the Aviation Safety and Capacity Expansion Act of 1990, Pub. L. 101-508, Title IX, Subtitle B, 9110 and 9111, recodified as 49 U.S. 40117, as modified by the Wendel H. Ford Aviation Investment and Reform Act for the 21st Century, Pub. L. 106-181 (“AIR-21”), as amended or replaced from time to time.

“*PFC Regulations*” means Part 158 of the Federal Aviation Regulations (14 CFR Part 158), as amended from time to time, and any other regulation issued with respect to the PFC Act.

“*Principal Amount*” or “*principal amount*” means, as of any date of calculation, (a) with respect to any Capital Appreciation Bond, the Accreted Value thereof (the difference between the stated amount to be paid at maturity and the Accreted Value being deemed unearned interest), (b) with respect to any Original Issue Discount Bond, the Accreted Value thereof, unless the Supplemental Resolution under which such Bond was issued shall specify a different

amount, in which case, the terms of the Supplemental Resolution shall control, and (c) with respect to any other Bonds, the principal amount of such Bond payable at maturity or redemption thereof.

“Prior Indenture” means the Indenture of Trust between the District and Truist Bank (formerly Branch Banking and Trust Company, as successor to The Lexington State Bank), dated as of February 1, 1995, as amended and supplemented.

“Project” means any and all facilities, improvements and other expenditures related to the Airport System financed in whole or in part with proceeds of a Series of Bonds.

“Rating Agency” and **“Rating Agencies”** means Fitch, Moody’s or S&P, or any other nationally recognized rating agency of municipal obligations, but only if such Rating Agencies have been requested by the District to maintain a rating on the Bonds and such Rating Agencies are then maintaining a rating on any of the Bonds.

“Rating Category” and **“Rating Categories”** means (a) with respect to any long-term rating category, all ratings designated by a particular letter or combination of letters, without regard to any numerical modifier, plus or minus sign or other modifier, and (b) with respect to any short-term or commercial paper rating category, all ratings designated by a particular letter or combination of letters and taking into account any numerical modifier, but not any plus or minus sign or other modifier.

“Rebate Fund” means the Rebate Fund established pursuant to Section 4.01 hereof.

“Record Date” means, with respect to any Series of Bonds, the record date as specified in the Supplemental Resolution which provides for the issuance of such Series.

“Record of Decision” means any Record of Decision or Records of Decision of the FAA relating to the District’s Approved PFC Projects as may be issued, modified or amended from time to time.

“Refunding Bonds” means any Bonds issued pursuant to Section 5.03 hereof to refund or defease all or a portion of any Series of Outstanding Bonds or any Subordinate Obligations.

“Released Revenues” means Revenues in respect of which the following shall have been delivered to the District and filed with the Trustee:

- (a) a resolution of the Commission describing a specific identifiable portion of Revenues and approving that such Revenues be excluded from the term Revenues;
- (b) either (i) a certificate prepared by an Authorized Officer of the District showing that Net Revenues for each of the two most recently completed Fiscal Years, after the specific identifiable portion of Revenues covered by the Commission’s resolution described in (a) above are excluded, were at least equal to the greater of (A) the amounts needed for making the required deposits and payments pursuant to Sections 4.03(a) through (h) hereof, or (B) an amount not less than 150% of

Average Aggregate Annual Debt Service for each Fiscal Year during the remaining term of all Bonds that will remain Outstanding after the exclusion of such specific identifiable portion of Revenues; or (ii) a certificate prepared by a Consultant showing that the estimated Net Revenues (excluding the specific identifiable portion of Revenues covered in the resolution approved by the Commission described in (a) above) for each of the first three complete Fiscal Years immediately following the Fiscal Year in which the resolution described in (a) above is adopted by the Commission, will not be less than the greater of (A) the amounts needed for making the required deposits and payments pursuant to Sections 4.03(a) through (h) hereof, or (B) an amount not less than 150% of the Average Aggregate Annual Debt Service for each Fiscal Year during the remaining term of all Bonds that will remain Outstanding after the exclusion of such specific identifiable portion of Revenues;

- (c) an opinion of Bond Counsel to the effect that the exclusion of such specific identifiable portion of Revenues from the definition of Revenues and from the pledge and lien of this Master Bond Resolution will not, in and of itself, cause the interest on any Outstanding Bonds to be included in gross income for purposes of federal income tax; and
- (d) confirmation from each of the Rating Agencies which have been requested by the District to maintain a rating on the Bonds and are then maintaining a rating on any of the Bonds, to the effect that the exclusion of such specific identifiable portion of Revenues from the pledge and lien of this Master Bond Resolution will not cause a withdrawal or reduction in any unenhanced rating then assigned to the Bonds.

Upon filing of such documents with the Trustee, the specific identifiable portion of Revenues described in the resolution of the Commission shall no longer be included in Revenues and shall be excluded from the pledge and lien of this Master Bond Resolution, unless otherwise included in Revenues and in the pledge and lien of this Master Bond Resolution pursuant to a Supplemental Resolution.

“Rental Credit” means the amount resulting from an arrangement set forth in a written agreement between the District and another person or entity pursuant to which the District permits such person or entity to make a payment or payments to the District that is reduced by the amount owed by the District to such person or entity under such agreement, resulting in a net payment to the District by such person or entity. The “Rental Credit” shall be deemed to be the amount owed by the District under such agreement that is “netted” against the payment of such person or entity due to the District.

“Repayment Obligations” means an obligation arising under a written agreement of the District and a Credit Provider pursuant to which the District agrees to repay or reimburse the Credit Provider for amounts paid by a Credit Provider pursuant to a Credit Facility to be used to pay debt service on any Bonds and all other amounts due and owing to a Credit Provider under a Credit Facility, or an obligation arising under a written agreement of the District and a Liquidity Provider pursuant to which the District agrees to repay or reimburse the Liquidity Provider for

amounts paid by the Liquidity Provider pursuant to a Liquidity Facility to be used to pay the purchase price of Bonds and all other amounts due and owing to a Liquidity Provider under a Liquidity Facility.

“Reserve Fund Surety Policy” means an insurance policy, a surety bond or a letter of credit, held by the Trustee for the credit of the Common Reserve Account or any Series Debt Service Reserve Fund created for one or more Series of Outstanding Bonds in lieu of, or partial substitution for, cash or securities on deposit therein. Except as otherwise provided in a Supplemental Resolution, the entity providing such Reserve Fund Surety Policy shall be rated, at the time such instrument is provided, in one of the two highest long-term Rating Categories by one or more of the Rating Agencies.

“Reserve Requirement” means an amount that is not less than the least of (i) 10% of the sum of the principal amounts (less any original issue discount and plus any original issue premium when such original issue discount or premium represents more than a *de minimis* amount) of the Bonds participating in the Common Reserve Account, (ii) the maximum annual debt service on the Bonds participating in the Common Reserve Account (determined as of the date of issuance of the most recently issued Series of Bonds participating in the Common Reserve Account or the defeasance or satisfaction by the refunding of Bonds participating in the Common Reserve Account), and (iii) 125% of the average annual debt service of the Bonds participating in the Common Reserve Account (determined as of the date of issuance of the most recently issued Series of Bonds participating in the Common Reserve Account or the defeasance or satisfaction by the refunding of Bonds participating in the Common Reserve Account); provided, that in no event shall proceeds representing more than 10% of the issue price (as defined in the Treas. Reg. § 1.148-1(f) of any issue of Bonds be deposited in the Common Reserve Account if the interest on such issue is intended to be excluded from gross income for federal income tax purposes. For purposes of this definition, annual debt service will cover the 12-month period commencing January 2 of a particular year and ending January 1 of the following year. For a Series of Bonds participating in a separately created Series Debt Service Reserve Account, the phrase “Reserve Requirement” shall be defined in a Supplemental Resolution establishing such Series Debt Service Reserve Account. If a Series of Bonds is issued as tax-exempt or tax-advantaged, the Reserve Requirement shall not exceed the amount permitted by applicable federal law.

“Revenues” means, except to the extent specifically excluded herefrom, all income, receipts, earnings (interest or otherwise) and revenues received by the District from the operation and ownership of the Airport System, as determined in accordance with generally accepted accounting principles applicable to governmental entities, as modified from time to time, including, but not limited to,

- (a) rates, tolls, fees, rentals, charges and other payments made to or owed to the District for the use or availability of the Airport System; and
- (b) amounts received or owed from the sale or provision of supplies, materials, goods and services provided by or made available by the District, including rental or business interruption insurance proceeds, received by, held by, accrued to or entitled to be received by the District or any successor thereto from the

possession, management, charge, superintendence and control of the Airport System and its related facilities or activities and undertakings related thereto or from any other facilities wherever located with respect to which the District receives payments which are attributable to the Airport System or activities or undertakings related thereto.

Additionally, “Revenues” shall also include amounts received from tenants representing the principal portion of payments received pursuant to certain self-liquidating lease agreements, all income, receipts and earnings, interest or otherwise (except any earnings allowed to be pledged by the terms of a Supplemental Resolution to fund the Construction Fund as provided below) from the investment of amounts held in the Gross Revenue Fund, any Construction Fund, the Debt Service Fund and any Account established therein (except Capitalized Interest on deposit therein), the Debt Service Reserve Fund and the Common Reserve Account and any Series Debt Service Reserve Account established therein, and any such additional revenues, if any, as are designated as “Revenues” under the terms of any Supplemental Resolution.

The following, including any investment earnings thereon, are specifically excluded from Revenues:

- (a) any amounts received by the District from the imposition of ad valorem taxes;
- (b) gifts, grants and other income otherwise included in this definition of “Revenues” which are restricted by their terms to purposes inconsistent with the payment of debt service on the Bonds;
- (c) Net Proceeds and other insurance proceeds received with respect to the Airport System (other than business interruption insurance); and
- (d) Special Facilities Revenue (to the extent there is no excess Special Facilities Revenue as described in Section 6.05 hereof).

In addition, the following, including any investment earnings thereon, are specifically excluded from “Revenues,” unless designated as “Revenues” under the terms of a Supplemental Resolution: (A) Rental Credit, (B) Passenger Facility Charges, (C) Customer Facility Charges, (D) Federal Direct Payments, (E) Released Revenues, (F) subject to (b) in the previous sentence, grants and other charges authorized on or after the date of this Master Bond Resolution by federal and/or State laws or regulations to be assessed to fund specific programs at the Airport System, (G) investment income derived from any money or securities which may be placed in escrow or trust to defease Bonds, (H) any arbitrage earnings which are required to be paid to the U.S. Government pursuant to Section 148 of the Code and amounts held in a Rebate Fund and (I) Capitalized Interest. Further, interest earnings or other investment earnings on any Construction Fund established by any Supplemental Resolution are specifically excluded from “Revenues,” unless otherwise provided for in such Supplemental Resolution.

“Rolling Coverage Account” means the Rolling Coverage Account established pursuant to Section 4.01 hereof.

“**S&P**” means S&P Global Ratings, a division and subsidiary of S&P Global Inc., organized and existing under the laws of the State of New York, its successors and their assigns, and if such rating agency shall for any reason no longer perform the functions of a securities rating agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency designated by the District.

“**Series**” means Bonds designated as a separate Series by a Supplemental Resolution.

“**Series Debt Service Reserve Account**” means any account within the Debt Service Reserve Fund (other than the Common Reserve Account) created pursuant to Section 4.01 hereof by the Commission pursuant to a Supplemental Resolution in connection with the issuance of any Series of Bonds that may be funded for the purpose of providing additional security for such Series of Bonds and, if specified in such Supplemental Resolution, to provide additional security for such other designated Series of Bonds issued pursuant to this Master Bond Resolution.

“**Special Facilities**” or “**Special Facility**” means a facility or group of facilities or improvements or category of facilities or improvements which are designated as a Special Facility pursuant to the provisions of Section 6.05 hereof.

“**Special Facilities Revenue**” means the contractual payments and all other revenues (other than ground rentals relating to such Special Facility) derived by or available to the District from a Special Facility which are pledged to secure Special Facility Obligations.

“**Special Facility Obligations**” means bonds or other debt instruments issued pursuant to a resolution other than this Master Bond Resolution to finance Special Facilities and which, except as otherwise provided in Section 6.05 hereof, are not secured by nor payable from a lien on and pledge of the Net Revenues but which are secured by revenues derived from Special Facilities.

“**Specified Project**” means a Project or a group of alternative Projects which are described in a certificate of an Authorized Officer of the District, which is delivered to the Consultant preparing the certificate described in Section 5.03(b) hereof, if applicable, the revenues and expenses of which Project or of the alternative Projects are to be taken into account by such Consultant in preparing such certificate.

“**State**” means the State of South Carolina.

“**Subaccount**” means any subaccount established pursuant to this Master Bond Resolution or any Supplemental Resolution.

“**Subordinate Obligation Debt Service Fund**” means the Subordinate Obligation Debt Service Fund created in Section 4.01 hereof.

“**Subordinate Obligation**” means any bond, note or other debt instrument issued or otherwise entered into by the District which ranks junior and subordinate to the Bonds, and which may be paid from money constituting Net Revenues only if all principal, interest and other amounts which have become due and payable on the Bonds whether by maturity, redemption, acceleration or agreement of the District have been paid in full and the District is current on all

payments, if any, required to be made to replenish the Common Reserve Account and any Series Debt Service Reserve Accounts. “Subordinate Obligations” are not Bonds for purposes of this Master Bond Resolution; provided, however, that the Commission may henceforth by Supplemental Resolution elect to have the provisions of this Master Bond Resolution applicable to the Bonds apply to the Subordinate Obligations issued thereunder, except that such Subordinate Obligations shall be secured on a junior and subordinate basis to the Bonds from the Net Revenues. No bond, note or other instrument of indebtedness shall be deemed to be a “Subordinate Obligation” for purposes of this Master Bond Resolution and payable on a subordinate basis from Net Revenues unless specifically designated by the Commission as a “Subordinate Obligation” in a Supplemental Resolution or other written instrument.

“**Supplemental Resolution**” means any document supplementing or amending this Master Bond Resolution or providing for the issuance of Bonds and entered into as provided in Article IX hereof.

“**Tender Indebtedness**” means any Bonds or portions of Bonds a feature of which is an option and/or an obligation on the part of the Bondholders, under the terms of such Bonds, to tender all or a portion of such Bonds to the District, the Paying Agent or other fiduciary or agent or Credit Provider or Liquidity Provider for payment or purchase and requiring that such Bonds or portions of Bonds be purchased if properly presented.

“**Term Bonds**” means Bonds of a Series that are payable on or before their specified maturity dates from sinking installment payments established pursuant to the Supplemental Resolution for such Series for that purpose and calculated to retire the Bonds on or before their specified maturity dates.

“**Trustee**” means [_____], and any successor Trustee appointed in accordance with Section 11.09 hereof and any co-trustee appointed pursuant to Section 11.13 hereof.

“**Unfunded OPEB Obligations**” means the amount by which the District’s actual other post-employment benefits (OPEB) contributions are less than its OPEB cost or expense for any Fiscal Year.

“**Variable Rate Indebtedness**” means any Bond or Bonds the interest rate on which is not fixed to maturity at the time of calculation, or other relevant time.

Except as otherwise indicated, references to Articles and Sections are to the Articles and Sections of this Master Bond Resolution.

Section 1.02 Recitals. The Commission makes the following recitals in connection with the adoption of this Master Bond Resolution and the issuance of any Bonds hereunder.

(a) The District is a political subdivision duly organized and existing under the laws of the State of South Carolina (specifically, the Act), and owns and operates the Airport System that serves Richland and Lexington Counties, its inhabitants and others.

(b) The District is governed by and through the Commission.

(c) The District desires from time to time to issue revenue bonds to make certain additions, extensions and improvements to the Airport System and is authorized under the provisions of the Act, to issue and sell revenue bonds for the purpose of providing funds for such purpose.

(d) The District further desires from time to time to issue refunding revenue bonds for the purpose of refunding prior issues of revenue bonds and is authorized under the provisions of the Act to issue and sell refunding revenue bonds for the purpose of providing funds for such purpose.

(e) This Master Bond Resolution is (i) adopted pursuant to and in accordance with the applicable provisions of the Act and (ii) intended to govern the issuance of, and establish general provisions relating to, the Bonds.

Section 1.03 Rules of Construction. For all purposes of this Master Bond Resolution, except as otherwise expressly provided or unless the context otherwise requires:

(a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(b) Words importing the singular number shall include the plural and vice versa and words importing person shall include firms, associations and corporations, including public bodies, as well as natural persons.

(c) The table of contents hereto and the headings and captions herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Master Bond Resolution.

(d) Terms used in an accounting context and not otherwise defined shall have the meaning ascribed to them by generally accepted principles of accounting.

(e) Whenever an item or items are listed after the word “including,” such listing is not intended to be a listing that excludes items not listed.

Section 1.04 Master Bond Resolution and Supplemental Resolutions to Constitute a Contract; Equal Security. In consideration of the acceptance of the Bonds by those who shall own the same from time to time, this Master Bond Resolution and the Supplemental Resolutions, shall be deemed to be and shall constitute a contract between the District and the Owners of the Bonds. The pledge made in this Master Bond Resolution by the District, and the covenants and agreements set forth herein to be performed by the District, shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds, without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of time of issuance, sale or maturity thereof or otherwise for any cause whatsoever, except as expressly provided in or permitted by this Master Bond Resolution.

Section 1.05 Ratification. All actions heretofore taken by the District, its officers and employees, and the members of the Commission, not inconsistent with the provisions of this Master Bond Resolution, relating to the authorization, sale, issuance and delivery of the Bonds, are hereby ratified, approved and confirmed.

[End of Article I]

ARTICLE II

FORM, EXECUTION, DELIVERY AND REGISTRATION OF BONDS

Section 2.01 Authorization and Form of Bonds Generally; Pledge of Net Revenues.

Bonds that bear interest that is or is not excluded from gross income for federal income tax purposes may be issued by the Commission, on behalf of the District, under the terms of this Master Bond Resolution for any purpose for which the Commission, on behalf of the District, at the time of such issuance, may incur debt. Except as otherwise provided in this Master Bond Resolution, Bonds may be issued under this Master Bond Resolution only if the provisions of Article V hereof are satisfied. The total principal amount of Bonds of each Series Outstanding may not exceed the amount specified in the Supplemental Resolution providing for the issuance of such Bonds, except as provided in Section 2.09 hereof with respect to replacement of mutilated, lost or stolen or destroyed Bonds. The Bonds may be in certificated or uncertificated form, and Bonds that are issued in certificated form may be freely transferable or may be immobilized and held by a custodian for the beneficial owners, all as shall be set forth or permitted in the Supplemental Resolution providing for the issuance of such Bonds. In addition, Bonds may be in the form of notes, contracts or other evidences of indebtedness issued to banks, other financial institutions or creditors providing money, goods or services to the District as provided in the applicable Supplemental Resolution and in all cases subject to compliance with the provisions of Article V hereof. The Bonds may have notations, legends or endorsements required by law or usage.

The Bonds shall be legal, valid and binding special obligations of the District payable solely from, and secured as to payment of principal and interest by a pledge of and lien upon, the Net Revenues derived from the operation of the Airport System, and the taxing power of the District is not pledged to the payment of the Bonds either as to principal or interest. A pledge of the Net Revenues and all other moneys and securities held or set aside or to be held or set aside by the Trustee under this Master Bond Resolution or any Supplemental Resolution is hereby made, and the same are hereby pledged to secure the payment of the principal of, redemption premium, if any, and interest on the Bonds. The Bonds shall not be nor constitute general obligations of the District, nor shall they constitute indebtedness of the District within the meaning of any constitutional, or statutory provision, limitation or restriction, except as provided in the Act and Article X, Section 14, Paragraph 10 of the Constitution of the State.

The Commission, on behalf of the District, hereby represents and states that, other than pursuant to the Prior Indenture, it has not previously created any charge or lien on or any security interest in the Revenues, the Net Revenues or any of the other security that is pledged pursuant to this Master Bond Resolution. The District further covenants that, until all the Bonds authorized and issued under the provisions of this Master Bond Resolution and the interest thereon shall have been paid or are deemed to have been paid, it will not, except as otherwise permitted or contemplated under this Master Bond Resolution, grant any prior or parity pledge of or any security interest in the Net Revenues or any other security that is pledged to the payment of the Bonds pursuant to this Master Bond Resolution, or create or permit to be created any charge or lien thereon or any security interest therein ranking prior to or on a parity with the charge or lien of the Bonds from time to time Outstanding under this Master Bond Resolution. The District may, as provided in and as limited by Section 5.05 hereof, as applicable, grant a lien on or

security interest in the Net Revenues or any of the other security, which is pledged to the payment of the Bonds to secure Subordinate Obligations.

Section 2.02 Issuance of Series of Bonds; Supplemental Resolution. Bonds may be issued in one or more Series from time to time, subject to the conditions of this Section and Article V hereof.

The Bonds shall be issued in the principal amount, shall bear interest at a rate or rates, including a rate of 0% and including variable or adjustable rates, or by such other methods as the Commission may from time to time determine, and such interest may be payable periodically, in whole or in part, or may be accumulated and paid at maturity or at such other time or times as the Commission shall determine. Bonds shall mature and shall be subject to redemption prior to their respective maturities, all as shall be set forth in a Supplemental Resolution relating to such Series of Bonds. Bonds will be numbered and dated as provided in the applicable Supplemental Resolution. The Bonds of each Series shall state that they are issued under and are secured by this Master Bond Resolution and the pledge of Net Revenues and such other amounts, funds and accounts pledged therefor under the Master Bond Resolution and state that regardless of the form thereof, they are “Bonds” issued hereunder and within the meaning of this Master Bond Resolution. In each case where a Commission determination is required in connection with the issuance of a Series of Bonds, the Commission shall make such determination in a Supplemental Resolution or provide for the manner of such determination.

Such Supplemental Resolution may provide that the interest rate on the Bonds and the duration of the periods during which such interest accrues may from time to time be adjusted and that the Bonds may be purchased upon the demand of the owners thereof or may be subject to mandatory purchase upon the occurrence of certain events or certain times, and such provisions may include, without limitation, the creation of objective standards for such adjustments, the appointment of agents to apply such standards to the Bonds, the criteria for such purchases upon demand and the procurement of Liquidity Facilities and Credit Facilities with respect to the Bonds.

In addition, each such Supplemental Resolution shall provide for the appointment of a Bond Registrar and a Paying Agent for the Series of Bonds and such other agents as the Commission shall determine to be necessary.

Unless otherwise provided in a Supplemental Resolution, each Bond authenticated prior to the first interest payment date thereon shall bear interest from its date of delivery. Each Bond authenticated on or after the first interest payment date thereon shall bear interest from the interest payment date thereon next preceding the date of authentication thereof, unless such date of authentication shall be an interest payment date to which interest on such Bond has been paid in full or duly provided for, in which case from such date of authentication; provided that if, as shown by the records of the Paying Agent, interest on such Bond shall be in default, such Bond shall bear interest from the date to which interest has been paid in full on such Bond or, if no interest has been paid on such Bond, its dated date. Each Bond shall bear interest on overdue principal at the rate borne by such Bond until the Principal Amount thereof is paid in full.

Unless otherwise provided in a Supplemental Resolution, the Bonds shall be issued in fully registered form in the denomination of \$5,000 each or integral multiples thereof and shall be dated as provided in the pertinent Supplemental Resolution.

The Principal Amount of, premium, if any, and interest on the Bonds shall be payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts.

The Bonds and the Bond Registrar's Certificate of Authentication shall be in substantially the form set forth in the Supplemental Resolution pursuant to which such Series of Bonds is issued.

Section 2.03 Execution and Authentication of Bonds. Unless otherwise provided in a Supplemental Resolution, the Bonds, if in certificated form, shall be executed by the Chair or Vice Chair of the Commission and attested by the President/CEO of the District and shall be sealed with the official seal or a facsimile of the official seal of the District. The facsimile signature of the Chair, Vice Chair or President/CEO may be imprinted on the Bonds instead of their manual signatures. Bonds bearing the manual or facsimile signatures of a person in office at the time such signature was signed or imprinted shall be fully valid, notwithstanding the fact that before or after delivery of such Bonds such person ceased to hold such office.

Bonds issued under this Master Bond Resolution may be issued in uncertificated form, in which case the procedures for issuance and delivery and evidence of validity, ownership, transfer and exchange shall be as provided in a Supplemental Resolution, and neither the provisions of this Section nor any other provision of this Master Bond Resolution shall be deemed to prohibit or restrict the issuance of uncertificated Bonds.

Section 2.04 Registration of Bonds. The District shall cause the Bond Register for the registration and for the transfer of the Bonds as provided in the Supplemental Resolution to be kept by the Bond Registrar. The Bonds shall be registered as to principal and interest on the Bond Register upon presentation thereof to the Bond Registrar which shall make notation of such registration thereon.

Section 2.05 Place of Payment. Unless otherwise provided in a Supplemental Resolution, the Principal Amount of and redemption premium, if any, on any Bonds shall be payable to the Bondholder at the principal payment office of the Paying Agent or at such other office designated by the Paying Agent for such purpose, upon presentation and surrender of such Bond. Payment of the interest on each Bond shall be made by the Paying Agent on each interest payment date to the person appearing as the registered owner thereof as of the close of business on the Record Date preceding the interest payment date by check mailed to such registered owner at its address as it appears on the Bond Register, or at such other address as is furnished in writing by such registered owner to the Bond Registrar prior to such Record Date, notwithstanding the cancellation of any such Bonds upon any exchange or transfer thereof subsequent to the Record Date and prior to such interest payment date.

The Commission may, by Supplemental Resolution, provide for other methods or places of payment, including electronic transfer, as it may deem appropriate for any Bonds, which if so provided shall control over the provisions of this Section.

Section 2.06 Persons Treated as Owners. The person in whose name any Bond is registered in the Bond Register shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of either Principal Amount or interest shall be made only to or upon the order of the registered owner thereof or such registered owner's attorney duly authorized in writing. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Section 2.07 Transfer and Exchange of Bonds. Bonds may be transferred by surrender for transfer at the principal corporate trust office of the Bond Registrar or at such other office designated by the Bond Registrar for such purpose, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or the registered owner's attorney duly authorized in writing. The District shall cause to be executed and the Bond Registrar shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of the same Series, maturity, interest rate, aggregate Principal Amount, and tenor of any authorized denomination or denominations, and bearing numbers not then Outstanding.

Bonds may be exchanged at the principal corporate trust office of the Bond Registrar or at such other office designated by the Bond Registrar for such purpose, for a like aggregate Principal Amount of Bonds of other authorized denominations of the same Series, maturity, and interest rate, and bearing numbers not then Outstanding. The District shall cause to be executed and the Bond Registrar shall authenticate and deliver Bonds which the Bondholder making the exchange is entitled to receive.

The Bond Registrar shall not be required to transfer or exchange any Bond after notice calling such Bond for redemption has been given or during the period of 15 days (whether or not a Business Day for the Bond Registrar, but excluding the date of giving such notice of redemption and including such 15th day) immediately preceding the giving of such notice of redemption.

In any exchange or registration of transfer of any Bond, the owner of the Bond shall not be required to pay any charge or fee; provided, however, if and to whatever extent any tax or governmental charge is at any time imposed on any such exchange or transfer, the District or the Bond Registrar may require payment of a sum sufficient for such tax or charge. In the event any Bondholder fails to provide a correct taxpayer identification number to the Bond Registrar, the Bond Registrar may impose a charge against such Bondholder sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Code (if, and as, amended), such amount may be deducted by the Paying Agent from amounts otherwise payable to such Bondholder hereunder or under the Bonds.

All Bonds surrendered for exchange or transfer of registration shall be cancelled and destroyed by the Bond Registrar in accordance with Section 2.08.

Section 2.08 Destruction of Bonds. All Bonds paid by the Paying Agent at maturity or upon redemption prior to maturity shall be cancelled and delivered to the Bond Registrar for destruction in accordance with the customary practices of the Bond Registrar and applicable record retention laws. All Bonds cancelled on account of payment, transfer, or exchange shall be cancelled and, in accordance with the customary practices of the Bond Registrar and applicable record retention laws, destroyed by the Bond Registrar and shall not be reissued.

Section 2.09 Mutilated, Lost, Stolen or Destroyed Bonds. If any Bond is mutilated, lost, stolen or destroyed, the District may execute and deliver a new Bond of the same Series, maturity, interest rate, aggregate Principal Amount, and tenor in lieu of and in substitution for the Bond mutilated, lost, stolen or destroyed. In the case of any mutilated Bond, however, such mutilated Bond shall first be surrendered to the Bond Registrar, and, in the case of any lost, stolen or destroyed Bond, there shall first be furnished to the Bond Registrar evidence satisfactory to it of the ownership of such Bond and of such loss, theft or destruction, together with indemnity to the District and the Bond Registrar, satisfactory to each of them. If any such Bond shall have matured or a redemption date pertaining to the Bond shall have passed, instead of issuing a new Bond the District may pay or cause the Paying Agent to pay the Bond. The District, the Bond Registrar, and the Paying Agent may charge the owner of such Bond with their reasonable fees and expenses for replacing mutilated, lost, stolen or destroyed Bonds.

In executing a new Bond and in furnishing the Bond Registrar with the written authorization to deliver a new Bond as provided for in this Section, the District may rely conclusively on a representation of the Bond Registrar that the Bond Registrar is satisfied with the adequacy of the evidence presented concerning the mutilation, loss, theft or destruction of any Bond.

Section 2.10 Nonpresentment of Bonds. If any Bond is not presented for payment when the Principal Amount thereof becomes due at maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent, all liability of the District to the registered owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the registered owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under the Supplemental Resolution or on, or with respect to, said Bond. If any Bond is not presented for payment within the applicable statute of limitations for written contracts in the State, the Paying Agent shall repay to the District the funds theretofore held by it for payment of such Bond, together with any interest earnings thereon, and such Bond shall thereafter be an unsecured obligation of the District, and the registered owner thereof shall be entitled to look only to the District for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the District shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Section 2.11 DTC Book-Entry. Unless otherwise provided in a Supplemental Resolution, the Bonds shall be initially issued in the name of Cede & Co., as nominee for the Depository Trust Company (“*DTC*”), as registered owner of the Bonds, and held in the custody of DTC or the Paying Agent as its Fast Agent. A single certificate will be issued and delivered to DTC or the Paying Agent as its Fast Agent for each maturity of the Bonds. The actual purchasers

of the Bonds (the “*Beneficial Owners*”) will not receive physical delivery of Bond certificates except as provided herein. Beneficial Owners are expected to receive a written confirmation of their purchase providing details of each Bond acquired. For so long as DTC shall continue to serve as securities depository for the Bonds as provided herein, all transfers of beneficial ownership interests will be made by book-entry only, and no investor or other party purchasing, selling, or otherwise transferring beneficial ownership of Bonds is to receive, hold, or deliver any Bond certificate.

For every transfer and exchange of the Bonds, the Beneficial Owner may be charged a sum sufficient to cover such Beneficial Owners allocable share of any tax, fee, or other governmental charge that may be imposed in relation thereto.

Bond certificates are required to be delivered to and registered in the name of the Beneficial Owner under the following circumstances:

(a) DTC determines to discontinue providing its service with respect to a Series of Bonds (such a determination may be made at any time by giving 30 days’ notice to the District and the Bond Registrar and discharging its responsibilities with respect thereto under applicable law), or

(b) DTC participants with a majority position in the Bonds determine that continuation of the system of book-entry transfers through DTC (or a successor securities depository) is not in the best interests of the Beneficial Owners.

The District and the Bond Registrar will recognize DTC or its nominee as the Bondholder for all purposes, including notices and voting.

The District and the Bond Registrar covenant and agree, so long as DTC shall continue to serve as securities depository for the Bonds, to meet the requirements of DTC with respect to required notices and other provisions of DTC.

The Bond Registrar is authorized to rely conclusively upon a certificate furnished by DTC and corresponding certificates from DTC participants and indirect participants as to the identity of, and the respective Principal Amount of Bonds beneficially owned by, the Beneficial Owner or Beneficial Owners.

If at any time DTC ceases to hold the Bonds, a Supplemental Resolution amending the relevant provisions of this Master Bond Resolution shall be adopted and thereafter all references in this Master Bond Resolution to DTC in connection with the Bonds shall be of no further force or effect.

[End of Article II]

ARTICLE III

REDEMPTION OF BONDS

Section 3.01 Redemption of Bonds. Bonds may be made subject to redemption either in whole or in part and at such times, prices and in such order and under such terms as may be provided by the Supplemental Resolution providing for the issuance of such Bonds. The District may provide for the redemption of Bonds from any funds available to the District and not obligated for other purposes.

In connection with the partial early redemption of any Term Bonds of a Series, the Commission may, in any Supplemental Resolution, provide that the principal amount of Bonds of such Series being redeemed shall be allocated against its scheduled sinking fund redemption and modify its scheduled sinking fund installments payable thereafter as to the Outstanding Term Bonds of such Series in any manner the Commission may determine. The Commission may provide in any Supplemental Resolution that, prior to notice of redemption for any Bonds of a Series, money in the Debt Service Account, the Common Reserve Account or any Series Debt Service Reserve Account relating to such Series of Bonds may be applied at the direction of the Commission to the purchase of Bonds of such Series and, if any such purchased Bonds are Term Bonds, the Commission may allocate the principal amount of Bonds of such Series being redeemed against its scheduled sinking fund redemption for such Bonds and may modify its scheduled sinking fund installments thereafter payable with respect to Bonds of such Series in any manner the Commission may determine.

Section 3.02 Notice of Redemption. Unless waived by any registered owner of Bonds to be redeemed and except as may be otherwise provided in a Supplemental Resolution, official notice of any such redemption shall be given by the Bond Registrar on behalf of the District by mailing a copy of an official redemption notice by first class mail, at least 20 days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All official notices of redemption shall be dated, shall contain the complete official name of the Bond issue, and shall state:

- (a) the redemption date;
- (b) the redemption price;
- (c) the interest rate (unless such Bonds constitute Variable Rate Indebtedness) and maturity date of the Bonds being redeemed;
- (d) if less than all the Outstanding Bonds are to be redeemed, the Bond numbers, and, where part of the Bonds evidenced by one Bond certificate are being redeemed, the respective Principal Amounts of such Bonds to be redeemed;

- (e) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after such date; and
- (f) the place where such Bonds are to be surrendered for payment of the redemption price (which place of payment shall be the principal payment office of the Paying Agent or at such other office designated by the Paying Agent for such purpose) and the name, address, and telephone number of a person or persons at the Paying Agent who may be contacted with respect to the redemption.

Any notice of optional redemption of any Bonds may specify that the redemption is contingent upon the deposit of money with the Paying Agent in an amount sufficient to pay the redemption price (which price shall include the redemption premium, if any) of all the Bonds or portions of Bonds that are to be redeemed on that date, and may further specify that it may be rescinded or withdrawn at any time prior to the date fixed for redemption in the sole discretion of the District.

Not later than the redemption date, the District shall deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

For so long as DTC is effecting book-entry transfers of the Bonds, the Bond Registrar shall provide the notices specified in this Section to DTC. It is expected that DTC shall, in turn, notify its participants and that the participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of DTC or a participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Bond Registrar, a participant or otherwise) to notify the Beneficial Owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

Any defect in any notice of redemption shall not affect the validity of proceedings for redemption of the Bonds.

Section 3.03 Notice to Bond Registrar; Bond Registrar Shall Give Notice of Redemption. Unless otherwise specified in a Supplemental Resolution, notice of redemption of Bonds to be redeemed shall be given by the Bond Registrar for and on behalf of the District whenever either: (a) such redemption is required to be made under the Supplemental Resolution for such Bonds, or (b) such redemption is permitted to be made under the terms of such Bonds and the District requests that such redemption be made. In case of any redemption at the election of the District, the District shall give written notice to the Bond Registrar in an amount of days to be described in the Supplemental Resolution directing the Bond Registrar to call Bonds for redemption and give notice of redemption and specifying the redemption date, the principal amount and maturities of Bonds to be called for redemption, the applicable redemption price or prices and the provision or provisions of this Master Bond Resolution pursuant to which such Bonds are to be called for redemption.

Section 3.04 Effect of Notice of Redemption. Official notice of redemption having been given in the manner and under the conditions provided in this Article and money for

payment of the redemption price being held by the Paying Agent as provided in this Master Bond Resolution, the Bonds or portions of Bonds called for redemption shall, on the redemption date designated in such notice, become and be due and payable at the redemption price provided for redemption of such Bonds or portions of Bonds on such date, and from and after such date, interest on the Bonds or portions of Bonds called for redemption shall cease to accrue, such Bonds or portions of Bonds shall cease to be entitled to any lien, benefit, or security under this Master Bond Resolution, and the owners of such Bonds or portions of Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof. Upon surrender for partial redemption of any Bond, there shall be prepared for and delivered to the registered owner a new Bond or Bonds of the same Series, maturity, and interest rate in the amount of the unpaid Principal Amount.

Section 3.05 Redemption Among Series. Subject to the redemption provisions of any Supplemental Resolution, the Commission in its discretion may redeem the Bonds of any Series, or a portion of the Bonds of any such Series, before it redeems the Bonds of any other Series. Within any particular Series, any redemption of Bonds shall be effected in the manner provided in this Master Bond Resolution and in any Supplemental Resolution.

Section 3.06 Selection of Bonds to be Redeemed. If less than all of the Bonds of like maturity of any Series shall be called for redemption, the particular Bonds, or portions of Bonds, to be redeemed shall be selected by lot, or, if applicable, in accordance with the rules and regulations of the securities depository.

Section 3.07 Purchase in Open Market. Nothing herein contained shall be construed to limit the right of the District to purchase with any available moneys, including but not limited to, moneys in the Debt Service Fund (i.e., moneys not needed in the then-current Fiscal Year to pay principal of and interest on any Bonds), any Bonds in the open market at a price not exceeding the callable price. Any such Bonds so purchased shall not be reissued and shall be cancelled.

[End of Article III]

ARTICLE IV

REVENUES AND FUNDS

Section 4.01 Establishment of Funds. There are hereby established the following Funds:

- (a) Gross Revenue Fund to be held by the District;
- (b) Operating and Maintenance Fund to be held by the District;
- (c) Debt Service Fund to be maintained in trust and held by the Trustee, in which there is established a separate Account for each Series of Bonds pursuant to Section 4.05;
- (d) Debt Service Reserve Fund to be maintained in trust and held by the Trustee, in which there is established a Common Reserve Account and one or more Series Debt Service Reserve Accounts, in accordance with Sections 4.07 and 4.08 below;
- (e) Subordinate Obligation Debt Service Fund to be maintained in trust and held by the Trustee, in which there is established a separate debt service account, and a debt service reserve account, pursuant to Section 5.05;
- (f) Operating and Maintenance Reserve Fund to be held by the District;
- (g) Rebate Fund to be held by the District; and
- (h) Airport General Fund to be held by the District, in which there is established a Rolling Coverage Account, a General Airport Account.

The money and securities in each of said Funds and Accounts shall be applied as hereinafter provided.

Section 4.02 Gross Revenue Fund. So long as any of the Bonds remain Outstanding, the District covenants and agrees that all Revenues derived and to be derived by the District from the operation of the Airport System including all Revenues derived by the District from all additions, extensions, enlargements and improvements of the Airport System hereafter made or acquired will be paid and deposited promptly in the Gross Revenue Fund.

Money in the Gross Revenue Fund shall be withdrawn and made use of only in the manner and in the order of priority specified in Section 4.03 hereof. So long as the District establishes, under generally accepted accounting principles applicable to governmental entities, proper records of receipts and disbursements from the Gross Revenue Fund, the Gross Revenue Fund may be used for the purposes of the Operating and Maintenance Fund, the Operating and Maintenance Reserve Fund, the Rebate Fund, and the Airport General Fund.

Section 4.03 Receipt, Deposit and Use of Revenues Deposited into the Gross Revenue Fund. No later than the fifth day of each month, all Revenues deposited in the Gross

Revenue Fund as provided in Section 4.02 shall be set aside for the payment of the following amounts or deposited or transferred to the following Funds and Accounts in the order listed:

(a) *Operation and Maintenance Expenses.* The District shall first pay from the Gross Revenue Fund a sufficient amount of Revenues to pay all Operation and Maintenance Expenses due in the next month to the Operating and Maintenance Fund. The District shall pay all Operation and Maintenance Expenses as they become due and payable from money available in the Operating and Maintenance Fund.

(b) *Debt Service Fund; Other Amounts Due on Bonds.* The District shall next pay from the Gross Revenue Fund a sufficient amount of Revenues, without priority and on an equal basis, except as to timing of payment, to the Debt Service Fund in the amounts, at the times and in the manner *provided* in Section 4.05 hereof to provide for the payment of the principal of and interest to come due on the Outstanding Bonds and for the payment of amounts, other than principal and interest, if any, due on the Outstanding Bonds.

(c) *Common Reserve Account and Series Debt Service Reserve Accounts.* The District shall next pay from the Gross Revenue Fund a sufficient amount of Revenues, without priority and on an equal *basis*, except as to timing of payment, to the Common Reserve Account, the Series Debt Service Reserve Account, and any other Accounts within the Debt Service Reserve Fund, if any, at the times, in such amounts, and to be used in the manner provided for, as specified in Sections 4.07 and 4.08 hereof and any Supplemental Resolution.

(d) *Subordinate Obligation Debt Service.* The District shall next pay from the Gross Revenue Fund a sufficient amount of Revenues to the Subordinate Obligation Debt Service Fund (and deposited into the applicable debt service account or debt service reserve account therein) such amounts and, at *such* times, as are sufficient to pay the debt service on any indebtedness, including Subordinate Obligations, issued pursuant to the terms of a resolution of the Commission, but only to the extent a specific pledge of Net Revenues has been made pursuant to such subordinate resolution to the payment of debt service on such indebtedness.

(e) *Operating and Maintenance Reserve Fund.* The District shall next pay from the Gross Revenue Fund into the Operating and Maintenance Reserve Fund one-twelfth (1/12th) of the amount needed to bring the balance in the Operating and Maintenance Reserve Fund to an amount equal to one-fourth (1/4th) of the amount of operating expenses budgeted by the District for the current fiscal year. If the balance in the Operating and Maintenance Reserve Fund is greater than or equal to one-fourth (1/4th) of the amount of operating expenses budgeted by the District for the current fiscal year, no deposit is required.

(f) *Rebate Fund.* The District shall next pay from the Gross Revenue Fund into the Rebate Fund such amount, if any, as required to satisfy the District's obligations with respect to any arbitrage rebate *calculations* related to a Series of Bonds.

(g) *Airport General Fund.* When and after the District shall have made all payments from the Gross Revenue Fund required at the time to be made under the provisions of this Section 4.03 (a) through (f), all remaining money in the Gross Revenue Fund shall be credited to the Airport General Fund. Money in the Airport General Fund shall be used for any lawful

purpose of the Airport System. As determined by the District, money credited to the Airport General Fund shall be deposited into, and may be subsequently transferred among the Rolling Coverage Account, the General Airport Account, and such other Accounts as may be established therein by the District from time to time, unless otherwise provided in a Supplemental Resolution, and in such priority as the District may determine.

(i) *Rolling Coverage Account* – the District may deposit money from the Airport General Fund into the Rolling Coverage Account in such amounts as it may determine. Unless otherwise required by a Supplemental Resolution, the District is not required to make any deposit into the Rolling Coverage Account or to retain any such amount deposited in the Rolling Coverage Account. Any money in the Rolling Coverage Account may be taken into account for purposes of Sections 5.03 and 6.03 of this Master Bond Resolution, or transferred from this Account into the Gross Revenue Fund, or used for any other lawful purpose of the Airport System.

(ii) *General Airport Account* – subject to compliance with the immediately succeeding paragraph, all remaining money in the Airport General Fund not deposited to the Rolling Coverage Account shall be deposited into the General Airport Account or such other Account as may be established by the District and may be accumulated by the District to be used to fund equipment purchases or capital outlays that are included in the budget for the Airport System for a Fiscal Year, to fund all or any portion of other capital projects that are included in the budget for the Airport System for a Fiscal Year, and to pay the costs of any future capital project or projects (whether or not such projects have been specifically identified), transferred to any other Fund or Account, or used by the District for any other lawful purpose of the Airport System.

If any General Obligation Bonds of the District are outstanding at the end of a Fiscal Year, then within 60 days after the end of such Fiscal Year, and after all deposits required to be made into each of the Funds have been made, sufficient money remaining in the Gross Revenue Fund that are not required to make up deficiencies in any of the Funds or to pay costs of operating, maintaining, enlarging, or improving any Airport Facilities shall be transferred to the applicable County Treasurer to be applied by the applicable County Treasurer for the payment of the interest and principal on the General Obligation Bonds of the District for the next succeeding Fiscal Year; provided, however, in the event that the applicable County Treasurer has at such time sufficient moneys available for payment of the principal of and interest to come due on all the General Obligation Bonds of the District for the next succeeding Fiscal Year no such transfer need be made and such excess shall be deposited in the General Airport Account. The District may create additional Funds and Accounts to facilitate the operation of this paragraph.

Section 4.04 Deficiency of Payments into Funds or Accounts. If at any time the Revenues accruing to the Gross Revenue Fund are insufficient to make any payment or credit on the date or dates specified, the District shall transfer the amount of such deficiency out of the first available Revenues thereafter accruing to the Gross Revenue Fund from the operation of the Airport, such transfer being made and applied in the order specified.

Section 4.05 Creation and Funding of and Withdrawals From Debt Service Fund. At the time of issuance of each Series of Bonds, the District shall cause the Trustee to create a

debt service account for such Series within the Debt Service Fund, which debt service account shall be designated “Richland-Lexington Airport District Airport Revenue Bonds Series [_____] Debt Service Account” (each, respectively, a “*Debt Service Account*”). The Debt Service Fund and each Debt Service Account shall be held in trust by the Trustee, and amounts to be used to pay principal of and interest on such Series shall be deposited therein and used for such purpose.

Except as otherwise provided in a Supplemental Resolution, the District shall deposit money into a Debt Service Account for a Series of Bonds as follows: So long as any of the Bonds are Outstanding, the District shall transfer from the Gross Revenue Fund to the Debt Service Account established in respect of each Series of Outstanding Bonds (a) to the payment of interest on Bonds of that Series an amount equal to one-sixth ($1/6^{\text{th}}$) of the interest on Bonds of that Series bearing interest payable semi-annually scheduled to be due and payable on the next succeeding Payment Date so that there will be accumulated on such Payment Date, after taking into account interest earnings on amounts held in any such Account, an amount not less than the interest on Bonds of that Series coming due on the immediately succeeding Payment Date, plus (b) to the payment of principal on Bonds of that Series payable annually an amount equal to one-twelfth ($1/12^{\text{th}}$) of the principal amount on Bonds of that Series coming due by maturity or mandatory redemption on the next principal payment, maturity or mandatory redemption date, so that there will be accumulated in such Account, after taking into account interest earnings on amounts held in such Account, an amount not less than the principal on Bonds of that Series coming due by maturity or mandatory redemption on the immediately succeeding principal payment, maturity or mandatory redemption date.

Notwithstanding any of the foregoing provisions of this Section, no amount need be transferred from the Gross Revenue Fund or otherwise deposited into any Debt Service Account for any Series of Bonds for the payment of principal or interest, respectively, if the amount already on deposit therein and available for such purpose is sufficient to pay in full the amount of principal and/or interest, respectively, coming due on such Bonds on the next succeeding Payment Date.

All amounts paid to a Debt Service Account as provided herein and in a Supplemental Resolution shall be expended and used by the Trustee for the sole purpose of paying the interest on and principal of the respective Series of Bonds as and when the same become due.

With respect to any Series of Bonds, the Supplemental Resolution under which such Bonds are issued may provide for different times and methods of paying the interest and/or principal payments due on a Payment Date, and, in such event, the terms of such Supplemental Resolution shall control.

Section 4.06 Transfer of Funds to Paying Agent and Bond Registrar. Except as otherwise provided in a Supplemental Resolution, the Trustee shall withdraw from the respective Debt Service Account, sums sufficient to pay both principal of and interest on the Bonds of a given Series as and when the same become due, and shall forward such sums to the Paying Agent in next day funds no later than the Business Day prior to the date when such principal, interest and fees will become due.

The amounts held by the Paying Agent for the payment of the interest or principal due on any date with respect to a particular Bond or Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Holders of the Bonds entitled thereto.

Section 4.07 Creation, Use and Application of Common Reserve Account.

(a) The Common Reserve Account shall be held in trust by the Trustee, and amounts therein shall be held, disbursed and accounted for in accordance with the provisions of this Section. The District may cause the Trustee to establish separate Accounts within the Common Reserve Account for the deposit of and accounting for proceeds of separate Series of Bonds participating in the Common Reserve Account and may designate two or more Series of Bonds issued on the same date as a single “Series” for purpose of this Section 4.07.

(b) (i) Except as otherwise provided herein, each Supplemental Resolution providing for the issuance of a Series of Bonds participating in the Common Reserve Account shall require that an amount equal to the Reserve Requirement for such Series of Bonds be deposited, accumulated and maintained, or alternatively funded in accordance with paragraphs (b)(ii) and (c) of this Section.

(ii) The Reserve Requirement of each respective Series of Bonds participating in the Common Reserve Account shall be funded either (A) by including the required amount in the principal amount of the Bonds being issued, (B) by requiring the required amount to be deposited to the Common Reserve Account from Net Revenues in approximately equal monthly installments over a period not exceeding 60 months following the date of issuance of such Series of Bonds, (C) by a Reserve Fund Surety Policy provided pursuant to paragraph (c) below insuring or providing amounts up to the amount of the Reserve Requirement applicable to the Series of Bonds being issued, or (D) by any combination of such methods. Any cash to be deposited in the Common Reserve Account may be derived from proceeds of Bonds or any other legally available source of funds.

(iii) Money held in the Common Reserve Account, including all Accounts established therein, shall be used for the purpose of paying principal of and interest on the Bonds participating in the Common Reserve Account on a pro rata basis with all Bonds then participating in the Common Reserve Account. If, on any Payment Date, the amounts in the Debt Service Fund for any Bonds participating in the Common Reserve Account available therefor are insufficient to pay in full the amount then due on such Bonds, money held in the Common Reserve Account shall be used for the payment of principal of and interest thereon. If amounts in the Common Reserve Account consist of both cash and one or more Reserve Fund Surety Policies, the District shall make any required payments of amounts in the Common Reserve Account first from any cash held in the Common Reserve Account, prior to making a draw upon any of such Reserve Fund Surety Policies. Money held in the Common Reserve Account may also be used by the Trustee to make any deposit required to be made to the Rebate Fund created for the Bonds participating in the Common Reserve Account at the written direction of the

District if the District does not have other funds available from which such deposit can be made.

(iv) Money held in the Common Reserve Account shall be invested as provided in Section 4.12 hereof. Earnings from the investment of money in the Common Reserve Account shall be applied as provided in said Section 4.12. Subject to the provisions of Section 4.12 and subparagraph (b)(i) above, the District shall annually, prior to December 31 of each year and at such other times as the District shall determine, value the Common Reserve Account on the basis of the market value thereof, adjusted for any amortization of premium or discount on the investment thereof and may obtain advice from a third party such as the Trustee with respect to completing the valuation. For purposes of determining the amount on deposit in the Common Reserve Account, any Reserve Fund Surety Policy held by, or the benefit of which is available to, the District as security for the Bonds participating in the Common Reserve Account, such Reserve Fund Surety Policy shall be deemed to be a deposit in the face amount of the Reserve Fund Surety Policy or the stated amount of the Reserve Fund Surety Policy, except that, if the amount available under a Reserve Fund Surety Policy has been reduced as a result of a payment having been made thereunder or as a result of the termination, cancellation or other legally required (such as court order or state mandate) reduction in value of such Reserve Fund Surety Policy, then, in valuing the Common Reserve Account, the value of such Reserve Fund Surety Policy shall be reduced accordingly. Upon each such valuation, the District shall prepare, or cause to be prepared, a written certificate setting forth the Reserve Requirement with respect to the Bonds participating in the Common Reserve Account as of such valuation date and the value of the Common Reserve Account. Said certificate shall be delivered to the Trustee. If, upon any valuation of the Common Reserve Account, the value of the Common Reserve Account exceeds the Reserve Requirement with respect to the Bonds participating in the Common Reserve Account, the excess amount may, at the written direction of an Authorized Officer of the District, be withdrawn and paid by the Trustee pro rata to the Debt Service Accounts for the Bonds participating in the Common Reserve Account to be applied as a credit against the District's obligation to make its next interest payment. If, upon any valuation of the Common Reserve Account, the value is less than the Reserve Requirement with respect to the Bonds participating in the Common Reserve Account, the District shall replenish such amounts within 12 months after the date of such valuation.

(c) A Reserve Fund Surety Policy shall be acceptable in lieu of a deposit of cash or securities into the Common Reserve Account, or may be substituted for amounts on deposit in the Common Reserve Account, only if at the time of such deposit (i) such Reserve Fund Surety Policy extends to the maturity of the Series of Bonds for which the Reserve Fund Surety Policy was issued, or the District has covenanted, by Supplemental Resolution, that the District will replace such Reserve Fund Surety Policy prior to its expiration with another Reserve Fund Surety Policy which shall have no adverse effect on the ratings, if any, then in effect on the Bonds participating in the Common Reserve Account, or with cash and (ii) the face amount of the Reserve Fund Surety Policy, together with amounts on deposit in the Common Reserve Account, including the face amount of any other Reserve Fund Surety Policy, is at least equal to the Reserve Requirement with respect to the Bonds participating in the Common Reserve Account.

(d) If money has been withdrawn from the Common Reserve Account or a payment has been made under a Reserve Fund Surety Policy constituting all or a portion of the Common Reserve Account, and deposited into the Debt Service Fund to prevent a default on the Bonds participating in the Common Reserve Account, then the District will deposit into the Common Reserve Account the full amount so withdrawn, together with interest, if any, required under the terms of the Reserve Fund Surety Policy, or so much as shall be required to restore the Common Reserve Account to the Reserve Requirement with respect to the Bonds participating in the Common Reserve Account and to pay such interest, if any. Such repayment shall be made in no more than 12 substantially equal monthly installments commencing with the first month after such withdrawal occurs. If such repayment is with respect to a draw under a Reserve Fund Surety Policy, the District shall pay to the provider of such Reserve Fund Surety Policy the amount required to reimburse the provider of such Reserve Fund Surety Policy.

(e) All money on deposit in the Common Reserve Account representing the Reserve Requirement for a Series of Bonds on the final Payment Date of such Series of Bonds may be applied to the payment of the principal of and/or interest on such Series of Bonds, provided that the amount in the Common Reserve Account after such application shall not be less than the Reserve Requirement with respect to all remaining Bonds participating in the Common Reserve Account.

(f) All money remaining in the Common Reserve Account on the final Payment Date of the Bonds participating in the Common Reserve Account in excess of the amount required to make provisions for the payment in full of the interest and/or the principal of the Bonds of all Outstanding Series participating in the Common Reserve Account shall be transferred by the Trustee to the District for deposit in the Gross Revenue Fund.

Section 4.08 Series Debt Service Reserve Account. Notwithstanding anything in Section 4.07, instead of making or causing a deposit to be made to the Common Reserve Account, the Commission may, at the time of issuance of any Series of Bonds, provide by Supplemental Resolution for the creation of a Series Debt Service Reserve Account as additional security for such Series of Bonds, and in its discretion reserving the right to allow a future Series of Bonds to participate in such Series Debt Service Reserve Account, or provide that such Series of Bonds participate in a Series Debt Service Reserve Account previously created for an Outstanding Series of Bonds. Any Series Debt Service Reserve Account established under a Supplemental Resolution shall be funded, at the time of issuance of such Series of Bonds or over such other period of time as set forth in a Supplemental Resolution, in an amount equal to the Reserve Requirement with respect to the Bonds participating in such Series Debt Service Reserve Account. The Commission shall, by such Supplemental Resolution, provide for the manner of funding and replenishing of such Series Debt Service Reserve Account and shall establish such other terms with respect to such Series Debt Service Reserve Account as the Commission may deem to be appropriate, including providing a Credit Facility or Reserve Fund Surety Policy in lieu thereof. Money held in a Series Debt Service Reserve Account shall be invested, and earnings from the investment of money in a Series Debt Service Reserve Account shall be applied, as provided in Section 4.12 hereof unless otherwise provided in a Supplemental Resolution.

Section 4.09 Debt Service Reserve Fund Flexibility. Notwithstanding anything contained in Sections 4.07 or 4.08, at the time of issuance of any Series of Bonds, the Commission may provide pursuant to a Supplemental Resolution that neither a deposit to the Common Reserve Account nor a deposit to a Series Debt Service Reserve Account shall be required and that such Series of Bonds shall not be secured by the Common Reserve Account or a Series Debt Service Reserve Account.

Section 4.10 Authorization for Creation of Construction Fund. Proceeds of each Series of Bonds that are to be used to pay Costs of the Projects shall be deposited into a Fund created for such Series of Bonds that shall be designated “Richland-Lexington Airport District Airport Revenue Bonds Series [] Construction Fund” (each, respectively, a “*Construction Fund*”). Each Construction Fund shall be held by the District, or if directed by the Commission, an agent of the District, all as provided by this Master Bond Resolution or a Supplemental Resolution. All money in each Construction Fund shall be held and disbursed as provided in the Supplemental Resolution or Supplemental Resolutions under which such Fund or Funds were created. Notwithstanding this provision, no Construction Fund shall be required for a given Series of Bonds if all of the proceeds thereof (except those deposited into the Common Reserve Account, a Series Debt Service Reserve Account, or a Debt Service Account) are spent at the time of issuance of such Series or are used to refund Bonds or otherwise the Commission determines that there is no need to create a Construction Fund for such Series.

Section 4.11 Additional Funds and Accounts. The Commission may, by Supplemental Resolution, create additional Funds and Accounts for such purposes as the Commission deems appropriate, including separate Funds available only for specified Bonds or Series of Bonds.

Section 4.12 Investments. Money held in the Funds and Accounts ratified, created or authorized by this Master Bond Resolution and any Supplemental Resolution may be invested in Permitted Investments authorized by the current investment policy of the Commission. Any such moneys held in a Fund that is held by the Trustee shall be invested as provided in the preceding sentence pursuant to written instructions from an Authorized Officer of the District. The Trustee may rely on such instructions as to the legality, suitability and compliance with the provisions of this Section of any directed investments. If the Trustee has not received a written investment direction from an Authorized Officer of the District with respect to any moneys held by the Trustee, the Trustee shall hold such moneys uninvested in cash, without liability for interest. Unless otherwise specified in a Supplemental Resolution, any investment earnings thereon (except the Common Reserve Account, any Series Debt Service Reserve Account and any Rebate Fund) shall be deposited into the Gross Revenue Fund. Investments in the Common Reserve Account and in any Series Debt Service Account shall not have maturities that extend beyond five years. Unless otherwise provided herein or in a Supplemental Resolution, earnings from the investment of money in any Series Debt Service Reserve Account shall be retained in the Series Debt Service Reserve Account at all times if the balance is less than the Reserve Requirement therefor; thereafter and at all times if the balance of the Series Debt Service Reserve Account is equal to or greater than the Reserve Requirement, such investment earnings shall be deposited in the Debt Service Accounts for the Bonds secured by such Series Debt Service Reserve Account. Earnings from the investment of money in any Rebate Fund shall be retained therein until expended as provided in a Supplemental Resolution. The Trustee is not

responsible for losses on investments made in compliance with the provisions of this Master Bond Resolution.

Money in each of such Funds shall be accounted for as a separate and special Fund apart from all other Commission Funds, provided that investments of money therein may be made in a pool of investments together with other money of the District so long as sufficient Permitted Investments in such pool, not allocated to other investments of contractually or legally limited duration, are available to meet the requirements of the foregoing provisions.

Ratings of Permitted Investments shall be determined at the time of purchase of such Permitted Investments and without regard to ratings subcategories. The Trustee may make any and all such investments through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinary and customary fees for such trades, including cash sweep account fees. Although the District recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, the District hereby agrees that confirmations of Permitted Investments are not required to be issued by the Trustee for each month in which a monthly statement is rendered. No statement need be rendered for any Fund or Account if no activity occurred in such Fund or Account during such month. The Trustee may conclusively rely upon the Authorized Officer of the District's written instructions as to both the suitability and legality of the directed investments and their compliance with the provisions of this Section.

[End of Article IV]

ARTICLE V

ISSUANCE OF BONDS

Section 5.01 Issuance of Bonds. The District covenants and agrees that so long as any of the Bonds remain Outstanding, it will not issue any Bonds, or other obligations which stand on a parity or equality with the initial Series of Bonds under this Master Bond Resolution except in accordance with the following conditions and provisions:

(a) a Supplemental Resolution shall have been passed authorizing the issuance of such Bonds;

(b) there shall be no default by the District in the payment of any sums required to be paid under Section 4.03;

(c) an Authorized Officer of the District shall have executed a certificate to the effect that: (i) none of the Events of Default set forth in Section 7.01 have occurred and remain uncured or (ii) that upon issuance of such Series of Bonds, all Events of Default set forth in Section 7.01 hereof that have occurred and are continuing, shall be cured;

(d) the District shall have received an opinion of Bond Counsel, dated as of the date of issuance of the Bonds, to the effect that the Supplemental Resolution authorizing the issuance of Bonds has been duly adopted by the Commission;

(e) there shall be written instructions from the District to authenticate the Bonds and, upon receipt of the purchase price, to deliver the Bonds to or upon the order of the purchasers named in such instructions; and

(f) the tests for issuance of Bonds set forth in Section 5.03 hereof, as applicable, shall have been satisfied.

Section 5.02 Refunding Bonds. Refunding Bonds may be issued under and secured by this Master Bond Resolution. Such Refunding Bonds shall be issued in accordance with the provisions of Sections 5.01 and 5.03 hereof.

Section 5.03 Tests for Issuance of Bonds. Subject to the provisions under paragraphs (c)(i), (ii) or (iii) of this Section, as a condition to the issuance of any Series of Bonds other than the initial Series of Bonds issued hereunder, there shall first be delivered to the District either:

(a) a certificate, dated as of a date between the date of pricing of the Bonds being issued and the date of delivery of such Bonds (both dates inclusive), of an Authorized Officer of the District showing that the Net Revenues for the last Fiscal Year for which audited financial statements are available, or, based upon the District's unaudited, internally prepared, financial statements for any 12 consecutive months out of the most recent 24 consecutive months immediately preceding the date of issuance of the proposed Series of Bonds, together with any amount on deposit in the Rolling Coverage Account as of the end of the immediately preceding Fiscal Year, were at least equal to 125% of Aggregate Annual Debt Service with respect to all

Outstanding Bonds and the proposed Series of Bonds for each Fiscal Year after the issuance of the proposed Series of Bonds so long as the proposed Series of Bonds will be Outstanding; or

(b) (i) a certificate, dated as of a date between the date of pricing of the Bonds being issued and the date of delivery of such Bonds (both dates inclusive), of an Authorized Officer of the District, showing that the Net Revenues for the last Fiscal Year for which audited financial statements are available, or, based upon the District's unaudited, internally prepared, financial statements for any 12 consecutive months out of the most recent 24 consecutive months immediately preceding the date of issuance of the proposed Series of Bonds, together with any amount deposited in the Rolling Coverage Account as of the end of the immediately preceding Fiscal Year, were at least equal to 125% of the Aggregate Annual Debt Service due and payable with respect to all Outstanding Bonds (not including the proposed Series of Bonds) for such Fiscal Year or other applicable period; and

(ii) a certificate from a Consultant showing that the estimated Net Revenues for each of three consecutive Fiscal Years beginning with the first Fiscal Year in which Annual Debt Service is due on or with respect to the Series of Bonds proposed to be issued, and for the payment of all of which provision has not been made as indicated in the report of such Consultant from the proceeds of such Series of Bonds and/or from interest that has been capitalized from the proceeds of previously issued Bonds, will be at least equal to 125% of the Aggregate Annual Debt Service for each such Fiscal Year with respect to all Outstanding Bonds and the proposed Series of Bonds (calculated as if the proposed Series of Bonds was then Outstanding).

For purposes of paragraph (a) in this Section, the amount of any money deposited into the Rolling Coverage Account taken into account cannot exceed 25% of the Aggregate Annual Debt Service on the Outstanding Bonds and the proposed Series of Bonds. For purposes of paragraph (b)(i) and (ii) in this Section, the amount of any money deposited into the Rolling Coverage Account taken into account in any year cannot exceed 25% of the Aggregate Annual Debt Service on the Outstanding Bonds in such year.

For purposes of paragraph (b)(ii) in this Section, in estimating Net Revenues, the Consultant may take into account Revenues from Projects or Airport Facilities reasonably expected to become available during the period for which the estimates are provided and an amount estimated by the Consultant to be on deposit during such period of time in the Rolling Coverage Account. With respect to Operation and Maintenance Expenses, the Consultant shall use such assumptions as the Consultant believes to be reasonable, taking into account: (i) historical Operation and Maintenance Expenses, (ii) Operation and Maintenance Expenses associated with the Projects and any other new Airport Facilities, and (iii) such other factors, including inflation and changing operations or policies of the District, as the Consultant believes to be appropriate. The Consultant shall include in the certificate or in a separate accompanying report a description of the assumptions used and the calculations made in determining the estimated Net Revenues and shall also set forth the calculations of Aggregate Annual Debt Service, which calculations may be based upon information provided by another Consultant.

(c) Neither of the certificates described under paragraph (a) or (b) of this Section shall be required:

(i) if the Bonds being issued are for the purpose of refunding then Outstanding Bonds and (A) an Authorized Officer of the District executes a certificate showing that Aggregate Annual Debt Service for each Fiscal Year after the issuance of such Refunding Bonds will not exceed the Aggregate Annual Debt Service for any Fiscal Year prior to the issuance of such Refunding Bonds in the years through the final maturity of the Outstanding Bonds to be refunded, or (B) the District obtains a report from a Consultant demonstrating that the refunding will reduce the total debt service payments on all Outstanding Bonds on a present value basis;

(ii) if the Bonds being issued constitute Notes and an Authorized Officer of the District executes, instead, a certificate showing that the principal amount of the proposed Notes being issued, together with the principal amount of any Notes then Outstanding, does not exceed 10% of the Net Revenues for any 12 consecutive months out of the most recent 24 months immediately preceding the issuance of the proposed Notes, accompanied by a certificate of an Authorized Officer of the District setting forth calculations showing that for each of the Fiscal Years during which the Notes will be Outstanding, and taking into account the debt service becoming due on such Notes, the District will be in compliance with Section 6.03(a) and (b) hereof; or

(iii) if the Bonds being issued are to pay costs of completing a Project for which Bonds have previously been issued and the principal amount of such Bonds being issued for completion purposes does not exceed an amount equal to 15% of the principal amount of the Bonds originally issued for such Project and reasonably allocable to the Project to be completed as shown in a written certificate of an Authorized Officer of the District and there is delivered to the District (1) a Consultant's certificate stating that the nature and purpose of such Project has not materially changed and (2) a certificate of an Authorized Officer of the District to the effect that (x) all of the proceeds (including investment earnings on amounts in the Construction Fund allocable to such Project) of the original Bonds issued to finance such Project have been or will be used to pay Costs of the Project and (y) the then estimated Costs of the Project exceed the sum of the Costs of the Project already paid plus money available in the Construction Fund established for the Project (including unspent proceeds of Bonds previously issued for such purpose) and (z) the proceeds to be received from the issuance of such Bonds plus money available in the Construction Fund established for the Project (including unspent proceeds of the Bonds previously issued for such purpose) will be sufficient to pay the remaining estimated Costs of the Project.

Section 5.04 Repayment Obligations Afforded Status of Bonds.

(a) Unless otherwise provided in a Supplemental Resolution, if a Credit Provider or Liquidity Provider makes payment of principal of and/or interest on a Bond or advances funds to purchase or provide for the purchase of Bonds and is entitled to reimbursement thereof, pursuant to a separate written agreement with the District, but is not reimbursed, the Repayment Obligation under such written agreement may, if so provided in the written agreement, be

afforded the status of a Bond issued under this Master Bond Resolution, and, if afforded such status, the Credit Provider or Liquidity Provider shall be the Bondholder and such Bond shall be deemed to have been issued at the time of the original Bond for which the Credit Facility or Liquidity Facility was provided and will not be subject to the provisions of Sections 5.01 or 5.03 hereof, provided that the payment terms of the Bond held by the Credit Provider or Liquidity Provider shall be as set forth in the written agreement with the Credit Provider or Liquidity Provider or a Supplemental Resolution pursuant to which such Bonds are issued. This provision shall not defeat or alter the rights of subrogation that any Credit Provider or Liquidity Provider may have under law or under the terms of any Supplemental Resolution. The Trustee and the Paying Agent may conclusively rely on a written certification by the Credit Provider or the Liquidity Provider of the amount of such non-reimbursement and that such Repayment Obligation is to be afforded the status of a Bond under this Master Bond Resolution.

(b) In addition to the Repayment Obligations described in paragraph (a) above, any other amounts owed by the District to a Credit Provider or a Liquidity Provider pursuant to the provisions of a written agreement between the District and the Credit Provider or the Liquidity Provider, that are Repayment Obligations under such written agreement, shall, if so provided in the written agreement, be afforded the status of a Bond issued under Article II hereof and, if afforded such status, the Credit Provider or the Liquidity Provider shall be deemed to be the Holder of such Bond, and such Bond shall be deemed to have been issued at the time of the original Bond for which the Credit Facility or Liquidity Facility was provided and will not be subject to the provisions of Sections 5.01 or 5.03 hereof. Such Repayment Obligation will be paid in accordance with the terms of the Supplemental Resolution pursuant to which the Bonds are issued or the terms of the agreement with the Credit Provider or the Liquidity Provider. The Trustee and the Paying Agent may conclusively rely on a written certification by the Credit Provider or the Liquidity Provider of the amount of such non-reimbursement and that such Repayment Obligation is to be afforded the status of a Bond under this Master Bond Resolution.

Section 5.05 Subordinate Obligations. The District may, from time to time, incur indebtedness that is subordinate to the Bonds and which indebtedness is, in this Master Bond Resolution, referred to as Subordinate Obligations. Such indebtedness shall be incurred at such times and upon such terms as the Commission shall determine, provided that:

(a) any resolution of the Commission authorizing the issuance of any Subordinate Obligations shall specifically state that such lien on or security interest granted in the Net Revenues is junior and subordinate to the lien on and security interest in such Net Revenues and other assets granted to secure the Bonds;

(b) payment of principal of and interest and other amounts due on such Subordinate Obligations shall be permitted, provided that all deposits and payments required to be made pursuant to Section 4.03(a) through (c) hereof have been made or satisfied;

(c) At the time of issuance of any Subordinate Obligations, there shall be established a debt service account for such Subordinate Obligations within the Subordinate Obligation Debt Service Fund. Such debt service account shall be held in trust by the Trustee, and amounts to be used to pay principal of and interest on such Subordinate Obligations shall be deposited therein and used for such purpose; and

(d) The District may, at the time of issuance of any Subordinate Obligations, create a debt service reserve account for such Subordinate Obligations within the Subordinate Obligation Debt Service Fund. Such debt service reserve account shall be held by the Trustee for the purpose described in the Supplemental Resolution authorizing the issuance of such Subordinate Obligations.

[End of Article V]

ARTICLE VI

COVENANTS OF THE DISTRICT

Section 6.01 Payment of Bonds. The District covenants and agrees that it will duly and punctually pay or cause to be paid from the Net Revenues and the other security set forth in this Master Bond Resolution and to the extent thereof the principal of, premium, if any, and interest and other amounts due on every Bond at the place and on the dates and in the manner herein, in the Supplemental Resolutions, in the Bonds specified and in a Credit Facility and/or a Liquidity Facility, if any, according to the true intent and meaning thereof, and that it will faithfully do and perform all covenants and agreements herein, in the Bonds and in a Credit Facility and/or a Liquidity Facility, if any, contained, provided that the District's obligation to make payment of the principal of, premium, if any, and interest and other amounts due on the Bonds shall be limited to payment from the Net Revenues derived and to be derived by the District from the operation of the Airport System and accruing to the Gross Revenue Fund, and nothing in the Bonds or in this Master Bond Resolution shall be construed to obligate the District to pay the Bonds or the interest thereon except from said Net Revenues and no Bondholder shall have any right to enforce payment from any other funds of the District.

Section 6.02 Performance of Duties and Obligations by Commission. The District will punctually perform all the duties, conditions, obligations, covenants and requirements of the Bond Resolution, the Act, and the Constitution and laws of the State, and the District will perform all contractual obligations undertaken by it under leases and agreements with the United States of America, its agencies, and with persons and corporations, both public and private. In accordance with the Act, the District covenants as follows:

(a) to pay or cause to be paid punctually the principal of Bonds, and the interest thereon, on the date or dates and at the place or places and in the manner and out of the funds mentioned in such Bonds in accordance with this Master Bond Resolution and the Supplemental Resolution authorizing their issuance;

(b) to operate the Airport System in a sound, efficient and economical manner and establish, levy, maintain and collect such fees, tolls, rentals, rates and other charges in connection therewith as may be necessary or proper, which fees, tolls, rates, rentals and other charges shall be at least sufficient after making due and reasonable allowances for contingencies and for a margin of error in the estimates (i) to pay all current expenses of operation and maintenance of the Airport System, (ii) to pay the interest on and principal of the Bonds as they shall become due and payable, (iv) to comply in all respects with the terms of the this Master Bond Resolution and any other contract or agreement with holders of Bonds, and (v) to meet any other obligations of the District which are charges, liens or encumbrances upon the Revenues;

(c) to operate, maintain, preserve and keep, or cause to be operated, maintained, preserved and kept, the Airport System and every part and parcel thereof in good repair, working order and condition, and shall from time to time make, or cause to be made, all ordinary, necessary and proper repairs, replacements and renewals so that at all times the operation of the Airport System may be properly and advantageously conducted, and if any useful part of the Airport System is damaged or destroyed, the District shall, as expeditiously as may be possible,

commence and diligently prosecute the ordinary replacement or reconstruction of such part so as to restore the same to use;

(d) to the extent permitted by law and deemed necessary by the District for the efficient or economical operation of the Airport System, it shall maintain, preserve, and renew all the franchises, rights, powers and privileges acquired, owned or held by it;

(e) to defend, preserve and protect the pledge of the Net Revenues and other moneys, securities, Funds and Accounts pledged under the Bond Resolution and all the rights of the Bondholders under the Bond Resolution and warrant and defend such rights against all claims and demands of all persons whomsoever;

(f) to pay and discharge, or cause to be paid or discharged, any and all lawful claims for labor, materials and supplies which, if unpaid, might by law become a lien or charge upon the Revenues or any part thereof prior or superior to the lien of the refunding bonds or which might impair the security of the Bonds, to the end that the priority and security of the Bonds shall be fully preserved and protected;

(g) to hold in trust the Net Revenues pledged to the payment of the Bonds for the benefit of the holders of the Bonds and apply such Net Revenues only as provided by the Master Bond Resolution or, if such Master Bond Resolution shall thereafter be modified in the manner provided herein or by the Act, only as provided in such Master Bond Resolution as modified;

(h) to keep proper books of records and accounts of the Airport System (separate from all other records and accounts) in which complete and correct entries shall be made of all transactions relating to the Airport System or any part thereof, the Revenues and each Fund or Account established under the Bond Resolution and which, together with all other books and papers of the District, shall at all times be subject to the inspection of the Trustee, or the holder or holders of not less than 10.0% in principal amount of the Bonds then outstanding or his or their representatives duly authorized in writing;

(i) to not take any action, or omit to take any action lawful and within its power to take, which action or omission would cause interest on any tax-exempt Bonds to become subject to federal income taxes in addition to federal income taxes to which interest on such Bonds is subject on the date of original issuance thereof;

(j) to not take, or allow any other person to take, any action which would cause the Federal Aviation Administrator of the FAA, Department of Transportation, or any successor to the powers and authority of such Administrator, to suspend or revoke the Airport System's airport operating certificate issued under the Federal Aviation Act of 1958, or any successor statute;

(k) to comply with all governmental, legislative, executive, administrative or judicial body applicable to the Airport System, unless the same shall be contested in good faith, all to the end that the Airport system will remain operational at all times; and

(1) to make or adopt and execute, or cause to be made, adopted and executed, any and all such further resolutions, acts, deeds, conveyances, assignments or assurances as may be reasonably required for effectuating the intention of this Master Bond Resolution, and for the better assuring and confirming unto the Bondholders of the rights and benefits provided in this Master Bond Resolution or any Supplemental Resolution.

Compliance with the provisions of this section shall be of the essence of the contract between the District and the holders at all times but none of the foregoing duties shall be construed to require the expenditure in any manner or for any purpose by the District of any funds other than Revenues.

Section 6.03 Rate Covenant. The District covenants to fulfill all of the following requirements:

(a) The District shall, while any of the Bonds remain Outstanding (but subject to all existing contracts and legal obligations of the District as of the date of execution of this Master Bond Resolution setting forth restrictions relating thereto), establish, fix, prescribe and collect rates, tolls, fees, rentals and charges in connection with the Airport System and for services rendered in connection therewith, so that Net Revenues in each Fiscal Year will be at least equal to the sum of the following amounts:

(i) the Annual Debt Service on any Outstanding Bonds required to be funded by the District in such Fiscal Year as required by this Master Bond Resolution or any Supplemental Resolution with respect to the Outstanding Bonds;

(ii) the required deposits to the Common Reserve Account and any Series Debt Service Reserve Account that may be established by a Supplemental Resolution;

(iii) the required deposits to the Operating and Maintenance Reserve Fund required by Section 4.03(e);

(iv) the reimbursement or repayment of other amounts owed to any Credit Provider or Liquidity Provider as required by a Supplemental Resolution;

(v) the interest on and principal of any indebtedness required to be funded during such Fiscal Year other than for Outstanding Bonds, including Subordinate Obligations; and

(vi) payments of any reserve requirement for debt service for any indebtedness other than Outstanding Bonds, including Subordinate Obligations.

(b) The District will establish, fix, prescribe and collect rates, tolls, fees, rentals and charges in connection with the Airport System and for services rendered in connection therewith, so that during each Fiscal Year the Net Revenues, together with any amount deposited in the Rolling Coverage Account as of the end of the immediately preceding Fiscal Year, will be equal to at least 125% of Annual Debt Service on the Outstanding Bonds in such Fiscal Year. For purposes of this paragraph (b), the balance in the Rolling Coverage Account taken into account

shall not exceed 25% of the Aggregate Annual Debt Service on the Outstanding Bonds in such Fiscal Year.

(c) If Net Revenues, together with any amount deposited in the Rolling Coverage Account (as applied in accordance with paragraph (b) above), in any Fiscal Year are less than the amount specified in paragraph (a) and (b) of this Section, the District will retain and direct a Consultant to make recommendations as to the revision of the operations of the Airport System and its schedule of rentals, rates, tolls, fees and charges for the use of the Airport System and for services rendered by the District in connection with the Airport System, and after receiving such recommendations or giving reasonable opportunity for such recommendations to be made, the District shall take all lawful measures to revise the schedule of rentals, rates, tolls, fees and charges as may be necessary to produce Net Revenues in the amount specified in paragraph (a) and (b) of this Section in the next succeeding Fiscal Year.

In the event that Net Revenues for any Fiscal Year are less than the amount specified in paragraph (a) or (b) of this Section, but the District promptly has taken prior to or during the next succeeding Fiscal Year all lawful measures to revise the schedule of rentals, rates, tolls, fees and charges as required by this paragraph (c), such deficiency in Net Revenues shall not constitute an Event of Default under the provisions of Section 7.01(d) hereof. Nevertheless, if after taking the measures required by this paragraph (c) to revise the schedule of rentals, rates, tolls, fees and charges, Net Revenues in the next succeeding Fiscal Year (as evidenced by the audited financial statements of the District relating to the Airport System for such Fiscal Year) are less than the amount specified in paragraph (a) or (b) of this Section, such deficiency in Net Revenues shall constitute an Event of Default under the provisions of Section 7.01(d) hereof.

Section 6.04 No Inconsistent Contract Provisions. The District covenants that no contract or contracts will be entered into or any action taken by the District that shall be inconsistent with the provisions of this Master Bond Resolution. The District covenants that it will not take any action which, in the District's judgment at the time of such action, will substantially impair or materially adversely affect the pledge of Net Revenues or the rights of the holders of the Bonds. The District shall be unconditionally and irrevocably obligated, so long as any of the Bonds are Outstanding and unpaid, to take all lawful action necessary or required to pay from the Net Revenues, the principal of and interest and other amounts due on the Bonds and to make the other payments provided for herein.

Section 6.05 Special Facilities and Special Facility Obligations. The District shall be permitted to designate new or existing Airport Facilities as Special Facilities as permitted in this Section. The District may, from time to time, and subject to the terms and conditions of this Section, (a) designate a separately identifiable existing facility or improvement or planned facility or improvement as a "Special Facility," (b) incur debt primarily for the purpose of acquiring, constructing, renovating or improving or providing financing or refinancing to a third party to acquire, construct, renovate or improve, such facility or improvement, without a pledge of any Net Revenues (except as otherwise provided in clause (c) of the succeeding paragraph), (c) provide that the contractual payments derived from or related to such Special Facility, together with other income and revenues available to the District from such Special Facility to the extent necessary to pay debt service on the Special Facility Obligations, to pay all costs of operating and maintaining such Special Facility not paid for by the operator thereof or by a party

other than the District and to make all required sinking fund, reserve or other payments as the same become due, be “Special Facilities Revenue” and not included as Revenues or Net Revenues unless otherwise provided in any Supplemental Resolution, and (d) provide that the debt so incurred shall be a “Special Facility Obligation.” Special Facility Obligations shall not be issued under this Master Bond Resolution.

Special Facility Obligations shall be payable as to principal, redemption premium, if any, and interest solely from (a) Special Facilities Revenue, which shall include contractual payments derived by the District under and pursuant to a contract (which may be in the form of a lease) relating to a Special Facility by and between the District and another person, firm or corporation, either public or private, as shall undertake the operation of a Special Facility, (b) proceeds of such Special Facility Obligations set aside exclusively to pay debt service on such Special Facility Obligations, if any, or (c) subject to any covenants or other provisions of this Master Bond Resolution (including, but not limited to, Sections 5.01, 5.03, 5.04 and 6.03 hereof or such other resolutions, agreements or indentures of the Commission), such Net Revenues, or other money not included in Net Revenues, made available by the District through a specific pledge to the payment of the principal of and interest on such Special Facility Obligation in such amounts and at such times as may be agreed to by the Commission, if any.

To the extent Special Facilities Revenue received by the District during any Fiscal Year shall exceed the amounts required to be paid as described in clause (c) of the first paragraph of this Section for such Fiscal Year, such excess Special Facilities Revenue, to the extent not otherwise encumbered or restricted, may constitute Revenues as determined by the Commission.

Notwithstanding any other provision of this Section, at such time as the Special Facility Obligations issued for a Special Facility, including Special Facility Obligations issued to refinance Special Facility Obligations, are fully paid or otherwise discharged, all revenues generated by such Special Facility shall be included as Revenues.

Section 6.06 Operation and Maintenance of Airport System. Subject to the transfer of any Airport Facilities pursuant to Section 6.10 hereof, the District will at all times maintain its Airport System in good condition and working order, will make all necessary repairs, renewals and replacements therein, and will operate the same in an efficient and economical manner, at reasonable cost and in accordance with sound business principles. The District, in operating and maintaining its Airport System, will comply with all contractual provisions and agreements entered into by it and with all valid rules, regulations, directions or orders of any governmental, executive, administrative or judicial body promulgating the same. Nothing herein contained shall limit or restrict the right of the District to execute leases covering parts of the Airport and Airport Facilities, and to require the tenants under said leases to maintain the premises or facilities leased to such tenants.

Section 6.07 Columbia Metropolitan Airport. Subject to the transfer of any Airport Facilities pursuant to Section 6.10 hereof, the District will continue to own, maintain and operate Columbia Metropolitan Airport as a public air terminal for the accommodation of scheduled airlines serving the District and the adjacent area so long as any of the Bonds remain Outstanding.

Section 6.08 Insurance; Application of Insurance Proceeds. The District will carry and maintain or cause to be carried and maintained in a responsible insurance company or companies fire insurance with extended coverage on the buildings and other property of an insurable nature constituting the general facilities of the Airport in such amount as is, in the judgment of the District, prudent and reasonable taking into account, but not being controlled by, the amount of insurance or self-insured programs provided by similar airports. In the event of loss or damage, the District will use the proceeds of such insurance to the extent necessary in repairing, reconstructing and replacing the property damaged or destroyed, or, if such reconstruction or replacement be unnecessary, either in whole or in part, then such proceeds not required for said purpose shall be paid into the Gross Revenue Fund, and used and applied for the purposes of said Fund in the order and in accordance with the provisions of this Master Bond Resolution. The District, in operating its Airport, will carry and maintain comprehensive liability and property damage insurance in such amounts as would normally be maintained by public bodies engaged in carrying on similar activities. The proceeds derived from any such insurance policies shall be used in paying the claims on account of which such proceeds were received. The cost of all insurance referred to in this paragraph shall be considered an Operation and Maintenance Expense. Notwithstanding any provision of this Section to the contrary, the District may meet the insurance requirements set forth in this Master Bond Resolution through its then existing risk management plan.

Section 6.09 Accounts; Financial Reports. The District will operate its Airport System on the basis of a Fiscal Year and will maintain and keep proper books, records and accounts (separate from all other records and accounts) in which complete and correct entries will be made of all dealings and transactions relating to the Airport System. Such records shall show the revenues generated by the Airport System, the application of such revenues, and all financial transactions in connection therewith. The District will provide that an independent certified audit of the District's books and records relating to the Airport System will be made annually by certified public accountants, experienced and qualified in municipal and governmental accounting. The annual financial report for the Airport System shall contain complete statements covering the results of the year's operations and the financial status of all Funds and Accounts established to handle the revenues of the Airport System, including the Funds and Accounts referred to herein. Said statements shall bear the certificate of the firm of certified public accountants making the annual audit.

A copy of each such audit report will be filed in the offices of the District and will be open for public inspection, and a copy will be furnished to the Trustee and to those entities and in such manner as specified in the District's Continuing Disclosure Undertaking as authorized by Section 6.15 hereof. The Trustee shall have no duty to review or analyze such financial statements, shall hold such financial statements solely as a repository for the benefit of the Bondholders and shall not be deemed to have notice of any information contained therein or of any event of default, and may be disclosed therein.

The Holder or Holders of not less than 10% in aggregate principal amount of the Bonds at the time Outstanding, or their duly authorized representative, shall have the right at all reasonable times to inspect the Airport and the records, accounts and data relating thereto and to make copies of any such records, accounts or data.

Section 6.10 Transfer, Sale, or Other Disposition of Airport Facility or Airport Facilities. The District shall not, except as permitted below, transfer, sell or otherwise dispose of an Airport Facility or Airport Facilities. For purposes of this Section, any transfer of an asset over which the District retains substantial control in accordance with the terms of such transfer, shall not, for so long as the District has such control, be deemed a disposition of an Airport Facility or Airport Facilities.

The District may transfer, sell or otherwise dispose of Airport Facilities only if such transfer, sale or disposition complies with one or more of the following provisions:

(a) the property being disposed of is inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary for the operation of the Airport System as determined by any Authorized Officer of the District, which determination shall not be required to be made in writing; or

(b) the Revenues from such Airport Facility constitute or qualify as Released Revenues; or

(c) the District receives a fair and reasonable price for the property as determined by a resolution adopted by the Commission and (i) the proceeds of the sale are used to replace such property, (ii) the proceeds are deposited in the Gross Revenue Fund and used as Revenues, or (iii) any combination of (i) and (ii).

No such disposition shall be made that would cause the District to be in default of any other covenant contained in this Master Bond Resolution.

Notwithstanding anything herein to the contrary, the District may lease or make contracts or grant licenses for the operation of, or grant easements or other rights with respect to, any part of the Airport System if such lease, contract, license, easement or right does not impede or restrict the operation by the District of the Airport System. In addition, nothing contained herein shall prevent the District from using property that has been part of the Airport Facilities for another lawful governmental purpose of the District, provided that such other use does not violate applicable FAA rules and regulations.

Section 6.11 Completion of Specified Project; Substitution of Specified Project. The District will, upon the issuance of a Series of Bonds the proceeds of which are to be used for a Specified Project, proceed with due diligence to construct or acquire such Specified Project; provided, however, that the Commission may, if the conditions set forth in this Section are met, substitute another Project therefor and shall proceed with due diligence to construct or acquire such substituted Project. The Commission may determine not to proceed with any of the Specified Projects or may determine to substitute another Project or Projects for a Specified Project if, as a condition to discontinuing the acquisition or construction of a Specified Project or to the substitution of another Project or Projects therefor, the District (a) first, receives a certificate of a Consultant showing that after taking into account the discontinuation of such Specified Project or the substitution of a Project or Projects therefor, the tests set forth in Section 6.03(a) and (b) hereof would, nevertheless, be met and (b) second, if the Specified Project was financed with the proceeds of obligations the interest on which is then excluded from gross

income for federal income tax purposes, causes there to be delivered an opinion of Bond Counsel to the effect that the substitution of one Project for another Project will not cause interest on the Series of Bonds with respect to which the Specified Project was to be financed to be included in gross income of the recipients thereof for federal income tax purposes. If the Commission determines not to proceed with a Specified Project and fails to receive the Consultant's certificate and to undertake a substitute Project or Projects, then Bond proceeds which would have been used to acquire or construct such Specified Project shall be used to redeem Bonds, or used as otherwise provided in the Supplemental Resolution pursuant to which they were issued.

Section 6.12 Covenants of Commission Binding on Commission and Successors.

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

Except as otherwise provided in this Master Bond Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the District by the provision of this Master Bond Resolution shall be exercised or performed by the District or by such officers, board, body or authority as may be permitted by law to exercise such powers or to perform such duties.

Section 6.13 Obligations Secured by Other Revenues. The District may, from time to time, incur indebtedness payable solely from certain revenues of the Airport System that do not constitute Revenues or Net Revenues at such times and upon such terms and conditions as the Commission shall determine, provided that such indebtedness shall specifically include a provision that payment of such indebtedness is neither secured by nor payable from Revenues or Net Revenues. The District may also, from time to time, incur indebtedness payable from and secured by both Net Revenues and certain revenues of the Airport System that do not constitute Revenues or Net Revenues at such times and upon such terms and conditions as the Commission shall determine, provided that the conditions set forth in this Master Bond Resolution for the issuance of indebtedness payable from and secured by Net Revenues are met. Nothing contained herein is intended to preclude, or shall preclude, the District from issuing Subordinate Obligations and incurring indebtedness that is subordinate to the Bonds, as described in Article V hereof.

Section 6.14 Designation of Paying Agent and Bond Registrar. The Commission or its designee shall designate the Paying Agent or Paying Agents for the payment of principal of

and interest on the Bonds of each Series and the Bond Registrar with respect to the registration, transfer and exchange of the Bonds of each Series.

The District will at all times maintain a Paying Agent and Bond Registrar for each Series of Bonds meeting the qualifications herein described for the performance of the duties hereunder. The Commission, on behalf of the District, reserves the right to appoint a successor Paying Agent or Bond Registrar for a Series of Bonds by (1) giving notice to the bank or trust company then performing such function of the termination of such bank or trust company, (2) appointing a successor and (3) causing notice to be given by first class mail to each Bondholder of such Series of Bonds. No resignation or removal of the Paying Agent or Bond Registrar for a Series of Bonds shall become effective until a successor has been appointed and has accepted the duties of the Paying Agent or Bond Registrar.

Every Paying Agent or Bond Registrar appointed hereunder shall at all times be (1) a commercial banking association or corporation or trust company located in the State organized and in good standing and doing business under the laws of the United States of America or of the State and subject to supervision or examination by federal or state regulatory authority and (2) shall have a reported capital (exclusive of borrowed capital) plus surplus of not less than \$50,000,000 or consideration may be given by the District to a bank not meeting this amount if the bank submits an acceptable form of guarantee for its financial obligations to the District. If such institution publishes reports of conditions at least annually pursuant to law or regulation, then for the purposes of this Section the capital and surplus of such institution shall be deemed to be its capital and surplus as set forth in its most recent report of condition so published.

Section 6.15 Authorization of Continuing Disclosure Undertaking. The District covenants and agrees to enter into a Continuing Disclosure Undertaking for the benefit of the Bondholders or similar undertaking, if necessary, intended to satisfy the ongoing disclosure requirements of Securities and Exchange Commission Rule 15c2-12.

[End of Article VI]

ARTICLE VII

DEFAULTS AND REMEDIES

Section 7.01 Events of Default. Each of the following events shall constitute and is referred to in this Master Bond Resolution as an “Event of Default”:

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

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

(c) except as otherwise provided in a Supplemental Resolution, a failure to pay the purchase price of any Bond when such purchase price shall be due and payable upon an optional or mandatory tender date as provided in a Supplemental Resolution;

(d) a failure by the District to observe and perform any covenant, condition, agreement or provision (other than as specified in paragraphs (a), (b) and (c) of this Section) that are to be observed or performed by the District and which are contained in this Master Bond Resolution or a Supplemental Resolution, which failure, except for a violation under Section 6.03 hereof which shall be controlled by the provisions set forth therein, shall continue for a period of 90 days after written notice specifying such failure and requiring it to be remedied shall have been given to the District by the owners of not less than, or a Credit Provider or Liquidity Provider securing not less than, 25% in aggregate Principal Amount of the Bonds then Outstanding; provided, however, if the failure stated in such notice can be corrected, but not within such 90-day period, the District shall have 180 days after such written notice to cure such default if corrective action is instituted by the District within such 90-day period and diligently pursued until the failure is corrected; or

(e) the filing by the District of a petition or answer seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction shall approve a petition, filed with or without the consent of the District, seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the District or of the whole or any substantial part of the Airport System; or

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

Section 7.02 Remedies. (a) Upon the occurrence and continuance of any Event of Default, the Trustee may proceed to protect and enforce the rights of the owners of Bonds by any of the following remedies:

(i) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Bondholders, and require the District to carry out any agreements

with or for the benefit of the Bondholders and to perform its or their duties under any law to which it is subject and this Master Bond Resolution;

- (ii) bring suit upon the Bonds;
- (iii) commence an action or suit in equity to require the District to account as if it were the trustee of an express trust for the Bondholders;
- (iv) by action or suit in equity enjoin any acts or things that may be unlawful or in violation of the rights of the Bondholders; or
- (v) by pursuing any other available remedy at law or in equity or by statute.

In the enforcement of any remedy under this Master Bond Resolution, the Trustee shall be entitled to sue for, enforce payment on, and receive any and all amounts then or during any default becoming, and at any time remaining, due from the District for Principal Amount, redemption premium, interest, or otherwise, under any provision of this Master Bond Resolution or of the Bonds, and unpaid, with interest on overdue payments at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings under this Master Bond Resolution and under such Bonds, without prejudice to any other right or remedy of the Trustee or the owners of Bonds, and to recover and enforce a judgment or decree against the District for any portion of such amounts remaining unpaid, with interest, costs, and expenses, and to collect from any money available for such purpose, in any manner provided by law, the money adjudged or decreed to be payable.

(b) Except with respect to the rights of a Credit Provider or a Liquidity Provider as provided in a Supplemental Resolution or a written agreement between the District and a Credit Provider or a Liquidity Provider, in no event, upon the occurrence and continuation of an Event of Default described in Section 7.01 hereof, shall the Trustee, Bondholders, a Credit Provider, a Liquidity Provider or any other party have the right to accelerate the payment of principal of and interest on the Bonds Outstanding.

Section 7.03 Possession of Bonds by Trustee Not Required. All rights of action under this Master Bond Resolution or under any of the Bonds enforceable by the Trustee may be enforced by it without the possession of any of the Bonds or the production thereof on the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the Bondholders, subject to the provisions of this Master Bond Resolution.

Nothing contained in this Article shall affect or impair the right of the owner of any Bond to enforce the payment of the principal of, redemption premium, if any, and interest on the Bonds or the obligations of the District to pay the principal of, redemption premium, if any, and interest on each Bond issued under this Master Bond Resolution to the owner thereof at the time and place in said Bond, if any, expressed.

Section 7.04 Remedies Cumulative. No remedy conferred upon or reserved to the Trustee or the Bondholders is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy

given under this Master Bond Resolution or now or hereafter existing at law or in equity or by statute.

Section 7.05 Waiver of Default. No delay or omission of the Trustee to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default, or an acquiescence therein, and every power and remedy given by this Master Bond Resolution to the Trustee may be exercised from time to time and as often as the Trustee may be deem expedient.

Section 7.06 Application of Money After Default. If an Event of Default occurs and shall not have been remedied, the District shall apply all Revenues as follows and in the following order of priority:

(a) *Expenses of Trustee, Paying Agent and Bond Registrar* - to the payment of the reasonable and proper charges, expenses, and liabilities of any trustee or receiver appointed, and the Trustee, Paying Agent and Bond Registrar;

(b) *Operation and Maintenance Expenses* - to the payment of all reasonable and necessary Operation and Maintenance Expenses;

(c) *Principal Amount or Redemption Price and Interest Relating to Bonds* - to the payment of the interest and Principal Amount or redemption price then due on the Bonds, as follows:

(i) Unless the Principal Amount of all the Bonds shall have become due and payable, all such money shall be applied as follows:

First: To the payment to the persons entitled thereto of all installments of interest then due on the Bonds, in the order of the maturity of such installments (with interest on defaulted installments of interest at the rate or rates borne by the Bonds with respect to which such interest is due, but only to the extent permitted by law), and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference. If some of the Bonds bear interest payable at different intervals, and if at any time money from the Common Reserve Account must be used to pay any such interest, the money in the Common Reserve Account shall be applied to the extent necessary to the payment of all interest becoming due on the dates upon which such interest is payable to and including the next interest payment date. After such date, money in the Common Reserve Account plus any other money available in the Debt Service Accounts shall be set aside for the payment of interest on Bonds of each class (a class consisting of all Bonds payable as to interest on the same dates) pro rata among Bonds of the various classes on a daily basis so that there shall accrue to each owner of a Bond throughout each Fiscal Year the same proportion of the total interest payable to such owner of a Bond as shall so accrue to every other owner of a Bond during such Fiscal Year. As to any Capital Appreciation Bond, such interest shall accrue on the Accreted Value of

such Bond and be set aside on a daily basis until the next compounding date for such Bonds, whereupon it shall be paid to the owner of such Bond as interest on a defaulted obligation and only the unpaid portion of such interest (if any) shall be treated as Principal Amount of such Bond.

Second: To the payment to the persons entitled thereto of the unpaid Principal Amount of any of the Bonds that shall have become due at maturity or upon mandatory redemption prior to maturity (other than Bonds called for redemption for the payment of which money are held pursuant to the provisions of Article VIII), in the order of their due dates, with interest upon such Bonds from the respective dates upon which they became due, and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment first of such interest, ratably according to the amount of such interest due on such date, and then to the payment of such Principal Amount, ratably according to the amount of such Principal Amount due on such date, to the persons entitled thereto without any discrimination or preference. If some of the Bonds mature (including mandatory redemption prior to maturity as a maturity) upon different dates, and if at any time money from the Common Reserve Account must be used to pay any such Principal Amount becoming due, the money in the Common Reserve Account not required to pay interest under paragraph First above shall be applied to the extent necessary to the payment of all Principal Amount coming due on the dates upon which such Principal Amount is payable to and including the final annual principal maturity date. After such date, money in the Common Reserve Account not required to pay interest plus any other money available in the Debt Service Accounts shall be set aside for the payment of Principal Amount of Bonds of each class (a class consisting of all Bonds payable as to Principal Amount on the same date) pro rata among Bonds of the various classes which mature or must be redeemed pursuant to mandatory redemption prior to maturity throughout each Fiscal Year in such proportion of the total Principal Amount payable on each such Bond as shall be equal among all classes of Bonds maturing or subject to mandatory redemption within such Fiscal Year. The Accreted Value of a Capital Appreciation Bond shall be treated as Principal Amount for purposes of this paragraph Second.

Third: To the payment of the redemption premium on and the Principal Amount of any Bonds called for optional redemption pursuant to their terms.

(ii) If the Principal Amount of all the Bonds shall have become due and payable, all such money shall be applied to the payment of the Principal Amount and interest then due and unpaid upon the Bonds, with interest thereon as aforesaid, without preference or priority of Principal Amount over interest or of any installment of interest over any other installment of interest, or of any Bond over any other Bonds, ratably, according to the amounts due respectively for Principal Amount and interest, to the persons entitled thereto without any discrimination or preference.

Section 7.07 Rights of Credit Provider or Liquidity Provider. Except as otherwise provided in a Supplemental Resolution and/or in a written agreement with a Credit Provider or Liquidity Provider, notwithstanding any other provision of this Master Bond Resolution, in the event that the District shall draw under a Credit Facility any amount for the payment of Principal Amount of or interest on any Bonds, then upon such payment the related Credit Provider or Liquidity Provider shall succeed to and become subrogated to the rights of the recipients of such payments and such Principal Amount or interest shall be deemed to continue to be unpaid and Outstanding for all purposes and shall continue to be fully secured by this Master Bond Resolution until the Credit Provider or Liquidity Provider, as successor and subrogee, has been paid all amounts owing in respect of such subrogated payments of Principal Amount and interest.

Section 7.08 No Impairment of Right To Enforce Payment. Notwithstanding any other provision in this Master Bond Resolution, the right of any Bondholder to receive payment of the principal of and interest and other amounts due on such Bond or the purchase price thereof, on or after the respective due dates expressed therein and to the extent of the pledge of Net Revenues and other security provided for the Bonds, or to institute suit for the enforcement of any such payment on or after such respective date, shall not be impaired or affected without the consent of such Bondholder.

Section 7.09 Severability of Remedies. It is the purpose and intention of this Article to provide rights and remedies to the Bondholders, which may be lawfully granted under the provisions of this Master Bond Resolution or any applicable law, but should any right or remedy herein granted be held to be unlawful, the Bondholders shall be entitled, as above set forth, to every other right and remedy provided in this Master Bond Resolution or by applicable law.

Section 7.10 Additional Events of Default and Remedies. So long as any particular Series of Bonds is Outstanding, the Events of Default and remedies as set forth in this Article may be supplemented with additional Events of Default and remedies as set forth in a Supplemental Resolution under which such Series of Bonds is issued.

Section 7.11 No Obligation to Levy Taxes. Nothing contained in the Master Bond Resolution or any Supplemental Resolution shall be construed as imposing on the Commission, on behalf of the District, any duty or obligation to levy any taxes either to meet any obligation incurred herein or to pay the principal of or interest on the Bonds.

Section 7.12 Termination of Proceedings. In case any proceedings taken by the Trustee on account of any Event of Default shall have been discontinued or abandoned for any reason, then in every such case the District, the Trustee and the Bondholder shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been taken.

Section 7.13 Direction of Proceedings by Bondholders. The owners of the majority in principal amount of the Bonds then Outstanding shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee and upon providing indemnity reasonably satisfactory to the Trustee, to direct the method of conducting all remedial proceedings to be taken by the Trustee hereunder, except that such direction shall not be otherwise than in accordance with law or the provisions of this Master Bond Resolution.

[End of Article VII]

ARTICLE VIII

DEFEASANCE

Section 8.01 Defeasance. Bonds or portions thereof that have been paid in full or are deemed paid in full shall not be secured by or entitled to the benefits of this Master Bond Resolution except for the purposes of payment from money or Federal Securities held by a Paying Agent or other bank or trust company in trust located within or without the State and having full trust powers.

A Bond shall be deemed to be paid within the meaning of this Article and for all purposes of this Master Bond Resolution when payment of the principal, interest, and premium either shall have been (a) made or caused to be made in accordance with the terms of the Bonds and this Master Bond Resolution or (b) provided for by irrevocably depositing with the Paying Agent or other bank or trust company in trust exclusively for such payment, (i) money sufficient to make such payment and/or (ii) noncallable Federal Securities maturing as to principal and interest in such amounts and at such times as will ensure the availability of sufficient money to make such payment. As to any deposit of Federal Securities, the Paying Agent or other bank or trust company shall have received a verification report prepared by an Independent certified public accountant, or other verification agent, satisfactory to the Commission, to the effect that the payment of the principal of and redemption premium, if any, and interest on such Bonds has been provided for as set forth herein.

Notice of redemption shall be made at the time of such defeasance or prior to such date required by the Supplemental Resolution under which such Bonds were issued. The District may at any time, prior to issuing such notice of redemption as may be required by the Supplemental Resolution under which such Bonds were issued, modify or otherwise change the scheduled date for the redemption or payment of any Bond deemed to be paid under the terms of the foregoing paragraph in accordance with the terms of the Bonds or this Master Bond Resolution subject to (A) receipt of an approving opinion of nationally recognized Bond Counsel that such action will not adversely affect the tax-exemption of any Bond or Bonds then Outstanding and (B) receipt of a verification report prepared by an Independent certified public accountant, or other verification agent, satisfactory to the Commission, that there are sufficient money and/or Federal Securities to provide for the payment of such Bonds.

In connection with any redemption or defeasance of Bonds, the District may permit, or cause to be assigned to Bonds of a single maturity, multiple CUSIP numbers.

The District may at any time surrender to the Bond Registrar for cancellation by it any Outstanding Bonds that the District may have acquired in any manner whatsoever. All such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

[End of Article VIII]

ARTICLE IX

MODIFICATION OF THIS MASTER BOND RESOLUTION

Section 9.01 Limitations. This Master Bond Resolution shall not be modified or amended in any respect subsequent to the first delivery of fully executed and authenticated Bonds except as provided in and in accordance with and subject to the provisions of this Article.

Section 9.02 Supplemental Resolutions Not Requiring Consent of Bondholders. The Commission, on behalf of the District, may, from time to time and at any time, without the consent of or notice to the Bondholders, execute and deliver Supplemental Resolutions supplementing and/or amending this Master Bond Resolution or any Supplemental Resolution as follows:

(a) to provide for the issuance of a Series or multiple Series of Bonds and to set forth the terms of such Bonds and the special provisions that shall apply to such Bonds;

(b) to cure any formal defect, omission, inconsistency or ambiguity in, or answer any questions arising under, this Master Bond Resolution or any Supplemental Resolution, provided such supplement or amendment is not materially adverse to the Bondholders;

(c) to add to the covenants and agreements of the District in this Master Bond Resolution or any Supplemental Resolution other covenants and agreements, or to surrender any right or power reserved or conferred upon the District, provided such supplement or amendment shall not adversely affect the interests of the Bondholders;

(d) to subject to the lien and pledge of this Master Bond Resolution additional revenues, receipts, properties, or other collateral;

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

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

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

(h) to qualify the Bonds or a Series of Bonds for a rating or ratings from a Rating Agency;

(i) to accommodate the technical, operational and structural features of Bonds that are issued or are proposed to be issued, including, but not limited to, changes needed to accommodate commercial paper, auction bonds, variable rate or adjustable rate bonds, discounted or compound interest bonds or other forms of indebtedness that the Commission from time to time deems appropriate to incur;

(j) to accommodate the use of a Credit Facility or Liquidity Facility for specific Bonds or a specific Series of Bonds;

(k) to comply with the requirements of the Code as are necessary, in the opinion of Bond Counsel, to prevent the federal income taxation of the interest on the Bonds, including, without limitation, the segregation of Revenues and Net Revenues into different funds;

(l) to designate CFC Revenues or Passenger Facility Charges as Revenues or to withdraw any such designation as may be provided in this Master Bond Resolution or the applicable Supplemental Resolution;

(m) to make an Irrevocable Commitment to use Passenger Facility Charges, Federal Direct Payments, or money available under a grant to pay Annual Debt Service on Bonds; and

(n) to modify, alter, amend or supplement this Master Bond Resolution or any Supplemental Resolution in any other respect that is not materially adverse to the Bondholders.

Before the Commission, on behalf of the District, may, pursuant to this Section, execute any Supplemental Resolution, there shall have been delivered to the District and the Trustee an opinion of Bond Counsel to the effect that such Supplemental Resolution: (y) is authorized or permitted by this Master Bond Resolution and any applicable law, complies with their respective terms, will, upon the execution and delivery thereof, be valid and binding upon the District in accordance with its terms and (z) will not cause interest on any of the Bonds that is then excluded from gross income of the recipient thereof for federal income tax purposes to be included in gross income for federal income tax purposes. The opinion of Bond Counsel required pursuant to clause (z) in the preceding sentence shall not be required for a Supplemental Resolution executed and delivered in accordance with Section 9.02(a) hereof.

Section 9.03 Supplemental Resolution Requiring Consent of Bondholders.

(a) Except for any Supplemental Resolution entered into pursuant to Section 9.02 hereof and any Supplemental Resolution entered into pursuant to paragraph (b) below, subject to the terms and provisions contained in this Section and Article X hereof and not otherwise, the holders of not less than 51% in aggregate Principal Amount of the Bonds then Outstanding shall have the right from time to time to consent to and approve the execution by the Commission of any Supplemental Resolution deemed necessary or desirable by the Commission for the purposes of modifying, altering, amending, supplementing or rescinding any of the terms or provisions contained in this Master Bond Resolution or in a Supplemental Resolution; provided, however, that, unless approved in writing by the holders of all the Bonds then Outstanding or unless such change affects less than all Series of Bonds and paragraph (b) below is applicable, nothing herein contained shall permit, or be construed as permitting, (i) a change in the scheduled times, amounts or currency of payment of the principal of or interest on any Outstanding Bonds or (ii) a reduction in the principal amount or redemption price of any Outstanding Bonds or the rate of interest thereon; and provided that nothing herein contained, including the provisions of paragraph (b) below, shall, unless approved in writing by the holders of all the Bonds then Outstanding, permit or be construed as permitting (iii) except as expressly permitted by this Master Bond Resolution, the creation of a lien upon or pledge of the Net Revenues created by

this Master Bond Resolution, ranking prior to or on a parity with the claim created by this Master Bond Resolution, (iv) except with respect to additional security which may be provided for a particular Series of Bonds, a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (v) a reduction in the aggregate Principal Amount of Bonds the consent of the Bondholders of which is required for any such Supplemental Resolution. Nothing herein contained, however, shall be construed as making necessary the approval by Bondholders of the execution of any Supplemental Resolution as authorized in Section 9.02 hereof, including the granting, for the benefit of particular Series of Bonds, security in addition to the pledge of the Net Revenues.

(b) The Commission, on behalf of the District, may, from time to time and at any time, execute a Supplemental Resolution that amends the provisions of an earlier Supplemental Resolution under which a Series or multiple Series of Bonds were issued. If such Supplemental Resolution is executed for one of the purposes set forth in Section 9.02 hereof, no notice to or consent of the Bondholders shall be required. If such Supplemental Resolution contains provisions that affect the rights and interests of less than all Series of Bonds Outstanding and Section 9.02 hereof is not applicable, then this paragraph (b) rather than paragraph (a) above shall control and, subject to the terms and provisions contained in this paragraph (b) and Article X hereof and not otherwise, the holders of not less than 51% in aggregate Principal Amount of the Bonds of all Series that are affected by such changes shall have the right from time to time to consent to any Supplemental Resolution deemed necessary or desirable by the Commission for the purposes of modifying, altering, amending, supplementing or rescinding any of the terms or provisions contained in such Supplemental Resolution and affecting only the Bonds of such Series; provided, however, that, unless approved in writing by the holders of all the Bonds of all the affected Series then Outstanding, nothing herein contained shall permit, or be construed as permitting, (i) a change in the scheduled times, amounts or currency of payment of the principal of or interest on any Outstanding Bonds of such Series or (ii) a reduction in the principal amount or redemption price of any Outstanding Bonds of such Series or the rate of interest thereon.

(c) If at any time the Commission shall desire to enter into any Supplemental Resolution for any of the purposes of this Section, the Commission shall cause notice of the proposed execution of the Supplemental Resolution to be given by Mail to all Bondholders or, under paragraph (b) above, all Bondholders of the affected Series. Such notice shall briefly set forth the nature of the proposed Supplemental Resolution and shall state that a copy thereof is on file at the office of the District for inspection by all Bondholders and it shall not be required that the Bondholders approve the final form of such Supplemental Resolution but it shall be sufficient if such Bondholders approve the substance thereof.

(d) The Commission may execute and deliver such Supplemental Resolution in substantially the form described in such notice, but only if there shall have first been delivered to the District (i) the required consents, in writing, of Bondholders and (ii) the opinion of Bond Counsel required by the last paragraph of Section 9.02 hereof.

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

(f) Notwithstanding paragraphs (c) through (e) above, the Commission may, at its discretion, execute and deliver a Supplemental Resolution that contains such modifications, alterations, amendments or supplements prior to receipt of the required consents in writing of the Holders; provided, that such Supplemental Resolution or the applicable provisions of such Supplemental Resolution subject to the consents of the Holders shall not become effective until such time as there has been delivered to the District (i) the required consents, in writing, of Holders and (ii) the opinion of Bond Counsel required by the last paragraph of Section 9.02 hereof. In the event the Commission decides to execute and deliver a Supplemental Resolution in accordance with this paragraph (f), the notice required in paragraph (c) above shall make reference to a final and executed Supplemental Resolution as opposed to a proposed Supplemental Resolution.

(g) For the purposes of this Article IX, the purchasers of the Bonds of a Series, whether purchasing as underwriters, for resale or otherwise, upon such purchase, may approve a Supplemental Resolution and may consent to a modification or amendment of this Master Bond Resolution or any Supplemental Resolution and other modifications permitted by this Section 9.03 in the manner provided herein, except that no proof of ownership shall be required, and with the same effect as a consent given by the Holder of such Bonds; provided, however, that, if such consent is given by a purchaser who is purchasing as an underwriter or for resale, the nature of the modification or amendment and the provisions for the purchaser consenting thereto shall be described in the official statement, prospectus, offering memorandum or other offering document prepared in connection with the primary offering of the Bonds of such Series by the District.

Section 9.04 Effect of Supplemental Resolution. Upon execution and delivery of any Supplemental Resolution pursuant to the provisions of this Article, this Master Bond Resolution or the Supplemental Resolution shall be, and shall be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Master Bond Resolution and the Supplemental Resolution of the Commission, the Paying Agent, the Bond Registrar and all Bondholders shall thereafter be determined, exercised and enforced under this Master Bond Resolution and the Supplemental Resolution, if applicable, subject in all respects to such modifications and amendments.

Notwithstanding the foregoing, no Supplemental Resolution shall modify the duties, rights or obligations of the Trustee, the Paying Agent or Bond Registrar without the written consent of such party thereto.

Section 9.05 Supplemental Resolutions to be Part of this Master Bond Resolution. Any Supplemental Resolution entered into in accordance with the provisions of this Article shall thereafter form a part of this Master Bond Resolution or the Supplemental Resolution that they

supplement or amend, and all of the terms and conditions contained in any such Supplemental Resolution as to any provision authorized to be contained therein shall be and shall be deemed to be part of the terms and conditions of this Master Bond Resolution or the Supplemental Resolution that they supplement or amend for any and all purposes.

[End of Article IX]

ARTICLE X

CREDIT PROVIDERS

Section 10.01 Credit Providers. If a Credit Facility is provided for a Series of Bonds or for specific Bonds, the Commission may in the Supplemental Resolution under which such Bonds are issued provide such rights to the Credit Provider as the Commission shall deem to be appropriate.

[End of Article X]

ARTICLE XI

TRUSTEE

Section 11.01 Appointment of Trustee. [_____], is hereby appointed by the Commission as Trustee. The Trustee, including any successor Trustee shall, at the time of appointment, be a bank, trust company, or association organized under state or federal law and which is a member of the Federal Reserve System with a capital stock, surplus and undivided profits aggregating in excess of \$50,000,000. The same bank, trust company, or association may serve any or all of the roles of Bond Registrar, Paying Agent, and Trustee.

Section 11.02 Duties and Obligations of the Trustee. The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Master Bond Resolution, and no implied covenants or obligations should be read into this Master Bond Resolution against the Trustee. If any Event of Default under this Master Bond Resolution shall have occurred and be continuing, the Trustee shall exercise such of the rights and powers vested in it by this Master Bond Resolution and shall use the same degree of care as a prudent person would exercise or use in the circumstances in the conduct of such prudent person's own affairs. The Trustee shall perform such trusts only upon and subject to the following expressed terms and conditions:

(a) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers, or employees, and shall be entitled to advice of counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay and be reimbursed by the District reasonable compensation to all attorneys, agents, receivers, and employees as may be reasonably employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the District) except that with respect to matters involving the exemption from federal income taxes of the interest on the Bonds, any attorneys shall be Bond Counsel. The Trustee shall not be responsible for any loss or damage resulting from any action or non-action in good faith in reliance upon the opinion or advice.

(b) The Trustee shall not be responsible for any recital herein or in the Bonds, or for the validity of the adoption by the Commission of this Master Bond Resolution or of any Supplemental Resolution or instruments of further assurance, or for the sufficiency or the security for the Bonds issued hereunder or intended to be secured hereby; and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions, or agreements on the part of the District, except as herein expressly set forth; but the Trustee may require of the District full information and advice as to the performance of the covenants, conditions, and agreements aforesaid and as to the condition of the property conveyed hereby.

(c) The Trustee shall not be accountable for the use of the proceeds from the sale of Bonds disbursed in accordance with the provisions hereof or any Supplemental Resolution. The Trustee may become the owner of Bonds, secured hereby with the same rights that it would have were it not Trustee. The Trustee may also engage in or be interested in any financial or other

transaction with the District; provided, that if the Trustee determines that any relationship is in conflict with its duties herein, it shall eliminate the conflict or resign as Trustee. The Trustee shall not be responsible for determining whether moneys or deposits sent to it constitute Revenues and shall not be required to monitor the deposit of all Revenues with the Trustee as required by this Master Bond Resolution.

(d) The Trustee shall be protected in acting under this Master Bond Resolution or any Supplemental Resolution upon any notice, request, consent, certificate, order, affidavit, letter, telegram, or other paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee pursuant to this Master Bond Resolution or any Supplemental Resolution upon the request or authority or consent of any person who at the time of making the request or giving the authority or consent is the Bondholder of any Bond, shall be conclusive and binding upon all future Bondholder of the same Bond and of Bonds issued in exchange therefor or in place thereof, regardless of whether or not any notation of making the request or giving the authority or consent is made on the Bond.

(e) As to the existence or non-existence of any act or as to the sufficiency or validity of any instrument, paper, or proceeding, the Trustee shall be entitled to rely upon a certificate signed on behalf of the District by an Authorized Officer of the District as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default of which the Trustee has been notified as provided in paragraph (g) of this Section, or of which by that subsection it is deemed to have notice, may also accept a similar certificate to the effect that any particular dealing, transaction, or action is necessary or expedient, but may, at its discretion, obtain any further evidence deemed necessary or advisable, but shall in no case be bound to obtain it. The Trustee may accept a certificate of the Secretary or Assistant Secretary of the Commission under the seal of the District to the effect that a resolution in the form therein set forth has been adopted by the Commission as conclusive evidence that the resolution has been duly adopted and is in full force and effect.

(f) The permissive right of the Trustee to do things enumerated in this Master Bond Resolution or any Supplemental Resolution shall not be construed as a duty and the Trustee shall not be answerable for other than its negligence or willful default.

(g) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder except failure by the District to cause to be made any of the payments to the Trustee required to be made by Sections 4.03(b), (c) or (d), or an Event of Default under Sections 7.01(a) or (b) hereof, unless the Trustee shall be specifically notified in writing of the Event of Default by the District, or by the Bondholders of at least 25% in aggregate principal amount of all Bonds then Outstanding and all notices or other instruments required by the this Master Bond Resolution or any Supplemental Resolution to be delivered to the Trustee, must, in order to be effective, be delivered at the principal corporate trust office of the Trustee or at any other address as set forth in a Supplemental Resolution, and in the absence of notice delivered the Trustee may conclusively assume there is no Event of Default except as aforesaid.

(h) At any and all reasonable times, the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants, and representatives, shall have the right fully to inspect any and all of the System, including all books, papers, and records of the District pertaining to the System and the Bonds, and to make copies and take any memoranda from and in regard thereto as may be desired.

(i) The Trustee shall not be required to give any bond or surety in respect to the execution of the trusts and powers or otherwise in respect of the premises.

(j) Notwithstanding anything elsewhere in this Master Bond Resolution or any Supplemental Resolution contained, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, or any action whatsoever within the purview of this Master Bond Resolution or any Supplemental Resolution, to be furnished with any showings, certificates, opinions, appraisals, or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of that action by the Trustee, as the Trustee may deem desirable.

(k) Before taking any action hereunder, the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement or all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful default by reason of any action so taken.

(l) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law or by this Master Bond Resolution or any Supplemental Resolution. The Trustee shall be under no liability for interest on any moneys received hereunder except as may be agreed upon in writing.

(m) Notwithstanding anything to the contrary contained herein, the Trustee shall not be responsible for any initial filings of any financing statements or the information contained therein (including the exhibits thereto) or for the filing of any continuation statements.

(n) The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds and shall have no responsibility for compliance with any state or federal securities laws in connection with the Bonds.

(o) None of the provisions of this Master Bond Resolution shall require the Trustee to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties under this Master Bond Resolution, or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or indemnity satisfactory to it against such risk or liability is not assured to it.

(p) The Trustee may accept and act upon instructions or directions pursuant to this Master Bond Resolution sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods; provided, however, that the Commission shall have provided to

the Trustee an incumbency certificate listing the names of the individuals who are designated and authorized to sign for the District or in the name of the District, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If any party elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Commission and the District agree to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation, the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

(q) For all purposes of this Master Bond Resolution, the Trustee and the Paying Agent may conclusively rely on a written certification by the Credit Provider or the Liquidity Provider of the principal amount of the Repayment Obligation and the amount then due and owing under the Repayment Obligation, and, absent receipt of such written certificate by the Trustee, the Trustee and the Paying Agent shall conclusively assume that no Repayment Obligations are outstanding or are then due and payable, as applicable.

Section 11.03 Fees, Charges, and Expenses of Trustee. The Trustee shall be entitled to payment or reimbursement for reasonable fees for its services rendered hereunder, and all advances, counsel fees, and other expenses reasonably and necessarily made or incurred by the Trustee with regard to its services and, in the event that it should become necessary that the Trustee perform extraordinary services, it shall be entitled to reasonable extra compensation therefor, and to reimbursement for reasonable and necessary extraordinary expenses; provided, that if extraordinary services or extraordinary expenses are occasioned by the willful neglect or default of the Trustee, it shall not be entitled to compensation or reimbursement therefor. The Trustee shall have a lien on the Net Revenues with right of payment prior to payment on account of interest, premium, if any, or principal of any Bond for the foregoing advances, fees, costs, and expenses incurred.

Section 11.04 Notice to Bondholders if Event of Default Occurs. If an Event of Default occurs of which the Trustee is by Section 11.02(g) hereof required to take notice or if notice of Event of Default be given as in Section 11.02(g) provided, then the Trustee shall give such notice to the District, and the Trustee shall give written notice thereof by first-class mail to the last known Bondholder of all Bonds then Outstanding shown by the books maintained by the Bond Registrar.

Section 11.05 Intervention by Trustee. In any judicial proceeding to which the District is a party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of the Bondholders, the Trustee may intervene on behalf of the Bondholders and shall do so if requested in writing by the holders of at least 25% in aggregate principal amount of all Bonds then Outstanding and provided indemnity reasonably satisfactory to it. The rights and obligations of the Trustee under this Section are subject to the approval of a court of competent jurisdiction.

Section 11.06 Merger or Consolidation of Trustee. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any conversion, sale, merger, consolidation, or transfer to which it is a party, *ipso facto*, shall be and become successor Trustee hereunder and vested with all the trusts, powers, discretions, immunities, privileges, and all other matters as was its predecessor, without the execution or filing of any instruments or any further act, deed, or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 11.07 Resignation by the Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving 30 days' written notice to the District, and by first-class mail to each holder of Bonds then Outstanding shown by the books of the Bond Registrar, and the resignation shall take effect upon the appointment of a successor Trustee or successor temporary Trustee by the bondholders or by the District. The notice to the District may be served personally or sent by registered or certified mail. If no appointment of a successor Trustee shall be made within 60 days of the proposed resignation date pursuant to Section 11.09 hereof, any Bondholder or the Trustee may make application to any court of competent jurisdiction for the appointment of a successor Trustee and the court may thereupon, after any notice as the court may prescribe, appoint a successor Trustee.

Section 11.08 Removal of the Trustee.

(a) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee under Section 11.10.

(b) Prior to the occurrence and continuance of an Event of Default hereunder, or after the curing or waiver of any such Event of Default, the District or the holders of a majority in aggregate principal amount of the Outstanding Bonds, may remove the Trustee and shall appoint a successor Trustee. In the event there shall have occurred and be continuing an Event of Default hereunder, the majority of Bondholders may remove the Trustee and shall appoint a successor Trustee. In each instance such removal and appointment shall be accomplished by an instrument or concurrent instruments in writing signed by the District or such holders, as the case may be, and delivered to the Trustee, the District, and holders of the Outstanding Bonds.

(c) If at any time: (1) the Trustee shall cease to be eligible and qualified under Section 11.01 and shall fail or refuse to resign after written request to do so by the District or the holder of any Bond, or (2) the Trustee shall become incapable of acting or shall be adjudged insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take charge or control of the Trustee, its property or affairs for the purpose of rehabilitation, conservation, or liquidation, then in either such case (A) the District may remove the Trustee and appoint a successor Trustee in accordance with Section 11.09; or (B) any holder of a Bond then Outstanding may, on behalf of the holders of all Outstanding Bonds, petition a court of competent jurisdiction for removal of the Trustee and appointment of a successor Trustee.

(d) The District shall give written notice of each resignation or removal of the Trustee and each appointment of a successor Trustee to each holder of Bonds then Outstanding as listed in the books of the Bond Registrar. Each such notice shall include the name and address of the applicable corporate trust office of the successor Trustee.

Section 11.09 Appointment of Successor Trustee; Temporary Trustee. In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed (a) by the District or (b) by the majority of Bondholders, by an instrument or concurrent instruments in writing signed by the holders, or by their attorneys in fact, duly authorized. Every Trustee appointed pursuant to the provisions of this Section must meet all the requirements of Section 11.01 hereof.

Section 11.10 Concerning Any Successor Trustee.

(a) Upon acceptance of appointment by the successor Trustee as provided in this Section, the District shall give notice of the succession of the Trustee to the trusts hereunder by first class mail to the Bondholders at the addresses shown on the books of the Bond Registrar. Each Trustee appointed hereunder shall signify its acceptance of the duties and obligations imposed upon it by this Master Bond Resolution or any Supplemental Resolution as Trustee by executing and delivering to the District a written acceptance of its duties and obligations.

(b) Every successor Trustee appointed hereunder shall execute, acknowledge, and deliver to its predecessor and also to the District an instrument in writing accepting appointment hereunder, and thereupon the successor, without any further act, deed, or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties, and obligations of its predecessor; but the predecessor shall, nevertheless, on the written request of the District, or of its successor, and upon payment of all amounts due the predecessor pursuant to Section 11.03 hereof, execute and deliver an instrument transferring to the successor Trustee all the estates, properties, rights, powers, duties, and trusts of the predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the District be required by any successor Trustee for more fully and certainly vesting in the successor the estate, rights, powers, and duties hereby vested or intended to be vested in the predecessor, any instruments in writing shall, on request, be executed, acknowledged, and delivered by the District. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article, shall be filed or recorded by the successor Trustee in each recording office where the Resolution shall have been filed or recorded.

Section 11.11 Trustee Protected in Relying upon Resolutions, Etc. The resolutions, opinions, certificates, and other instruments provided for in this Master Bond Resolution or any Supplemental Resolution may be accepted by the Trustee as conclusive evidence of the acts and conclusions stated therein and shall be full warrant, protection, and authority to the Trustee for the release of property, the withdrawal of cash, and the taking or refusing to take any other action.

Section 11.12 Successor Trustee as Trustee of Funds. In the event of a change in the office of Trustee, the predecessor Trustee that has resigned or has been removed shall cease to be trustee of the Fund of which it is custodian, and the successor Trustee shall become such custodian.

Section 11.13 Trust Estate May Be Vested in Separate or Co-Trustee.

(a) It is the purpose of the Resolution that there shall be no violation of any law of any jurisdiction (including particularly the laws of South Carolina) denying or restricting the right of banking corporations or associations to transact business as Trustee in those jurisdictions. It is recognized that in case of litigation under this Master Bond Resolution or any Supplemental Resolution, and, in particular, in case of the enforcement of either an Event of Default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights, or remedies herein granted to the Trustee, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional institution that warrants all of the requirements of Section 11.01 hereof as a co-trustee. The following provisions of this Section 11.13 are adapted to these ends.

(b) In the event that the Trustee appoints an additional institution as a co-trustee (and the Trustee is hereby expressly granted that power), each and every remedy, power, right, claim, demand, cause of action, immunity, and estate expressed or intended by this Master Bond Resolution or any Supplemental Resolution to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in the co-trustee but only to the extent necessary to enable the co-trustee to exercise the powers, rights, and remedies, and every covenant and obligation necessary to the exercise thereof by the co-trustee shall run to and be enforceable by either of them.

(c) Should any instrument in writing from the District be required by the co-trustee appointed by the Trustee for more full and certainly vesting in and confirming to it the properties, rights, powers, trusts, duties, and obligations, any instruments in writing shall, on request, be executed, acknowledged, and delivered by the District. In case any co-trustee, or a successor to any, shall dissolve, become incapable of acting, resign, or be removed, all the estates, properties, rights, powers, trusts, duties, and obligations of the co-trustee so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment as herein set forth of a new trustee or successor to the co-trustee.

[End of Article XI]

ARTICLE XII

MISCELLANEOUS PROVISIONS

Section 12.01 Severability. If any part of this Master Bond Resolution shall for any reason be adjudged invalid or unenforceable by a court of competent jurisdiction, such judgment shall not affect, impair, or invalidate the remaining provisions hereof, or any Bonds issued pursuant this Master Bond Resolution, but shall be confined to the specific sections, clauses, sentences or parts so adjudged.

Section 12.02 Requests of Authority. Whenever any action is to be taken by the Paying Agent at the request of the District under this Master Bond Resolution, if no other means of authenticating such request is required, such request shall be evidenced by a written instrument signed by an Authorized Officer of the District.

Section 12.03 Payments Due on Saturdays, Sundays, etc. Whenever a date upon which a payment is to be made under this Master Bond Resolution falls on a date that is not a Business Day, such payment may be made on the next succeeding Business Day without interest for the intervening period.

Section 12.04 Governing Law. This Master Bond Resolution shall be governed by and construed and enforced in accordance with the laws of the State.

Section 12.05 Repeal of Conflicting Resolutions. Any and all resolutions, or parts of resolutions, if any, in conflict with this Master Bond Resolution are hereby repealed.

Section 12.06 No Personal Liability of Commission Members and Officials; Limited Liability of Commission to Bondholders. No covenant or agreement contained in the Bonds or in this Master Bond Resolution shall be deemed to be the covenant or agreement of any present or future Commission member, official, officer, agent or employee of the District, in their individual capacity, and neither the members of the Commission, the officers and employees of the District, nor any person executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 12.07 Execution of Instruments; Proof of Ownership. Any request, direction, consent or other instrument in writing required or permitted by this Master Bond Resolution to be signed or executed by Bondholders or on their behalf by an attorney-in-fact may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Bondholders in person or by an agent or attorney-in-fact appointed by an instrument in writing or as provided in the Bonds. Proof of the execution of any such instrument and of the ownership of Bonds shall be sufficient for any purpose of this Master Bond Resolution and shall be conclusive in favor of the Bond Registrar with regard to any action taken by it under such instrument if made in the following manner:

(a) The fact and date of the execution by any person of any such instrument may be proven by the certificate of any officer in any jurisdiction who, by the laws thereof, has power to take acknowledgments within such jurisdiction, to the effect that the person signing such

instrument acknowledged before him the execution thereof, or by an affidavit of a witness to such execution.

(b) The ownership of Bonds shall be proven by the registration books kept under the provisions of Section 2.04 hereof.

Nothing contained in this Section shall be construed as limiting the Bond Registrar to such proof. The Bond Registrar may accept any other evidence of matters herein stated that it may deem sufficient. Any request, consent of, or assignment by any Bondholder shall bind every future Bondholder of the same Bonds or any Bonds issued in lieu thereof in respect of anything done by the Bond Registrar or the District in pursuance of such request or consent.

Section 12.08 Electronic Storage. The District agrees that the transaction described herein may be conducted and related documents may be stored by electronic means.

Section 12.09 Effective Date. This Master Bond Resolution shall take effect and be in full force immediately after its passage.

[End of Article XII]

This Master Bond Resolution was approved and adopted by the Richland-Lexington Airport Commission on [_____], 2026.

RICHLAND-LEXINGTON AIRPORT
DISTRICT

[SEAL]

By: _____
Chair, Richland-Lexington Airport
Commission

ATTEST

By: _____
Secretary, Richland-Lexington
Airport Commission