
TRUST AGREEMENT

by and between

MARYLAND TRANSPORTATION AUTHORITY

and

THE BANK OF NEW YORK,
as Trustee

Dated as of June 1, 2002

\$117,345,000
Maryland Transportation Authority
Taxable Limited Obligation Revenue Bonds
Baltimore/Washington International Airport
Consolidated Rental Car Facility
Series 2002

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Appendix A – Project Description
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TRUST AGREEMENT

THIS TRUST AGREEMENT, dated as of June 1, 2002, is by and between MARYLAND TRANSPORTATION AUTHORITY (the "Authority"), and THE BANK OF NEW YORK, as trustee (the "Trustee").

RECITALS

The Authority is authorized pursuant to Sections 4-101 through 4-405 of the Transportation Article of the Annotated Code of Maryland, as amended (the "Enabling Legislation," as defined herein), to issue revenue bonds for the purpose of financing and refinancing all or any part of the costs of transportation facility projects (as defined in the Enabling Legislation) and to secure such revenue bonds by a trust agreement, which may pledge and assign all or any part of the revenues of any transportation facilities project to secure such revenue bonds.

The Authority has entered into a lease of certain land located at the Baltimore/Washington International Airport ("BWI Airport") dated as of May 1, 2002 with the Maryland Aviation Administration (the "MAA") pursuant to which the Authority has acquired from the MAA a leasehold interest in certain real property on which a consolidated rental car facility and certain other improvements are to be constructed (collectively the "Project," as defined herein). Pursuant to an Agreement on Financing Airport Facilities Projects at BWI Airport dated as of May 1, 2002 between the Authority and the MAA, the Authority has agreed to finance the design, construction and equipping of the Project for the MAA and the MAA has agreed that it or its Operators (defined herein) will, among other things, operate, secure and maintain the Project as the agent of the Authority.

By resolutions adopted by the Authority on March 19, 2002, May 21, 2002 and June 18, 2002, the Authority has authorized the issuance of its revenue bonds (the "Series 2002 Bonds," as defined herein) to finance a portion of the cost of the Project.

The Bonds (defined herein) shall be limited obligations of the Authority payable solely from the Pledged Revenues (defined herein). Neither the State of Maryland (the "State"), nor the Department of Transportation (the "Department"), nor the MAA nor any political subdivision of the State, nor the Authority shall be obligated to pay the Bonds or the interest thereon except from the Pledged Revenues and from other sources as provided herein, and neither the faith and credit nor the taxing power of the State, the Department, the MAA, any political subdivision of the State or the Authority is pledged to the payment of the Bonds or the interest thereon. The issuance of the Bonds shall not directly or indirectly or contingently obligate the State, the Department, MAA, or any political subdivision of the State to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment. The Authority and MAA have no taxing powers.

All Bonds issued from time to time under this Trust Agreement will be equally and ratably secured to the extent provided herein by a pledge and assignment of the Trust Estate (defined herein).

All things necessary to make the Series 2002 Bonds, when authenticated by the Trustee and issued in accordance with this Trust Agreement, the legal, valid and binding obligations of the

Authority according to the import thereof, and to constitute this Trust Agreement a valid assignment and pledge of the Trust Estate, have been done and performed, and the creation, execution and delivery of this Trust Agreement, and the creation, execution and issuance of the Series 2002 Bonds, subject to the terms hereof, have in all respects been duly authorized.

GRANTING CLAUSES

The Authority, in consideration of the premises, of the acceptance by the Trustee of the trusts hereby created, and of the purchase and acceptance of the Bonds by the owners thereof, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, in order to secure the payment of the principal or Redemption Price (defined herein) of and interest on, and the purchase price of, the Bonds according to their tenor and effect and the performance and observance by the Authority of all the covenants expressed or implied herein and in the Bonds, for the equal and ratable benefit of the holders thereof and their respective successors and assigns, forever, subject only to the provisions of this Trust Agreement permitting the application thereof on the terms and conditions set forth in this Trust Agreement, does hereby grant, bargain, sell, convey, assign and pledge to the Trustee, and unto its respective successors in trust and assigns forever, and grant to the Trustee, and unto its respective successors in trust and assigns forever, a security interest in, the following (the "Trust Estate"):

- (a) all of the right, title and interest of the Authority in and to the Pledged Revenues; and
- (b) all of the right, title and interest of the Authority in and to any moneys and securities from time to time on deposit in any fund or account established and maintained under this Trust Agreement and any and all other real or personal property of every name and nature from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred, as and for additional security hereunder by the Authority or by anyone on its behalf, or with its written consent, to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms of this Trust Agreement;

TO HAVE AND TO HOLD all and singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its successors in trust and assigns forever upon the terms and trusts herein set forth for the equal and ratable benefit, security and protection of all present and future such holders, without privilege, priority or distinction as to the lien or otherwise of any Bond over any other Bond, except as otherwise expressly provided herein;

PROVIDED, HOWEVER, that, if the Authority shall well and truly pay, or cause to be paid, the principal or Redemption Price of and interest on, and the purchase price of, the Bonds, according to the true intent and meaning thereof or shall provide for the payment thereof as provided by Article IX, and shall perform and observe all the covenants and conditions of this Trust Agreement and the Bonds to be performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then, upon compliance with Article IX, the lien of this Trust Agreement shall be discharged and satisfied and shall be null and void; otherwise, this Trust Agreement is to be and remain in full force and effect.

All Bonds secured hereunder are to be issued and all such property, rights and interests, including, without limitation, the amounts hereby assigned and pledged, are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Authority has agreed and covenanted, and does hereby agree and covenant with the Trustee and the holders of the Bonds as follows (subject to the provisions of Section 5.01):

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.01. Definitions.

Terms used in this Trust Agreement have the following meanings, unless a different meaning clearly appears from the context:

“Additional Bonds” means any bond, note or other evidence of obligation issued by the Authority pursuant to Section 2.04, including (without limitation) any cap, swap or other hedging arrangement.

“Additional Facilities” means any “transportation facilities project” as defined in the Enabling Legislation and any other facility for which Additional Bonds may be issued pursuant to the Enabling Legislation that is necessary or desirable in connection with the Project or any other facilities used in connection with rental car operations at BWI Airport and that is financed or refinanced with proceeds of any Additional Bonds.

“Administrative Expenses” means any expenditures reasonably and necessarily incurred by the Authority by reason of its issuance and administration of any Bonds and the performance of its obligations under this Trust Agreement, including (without limitation) fees and expenses of the Trustee (whether as Trustee, paying agent or Registrar for the Bonds), fees and expenses of the issuer of any Credit Facility securing any Bonds and any remarketing agent not otherwise paid or provided for, legal, financing and administrative expenses, fees and expenses of the Authority's financial advisor and expenses incurred by the Authority to compel full and punctual performance of the provisions of the Lease and Assignment and the Financing Agreement.

“Agency Obligations” means direct obligations, including bonds, debentures, notes, participation certificates or similar obligations of, or obligations the timely payment of the principal of and the interest on which are unconditionally guaranteed by any agency or instrumentality of the United States of America or their successors, including (without limitation): Government National Mortgage Association, Federal Land Banks, Federal Home Loan Banks, Federal Intermediate Credit Banks, Tennessee Valley Authority, United States Postal Service, Export-Import Bank of the United States, United States Department of Agriculture-Rural Development (formerly Farmers Home Administration), General Services Administration, United States Maritime Administration, Small

Business Administration, United States Department of Housing and Urban Development and Federal Housing Administration.

“Applicable Law” means any law, regulation, requirement or order of any federal, state or local agency, court or other governmental body applicable from time to time to the acquisition, design, construction, equipping, financing, ownership, possession or operation of all, or any portion, of the Facilities or the performance of any of the obligations of the Authority under this Trust Agreement, including (without limitation) all permits, licenses and governmental approvals required for the operation of any portion of the Facilities.

“Authority” means Maryland Transportation Authority, an agency of the State of Maryland, and its successors and assigns.

“Authority Representative” means the Chairman, the Executive Secretary or the Director of Finance of the Authority and, when used with respect to any act, any other person (who may or may not be a member, officer or employee of the Authority) authorized to perform such act by the Enabling Legislation or a resolution of the Authority.

“Authorized Denomination” means (1) when used with respect to any Series 2002 Bond, \$5,000 or any integral multiple thereof, and (2) when used with respect to any Additional Bond, any denomination in which such Additional Bond is authorized to be outstanding from time to time as specified in the Supplemental Trust Agreement authorizing such Additional Bond.

“Balloon Debt” means Indebtedness 25% or more of the principal amount of which matures in the same 12-month period, which portion of such principal amount is not required to be amortized by redemption prior to such period.

“Bond” or **“Bonds”** means the Series 2002 Bonds and any Additional Bonds, collectively.

“Bond Counsel” means an attorney or firm of attorneys having a national reputation in the field of municipal law whose legal opinions are generally accepted by purchasers of municipal bonds designated by the Authority as its bond counsel from time to time. The firm of Piper Rudnick LLP is recognized as constituting Bond Counsel, subject to further action by the Authority.

“Bond Year” means the period from and including July 2 of each calendar year through and including July 1 of the immediately succeeding calendar year.

“Business Day” means a day other than a (1) Saturday, Sunday or legal holiday in the State, (2) a day on which banking institutions in the State or in the city in which the Designated Office of the Trustee is located are authorized or obligated to remain closed or (3) a day on which the New York Stock Exchange is closed.

“BWI Airport” means the Baltimore/Washington International Airport located in Anne Arundel County, Maryland.

“Certificate,” “Notice,” “Opinion,” “Order,” “Report,” “Request,” “Requisition” and “Statement” mean, respectively, a written certificate, notice, opinion, order, report, request, requisition or statement, in form and substance satisfactory to the Authority, signed (1) when used with respect to the Authority, by an Authority Representative, and (2) when used with respect to any other person, by an authorized officer thereof. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the instruments so combined shall be read and construed as a single instrument.

“CFC” means the fee charged and collected by each Operator from its rental car customers on behalf of MAA for each 24 hour period or fraction thereof that an auto is rented under a rental agreement entered into on the BWI Airport, or elsewhere with the pick -up at the BWI Airport pursuant to a Lease and Concession Contract to Establish and Operate a Non-exclusive On-Airport Rental Auto Concession at Baltimore/Washington International Airport, or other similar agreement between such Operator and MAA, as amended and supplemented, or any other revenues designated in writing by MAA to the Authority and the Trustee to be charged and collected by MAA to provide for the payment of the principal of and interest and premium, if any, on the Bonds, the Administrative Expenses and any rebate or installment thereof payable to the United States of America with respect to any Tax-Exempt Bonds and to maintain the reserves required by this Trust Agreement and acceptable to the Authority and MBIA.

“Code” means the Internal Revenue Code of 1986, as amended from time to time, or any successor federal income tax statute or code, and the applicable regulations thereunder.

“Common Shuttle Bus Fleet” means the common-use buses that provide transportation for rental car customers between the terminal building and the Project.

“Contingent Rent” has the meaning given to such term in the Lease and Concession Contract to Establish and Operate a Non-exclusive On-Airport Rental Auto Concession at Baltimore/Washington International Airport, or other similar agreement, between the MAA and each Operator.

“Cost,” as applied to the Project or any Additional Facilities, includes the cost of and all expenses incident to the construction, reconstruction, acquisition, improvement, extension, alteration, modernization, planning, maintenance and repair of the Project or such Additional Facilities, including (without limitation) the cost and expenses of (1) all property acquired in connection with it; (2) financial, architectural, consulting, engineering and legal services; (3) plans, specifications, surveys, estimates, feasibility reports and direct and indirect labor, material, equipment and administrative expenses; and (4) financing the Project or such Additional Facilities, including (without limitation) financing charges and interest before, during and for one year after completion of construction.

“Coverage Fund Requirement” means, as of any particular date of calculation, an amount equal to 15% of the Maximum Annual Debt Service on the Outstanding Bonds as of such date.

“Credit Facility” means the Bond Insurance Policy and any other letter of credit, bond insurance policy, bond purchase agreement, guaranty, line of credit, surety bond or similar credit or

liquidity facility securing any Bond or held to the credit of any fund or account created by this Trust Agreement. When used with reference to any Bonds, "Credit Facility" means any Credit Facility securing such Bonds.

"**Credit Facility Agreement**" means the agreement, if any, pursuant to which any Credit Facility is issued. When used with reference to any Bonds, "Credit Facility Agreement" means the Credit Facility Agreement under which any Credit Facility securing such Bonds shall have been issued.

"**Credit Facility Provider**" means MBIA and the issuer of any other Credit Facility then in effect. When used with reference to any Bonds, "Credit Facility Provider" means the provider of any Credit Facility securing such Bonds.

"**Debt Service Requirements**" means, when used with respect to any Long-Term Indebtedness for any Bond Year, as of any particular date of calculation, the amount required to pay the sum of (1) the interest on such Long-Term Indebtedness payable during the period from the second day of such Bond Year through the first day of the immediately succeeding Bond Year, and (2) the principal of, the Sinking Fund Installment for and any other amount required to effect any mandatory redemption of such Long-Term Indebtedness, if any, during the period from the second day of such Bond Year through the first day of the immediately succeeding Bond Year, less any amount of such interest or principal for the payment of which moneys or Permitted Investments, the principal of and interest on which when due will provide for such payment, are held in trust, including (without limitation) any accrued interest and capitalized interest on deposit in any Bond Fund or any Construction Fund. For the purpose of calculating the Debt Service Requirements:

(a) with respect to any Variable Rate Indebtedness:

(i) for the purpose of calculating the Debt Service Reserve Fund Requirement and the principal amount of any such Indebtedness constituting Balloon Debt payable in any Bond Year described in clause (b) below, such Indebtedness shall be deemed to bear interest at the fixed rate that it would have borne had it been issued at a fixed rate for the term thereof, as evidenced by a certificate of an investment banking firm or financial advisor knowledgeable in financial matters relating to the Facilities satisfactory to the Authority, who may be, without limitation, the financial advisor to the Authority, confirming such interest rate assumption as reasonable, *provided* that if the Authority shall have entered into any cap, swap or other hedging arrangement with an entity rated in one of the three highest Rating Categories by a Rating Agency (each, a "Qualified Hedging Transaction") identified in the records of the Authority with respect to such Indebtedness at the option of the Authority, such Indebtedness shall be deemed to bear interest at the rate payable by the Authority under such Qualified Hedging Transaction;

(ii) for all other purposes of this Trust Agreement, such Indebtedness shall be deemed to bear interest at an annual rate equal to (A) in the case of any period during which such Indebtedness shall have been outstanding, the weighted average interest rate per annum borne by such Indebtedness during such period and (B) in any other case, the higher of (1) the weighted average interest rate per annum borne by such Indebtedness during the 12-month period ending on the date of calculation (or, in the case of any Indebtedness to be issued during the immediately preceding 12-

month period, the weighted average interest rate per annum borne by other outstanding indebtedness having comparable terms and of comparable creditworthiness during the immediately preceding 12-month period, as evidenced by a certificate of an investment banking firm or a financial advisor knowledgeable in financial matters relating to the Facilities satisfactory to the Authority, who may be, without limitation, the financial advisor to the Authority) and (2) the interest rate per annum borne by such Indebtedness on the date of calculation, *provided* that if any Qualified Hedging Transaction identified in the records of the Authority with respect to any such Indebtedness shall be in effect for the period for which such calculation is to be made, at the option of the Authority, such Indebtedness shall be deemed to bear interest at the rate payable by the Authority under such Qualified Hedging Transaction during such period;

(b) with respect to any Balloon Debt, the principal amount of such Indebtedness payable in each Bond Year may be deemed to be the amount that would payable during such Bond Year if such Indebtedness were required to be amortized in full from the date of its issuance in substantially equal annual installments of principal (such principal to be rounded to the nearest \$5,000) and interest over a term equal to the shorter of (i) 30 years and (ii) 120% of the weighted average economic life of the facilities financed or refinanced thereby;

(c) with respect to any Optional Tender Debt, the option of the holder thereof to tender such Indebtedness for purchase or redemption prior to maturity shall be disregarded; and

(d) with respect to any Credit Facility Agreement, so long as no demand for payment under the Credit Facility issued under such Credit Facility Agreement shall have been made, the debt service requirements of such Credit Facility Agreement shall be excluded from such calculation.

“Debt Service Reserve Fund Credit Facility” means the Debt Service Reserve Surety Bond any other Credit Facility held to the credit of the Debt Service Reserve Fund.

“Debt Service Reserve Fund Credit Facility Agreement” means the Financial Guaranty Agreement dated June 19, 2002, between the Authority and MBIA, and the agreement pursuant to which any other Debt Service Reserve Fund Credit Facility is issued.

“Debt Service Reserve Fund Requirement” means (1) when used with respect to or in connection with the Series 2002 Bonds, any other Series of Bonds secured by the Debt Service Reserve Fund maintained for the Series 2002 Bonds or such Debt Service Reserve Fund, as of any particular date of computation, an amount equal to the least of (a) 10% of the proceeds of the Bonds secured thereby, (b) Maximum Annual Debt Service on all outstanding Bonds secured thereby, and (c) 125% of the average annual debt service requirements of all Bonds secured thereby; and (2) when used with respect to any other Series of Bonds or the Debt Service Reserve Fund, if any, maintained for such Bonds, such amount as shall be established in the Supplemental Trust Agreement authorizing the issuance of such Bonds.

“Debt Service Reserve Surety Bond” means the Debt Service Reserve Surety Bond issued by MBIA and held to the credit of the Debt Service Reserve Fund securing the Series 2002 Bonds.

“Department” means Maryland Department of Transportation, an agency of the State of Maryland, and its successors and assigns.

“Designated Office” means, when used with respect to the Trustee or any Registrar or Paying Agent, the corporate trust office designated as such by the Trustee or such Registrar or Paying Agent, respectively.

“Enabling Legislation” means Sections 4-101 through 4-405 of the Transportation Article of the Annotated Code of Maryland, as amended, and any other provision of law authorizing the issuance of bonds, notes or other evidences of obligation of the Authority, and all future acts supplemental to or amendatory of any of the foregoing.

“Engineer” means an individual or firm of engineers registered in the State (who may be, without limitation, an employee of the Authority, the Department, the MAA or the State or any agency or political subdivision thereof) designated and retained by the Authority to perform the activities required by this Trust Agreement to be performed by the Engineer.

“Event of Default” means any event of default specified in Section 7.01.

“Facilities” means the Project and any Additional Facilities.

“Financing Agreement” means the Agreement on Financing Airport Facilities Project at BWI Airport (Consolidated Rental Car Facility) dated as of May 1, 2002 between the Authority and the MAA, as amended and supplemented from time to time.

“Generally Accepted Accounting Principles” means generally accepted accounting principles in the United States of America applicable in the preparation of financial statements of governmental units, as promulgated by the Governmental Accounting Standards Board or such other body as shall be recognized as authoritative by the American Institute of Certified Public Accountants or any successor body (as such principles may change from time to time), applied on a consistent basis (except for changes in application in which the Independent Public Accountant concurs) applied both to classification of items and amounts.

“Government Obligations” means direct obligations of, or obligations that are unconditionally guaranteed by, the United States of America, including (without limitation) obligations of Resolution Funding Corporation.

“Holder” or **“holder”** or **“Bondholder”** or any similar term means the registered owner of any Bond.

“Indebtedness” means any indebtedness or liability for borrowed money, any installment sale obligation or any obligation under any lease that is capitalized under Generally Accepted Accounting Principles, to the extent that any of the foregoing is payable from the Pledged Revenues.

“Independent Consultant” means an independent consulting firm having a favorable reputation for skill and experience with respect to the design, construction and operation of transportation facilities or the determination of the economic feasibility of such facilities, designated and retained by the Authority to perform the activities required by this Trust Agreement to be performed by the Independent Consultant.

“Independent Public Accountant” means an individual, partnership or corporation engaged in the accounting profession, either entitled to practice, or having members or officers entitled to practice, as a certified public accountant under the laws of the State and in fact independent, employed by the Authority from time to time to pass upon those matters required by this Trust Agreement to be passed upon by an Independent Public Accountant. The firm of Andersen LLP is recognized as constituting the Independent Public Accountant, subject to further action by the Authority.

“Insurance Default” means the occurrence and continuance of one or more of the following events: (1) the issuance, under the laws of the state of incorporation or formation of MBIA, of an order of rehabilitation, liquidation or dissolution of MBIA; (2) the commencement of MBIA of a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect including, without limitation, the appointment of a trustee, receiver, liquidator, custodian or other similar official for itself or any substantial part of its property; (3) the consent of MBIA to any relief referred to in the preceding clause (2) in any involuntary case or other proceeding commenced against it; (4) the making by MBIA of an assignment for the benefit of creditors; (5) the failure of MBIA to generally pay its debts as they become due (other than failure to pay on any policy); (6) MBIA fails, wholly or partially, to make a payment of principal or interest to the Trustee as required under the Bond Insurance Policy or the Debt Service Reserve Surety Bond; (7) the President or an Executive Vice President of MBIA shall (a) in writing to the Trustee or any other person, claim that either the Bond Insurance Policy or the Debt Service Reserve Surety Bond, with respect to the payment of principal or interest on the Series 2002 Bonds, is not valid and binding on MBIA or (b) repudiate the obligations of MBIA under either the Bond Insurance Policy or the Debt Service Reserve Surety Bond, with respect to payment of principal or interest on the Series 2002 Bonds, or MBIA shall initiate any legal proceedings to seek an adjudication that either the Bond Insurance Policy or the Debt Service Reserve Surety Bond Agreement, with respect to the payment of principal or interest on the Series 2002 Bonds, is not valid and binding on MBIA, (8) any governmental authority with jurisdiction to rule on the validity of either the Bond Insurance Policy or the Debt Service Reserve Surety Bond shall announce, find or rule that either the Bond Insurance Policy or the Debt Service Reserve Surety Bond is not valid and binding on MBIA, or (9) the initiation by MBIA of any action to authorize any of the foregoing.

“Interest Payment Date” means, with respect to the Series 2002 Bonds, July 1 and January 1 of each year commencing January 1, 2003, and with respect to any Additional Bonds, the dates established as Interest Payment Dates in the Supplemental Trust Agreement authorizing such Additional Bonds.

“Lease and Assignment” means the Lease of Consolidated Rental Car Facility at the Baltimore/Washington International Airport and Assignment of Pledged Revenues dated as of May 1, 2002, between the Authority and MAA, as amended and supplemented from time to time.

“Long-Term Indebtedness” means all of the following Indebtedness incurred or assumed by the Authority and payable under any circumstances from the Trust Estate:

(1) any obligation for the payment of principal and interest with respect to money borrowed for an original term, or renewable at the option of the Authority for a period from the date originally incurred, longer than one year;

(2) any obligation for the payment of money under leases that are required to be capitalized under Generally Accepted Accounting Principles; and

(3) any obligation for the payment of money under installment purchase contracts having an original term in excess of one year.

“MAA” means Maryland Aviation Administration, an agency of the State of Maryland, and its successors and assigns.

“MBIA” means MBIA Insurance Corporation, a stock insurance company incorporated under the laws of the State of New York, its successors and assigns.

“Maximum Annual Debt Service” means, when used with reference to any Long-Term Indebtedness for any Bond Year, as of any particular date of computation, the greatest amount required in the then-current or any future Bond Year to pay the Debt Service Requirements of such Long-Term Indebtedness.

“Operator” means each rental car company utilizing the Facilities.

“Optional Tender Debt” means any Indebtedness that is subject to optional or mandatory tender by the holder thereof (including, without limitation, any mandatory tender in connection with the expiration of any Credit Facility securing such Indebtedness or any conversion of the interest rate on such Indebtedness) for purchase or redemption prior to the stated maturity date thereof if the purchase or redemption price of such Indebtedness is under any circumstances payable from the Trust Estate.

“Outstanding” or **“outstanding”** means, (1) when used with reference to Bonds as of any particular date, all Bonds authenticated and delivered under this Trust Agreement except (a) any Bond cancelled by the Registrar or the Trustee (or delivered to the Registrar or the Trustee for cancellation) at or before such date, (b) any Bond for the payment of the principal or Redemption Price of and interest on which provision shall have been made as provided in Section 9.01 and (c) any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered pursuant to Article II, Article III or Section 8.04; and (2) when used with reference to any other Indebtedness, all Indebtedness theretofore issued or incurred other than any such Indebtedness that is deemed to have

been paid and discharged under Generally Accepted Accounting Principles and that is not secured by the Pledged Revenues.

“Participant,” when used with respect to any Securities Depository, means any participant of such Securities Depository.

“Paying Agent” means the Trustee, except as otherwise provided in any Supplemental Trust Agreement.

“Permitted Investment” means each of the following investments to the extent that the amounts to be invested therein are then permitted to be invested in such investments under Applicable Law:

- (1) Government Obligations;
- (2) Agency Obligations;
- (3) interest bearing time deposits, certificates of deposit or similar arrangements (“Deposits”) with any commercial bank, trust company or savings and loan association (including, without limitation, the Trustee), *provided* that, to the extent such Deposits are not fully insured by the Federal Deposit Insurance Corporation, the outstanding unsecured long-term indebtedness of such commercial bank, trust company or savings and loan association (or its holding company) is rated by a Rating Agency in one of its two highest Rating Categories, and such Deposits are continuously secured by lodging with a bank or trust company, as collateral security, obligations described in clause (1), (2), (5) or (6) below, having a market value, calculated no less frequently than weekly, not less than 102% of the amount of such Deposit;
- (4) repurchase agreements for obligations described in clause (1) or (2) above, *provided* that (a) such obligations shall be (i) delivered to the Authority or the Trustee (as the case may be) or supported by a safekeeping receipt issued by a depository satisfactory to the Authority or the Trustee (as the case may be) if issued in certificated form, or (ii) supported by a receipt or other confirmatory documentation satisfactory to the Authority or the Trustee (as the case may be) if issued in book-entry form, (b) the Authority or the Trustee (as the case may be) shall have a perfected security interest in such obligations, (c) such obligations shall be free and clear of any other liens or encumbrances, and (d) such repurchase agreements shall provide that the value of the underlying obligations shall be continuously maintained at a current market value, calculated no less frequently than weekly, of not less than 102% of the purchase price;
- (5) obligations issued by or on behalf of any state of the United States of America or any political subdivision thereof for the payment of the principal or redemption price of and interest on which there shall have been irrevocably deposited Government Obligations maturing as to principal and interest at times and in amounts sufficient to provide such payment;
- (6) any other obligations issued by or on behalf of any state of the United States of America or any political subdivision thereof, *provided* that such obligations, or other obligations of the

issuer thereof of comparable maturities that are secured equally and ratably with such obligations, shall be rated by a Rating Agency in one of its two highest long-term Rating Categories;

(7) banker's acceptances issued by any commercial bank, trust company or savings and loan association (including, without limitation, the Trustee), the outstanding unsecured long-term indebtedness of which is rated by a Rating Agency in one of its two highest Rating Categories;

(8) commercial paper or finance company paper rated by a Rating Agency in its highest Rating Category;

(9) investment agreements, including (without limitation), forward purchase agreements pursuant to which the Trustee agrees to purchase securities of the type described in clause (1), (2), (3), (5), (6), (7) or (8) above, *provided* that (a) the outstanding unsecured long-term indebtedness of the provider thereof (or of its holding company) is rated by a Rating Agency in one of its two highest Rating Categories, (b) such agreements are continuously secured by obligations described in clause (1), (2), (3), (5), (6), (7) or (8) above, (c) the Authority or the Trustee (as the case may be) shall have a perfected security interest in such obligations, (d) such obligations shall be free and clear of any other liens or encumbrances, and (e) such investment agreements shall provide that the value of the underlying obligations shall be maintained at a current market value, calculated no less frequently than weekly, of not less than 102% of the amount deposited thereunder;

(10) shares in investment companies that invest only in obligations described in clauses (1), (2), (3), (4), (5), (6), (7), (8) and (9) above (including any proprietary mutual fund, money market fund or short term investment fund maintained by the Trustee and for which the Trustee or an affiliate is investment advisor, or provides other services, and receives reasonable compensation for such services); and

(11) with respect to investments held in any fund or account created by this Trust Agreement solely for Bonds of a Series secured by a Credit Facility, such other investments as shall be approved in writing by the Credit Facility Provider with respect to such Bonds.

"Pledged Revenues" means (1) all CFCs and Contingent Rent payable to MAA or the Trustee, (2) interest earnings on the funds and accounts created hereby, and (3) all rights to receive the same and the proceeds of such rights, whether now existing or hereafter coming into existence.

"Project" means the transportation facilities projects described on Appendix A, as such transportation facilities projects may be amended from time to time by the Authority, together with attendant facilities and equipment.

"Rating Agency" means Moody's Investors Service, Inc., Standard & Poor's Ratings Services, Fitch Ratings or any other securities rating agency that, at the request of the Authority, shall have assigned a rating that is then in effect with respect to any Bonds, and their successors and assigns, and **"Rating Agencies"** means each such Rating Agency, collectively.

“Rating Category” means one of the general rating categories of a Rating Agency, without regard to any refinement or gradation of such rating category by a numerical modifier or otherwise.

“Redemption Price” means, when used with respect to any Bond or portion thereof, the principal amount of such Bond or such portion thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to this Trust Agreement.

“Registrar” means the Trustee, except as otherwise provided in any Supplemental Trust Agreement.

“Securities Depository” means The Depository Trust Company, a corporation organized and existing under the laws of the State of New York, and any other securities depository for the Bonds appointed pursuant to Section 2.09, and their successors.

“Series” means any series of Bonds authorized by this Trust Agreement.

“Series 2002 Bonds” means the Maryland Transportation Authority Taxable Limited Obligation Revenue Bonds, Baltimore/Washington International Airport Consolidated Rental Car Facility, Series 2002.

“Sinking Fund Installment” means the amount of money provided in this Trust Agreement, and in each Supplemental Trust Agreement authorizing any Series of Additional Bonds, to redeem Bonds of such Series at the times and in the amounts provided in this Trust Agreement or such Supplemental Trust Agreement (as the case may be).

“State” means the State of Maryland.

“Supplemental Trust Agreement” means any instrument between the Authority and the Trustee amending, modifying or supplementing this Trust Agreement, any Supplemental Trust Agreement or any Bond, delivered and becoming effective in accordance with the terms of this Trust Agreement.

“Tax-Exempt Bond” means any Bonds with respect to which there shall have been delivered to the Authority an opinion of Bond Counsel to the effect that the interest on such Bonds is excludable from gross income for federal income tax purposes.

“Trust Agreement” means this Trust Agreement, as amended, modified or supplemented from time to time by Supplemental Trust Agreements.

“Trust Estate” means all property, rights and other assets that from time to time may be pledged and assigned to the Trustee under the Granting Clauses of this Trust Agreement.

“Trustee” means The Bank of New York, a banking corporation organized and existing under the laws of the State of New York and any other corporation that may at any time be substituted in its place pursuant to this Trust Agreement, and their successors.

“Variable Rate Indebtedness” means, as of any particular date, any Indebtedness the interest rate on which is not established at a fixed rate or rates for the remaining term thereof.

Section 1.02. Rules of Construction.

Unless the context clearly indicates to the contrary, the following rules apply to the construction of this Trust Agreement:

(a) Words importing the singular number include the plural number and words importing the plural number include the singular number.

(b) Words of the masculine gender include correlative words of the feminine and neuter genders.

(c) The table of contents and the headings or captions used in this Trust Agreement are for convenience of reference and do not constitute a part of this Trust Agreement, nor affect its meaning, construction or effect.

(d) Words importing persons include any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or agency or political subdivision thereof.

(e) Any reference to a particular percentage or proportion of the Holders of Bonds shall mean the Holders at the particular time of the specified percentage or proportion in aggregate principal amount of all Bonds then Outstanding under this Trust Agreement.

(f) Any reference to the Bond Fund, the CFC Revenue Fund, the Construction Fund, the Debt Service Reserve Fund, the Facility Improvements Fund, the Coverage Fund, the Redemption Fund or the Rebate Fund shall be to the fund or account so designated that is created under Section 4.01. If any Supplemental Trust Agreement provides for the establishment of separate funds and accounts for any Series of Bonds, then any provision of this Trust Agreement requiring or permitting the application of amounts on deposit in any fund or account to the payment of any Bond or the transfer of amounts on deposit in any fund or account maintained for any Bonds to any other fund or account shall refer to the fund or account maintained for Bonds of the Series of which such Bond is a part.

(g) Any reference in this Trust Agreement to a particular “Article,” “Section” or other subdivision shall be to such Article, Section or subdivision of this Trust Agreement unless the context shall otherwise require.

(h) Each reference in this Trust Agreement to an agreement or contract shall include all amendments, modifications and supplements to such agreement or contract unless the context shall otherwise require.

(i) During any period in which no Credit Facility is in effect and all amounts payable to each Credit Facility Provider, if any, have been paid, the provisions of this Trust Agreement that relate to the Credit Facility and the Credit Facility Provider shall be of no force and effect.

Section 1.03. MBIA Deemed Holder of Series 2002 Bonds.

Notwithstanding any other provisions of this Trust Agreement to the contrary, so long as no Insurance Default shall have occurred and be continuing, MBIA shall be deemed to be the sole holder of all outstanding Series 2002 Bonds for the purposes of making any request or giving or withholding any consent, vote or direction required or permitted to be made or given by the holders of the Series 2002 Bonds under this Trust Agreement, including, without limitation, any request, consent or direction with respect to remedial proceedings upon an Event of Default.

The Trustee or the Authority, as the case may be, shall provide to MBIA a copy of each and every notice that is required hereunder to be delivered to a Holder of any Series 2002 Bond or to the Trustee, including (without limitation) notice of the resignation or removal of the Trustee and the appointment of a successor thereto pursuant to Article VI.

ARTICLE II

**AUTHORIZATION AND DETAILS OF THE SERIES 2002 BONDS
ADDITIONAL BONDS**

Section 2.01. Bonds Authorized.

There is hereby authorized the issuance under this Trust Agreement of a Series of Bonds in the aggregate principal amount of One Hundred Seventeen Million Three Hundred Forty-Five Thousand Dollars (\$117,345,000), which shall be designated "Maryland Transportation Authority Taxable Limited Obligation Revenue Bonds, Baltimore/Washington International Airport Consolidated Rental Car Facility, Series 2002." The aggregate principal amount of Bonds that may be issued under this Trust Agreement is not limited except as provided by this Trust Agreement.

Section 2.02. Details of Bonds.

The Series 2002 Bonds shall be issued as fully registered bonds without coupons. The Series 2002 Bonds shall bear interest at the rate or rates of interest per annum (calculated on the basis of a 360-day year consisting of twelve 30-day months) set forth below and shall mature on July 1 in each of the years and in amounts as follows:

Serial Bonds:

| <u>Year</u> | <u>Principal Amount</u> | <u>Interest Rate</u> | <u>Year</u> | <u>Principal Amount</u> | <u>Interest Rate</u> |
|-------------|-------------------------|----------------------|-------------|-------------------------|----------------------|
| 2003 | \$ 600,000 | 2.74% | 2008 | \$1,935,000 | 5.26% |
| 2004 | 1,630,000 | 3.63 | 2009 | 2,035,000 | 5.49 |
| 2005 | 1,690,000 | 4.16 | 2010 | 2,145,000 | 5.68 |
| 2006 | 1,760,000 | 4.70 | 2011 | 2,270,000 | 5.84 |
| 2007 | 1,840,000 | 5.01 | 2012 | 2,400,000 | 5.89 |

Term Bonds:

| <u>Year</u> | <u>Principal Amount</u> | <u>Interest Rate</u> |
|-------------|-------------------------|----------------------|
| 2022 | \$34,285,000 | 6.48% |
| 2032 | 64,755,000 | 6.65% |

The Sinking Fund Installments for the Series 2002 Bonds maturing on July 1, 2022 and July 1, 2032 shall become due on July 1 of the following years in the following amounts:

Term Bonds Due July 1, 2022

| <u>Year</u> | <u>Sinking Fund Installment</u> | <u>Year</u> | <u>Sinking Fund Installment</u> |
|-------------|---------------------------------|-------------|---------------------------------|
| 2013 | \$2,545,000 | 2018 | \$3,480,000 |
| 2014 | 2,710,000 | 2019 | 3,705,000 |
| 2015 | 2,885,000 | 2020 | 3,945,000 |
| 2016 | 3,070,000 | 2021 | 4,200,000 |
| 2017 | 3,270,000 | 2022 | 4,475,000 (maturity) |

Term Bonds Due July 1, 2032

| <u>Year</u> | <u>Sinking Fund Installment</u> | <u>Year</u> | <u>Sinking Fund Installment</u> |
|-------------|---------------------------------|-------------|---------------------------------|
| 2023 | \$4,765,000 | 2028 | \$6,575,000 |
| 2024 | 5,080,000 | 2029 | 7,010,000 |
| 2025 | 5,420,000 | 2030 | 7,480,000 |
| 2026 | 5,780,000 | 2031 | 7,975,000 |
| 2027 | 6,165,000 | 2032 | 8,505,000 (maturity) |

The Series 2002 Bonds shall be subject to optional redemption prior to maturity, and shall otherwise have the terms, tenor, denominations, details and specifications as set forth in the form of Series 2002 Bond included in Appendix B. ..

The Series 2002 Bonds shall be substantially in the form set forth in Appendix B, with such insertions, omissions and variations as may be deemed necessary or appropriate by the officers of the Authority executing the same and as shall be permitted by the Enabling Legislation. The Authority hereby adopts the form of Series 2002 Bonds set forth in Appendix B and all of the covenants and conditions set forth therein, as and for the form of obligation to be incurred by the Authority as the Series 2002 Bonds. The covenants and conditions set forth in the form of Series 2002 Bonds are incorporated into this Trust Agreement by reference and shall be binding upon the Authority as though set forth in full herein.

Additional Bonds shall have the terms, tenor, details and specifications and shall be in such form as shall be provided in the Supplemental Trust Agreement authorizing such Additional Bonds.

The Bonds may contain, or have endorsed thereon, any notations, legends or endorsements not inconsistent with the provisions of this Trust Agreement or of any Supplemental Trust Agreement authorizing the same as may be necessary or desirable and as may be determined by the officers of the Authority executing the same prior to the execution and delivery of such Bonds. The execution and delivery of any Bonds by the Authority in accordance with this Trust Agreement shall be conclusive evidence of the approval of the form of such Bonds by the Authority, including any insertions, omissions, variations, notations, legends or endorsements authorized by this Trust Agreement.

Bonds shall be numbered in the manner determined by the Registrar. Before authenticating and delivering any Bond, the Registrar shall complete the form of such Bond.

Bonds may have attached thereto or printed on the reverse side thereof the opinion of Bond Counsel for such Bonds. The printing of CUSIP numbers on Bonds shall have no legal effect and shall not affect the enforceability of any Bond.

Section 2.03. Conditions Precedent to Delivery of Series 2002 Bonds.

The Series 2002 Bonds shall be executed by the Authority and delivered to the Trustee, whereupon the Trustee shall authenticate the Series 2002 Bonds and, upon payment of the purchase

price of such Bonds, shall deliver the Series 2002 Bonds upon the order of the Authority, but only upon delivery to the Trustee of each of the following:

- (a) a counterpart of this Trust Agreement executed by the parties hereto;
- (b) a Certificate of the Authority directing the authentication and delivery of the Series 2002 Bonds, describing the Series 2002 Bonds to be authenticated and delivered, designating the purchasers to whom the Series 2002 Bonds are to be delivered, stating the purchase price of the Series 2002 Bonds and stating that all items required by this Section are therewith delivered to the Trustee in form and substance satisfactory to the Authority; and
- (c) an Opinion of Bond Counsel to the effect that (i) this Trust Agreement has been duly authorized, executed and delivered by the Authority and constitutes the valid and binding obligation of the Authority; and (ii) the Authority is duly authorized and entitled to issue the Series 2002 Bonds, and Series 2002 Bonds executed, authenticated and delivered as provided in this Trust Agreement have been duly and validly issued and constitute valid and binding limited obligations of the Authority.

Section 2.04. Authorization of Additional Bonds; Conditions Precedent to Delivery of Additional Bonds.

In addition to the Series 2002 Bonds, the Authority is hereby authorized to issue, from time to time, Additional Bonds under and secured by this Trust Agreement, subject to the conditions provided in this Section, for any purpose for which indebtedness may be incurred by the Authority under the Enabling Legislation, including (without limitation): (a) refinancing, refunding or advance refunding any Outstanding Indebtedness ("Refunding Purposes"), (b) obtaining funds to pay the Cost of completing the Project or any Additional Facilities ("Completion Purposes"), (c) obtaining funds necessary to pay the costs of extraordinary maintenance of or repairs or improvements to any Facilities, including (without limitation) repairs, replacements or improvements required as a result of any casualty or taking or other extraordinary occurrence or to meet the requirements of Applicable Law ("Extraordinary Maintenance Purposes") or (d) obtaining funds to pay the Cost of any Additional Facilities. Additional Bonds may be issued to pay the costs incurred in connection with the issuance and sale of any Bonds, to establish reserves and to pay interest on any Bonds prior to and during acquisition and construction. The issuance of Additional Bonds shall be authorized by a Supplemental Trust Agreement.

Each Additional Bond shall be on a parity with, and shall be entitled to the same benefit and security of this Trust Agreement as the Series 2002 Bonds and any other Additional Bonds that may be issued from time to time, to the extent provided in this Section.

The Supplemental Trust Agreement authorizing the issuance of any Series of Additional Bonds shall specify the maturities and redemption provisions of such Additional Bonds, the form and denominations thereof and other details of such Additional Bonds. Without limiting the generality of the foregoing, Additional Bonds may constitute Variable Rate Indebtedness, Optional Tender Debt or Balloon Debt, as shall be determined by the Authority, in its discretion. Any Supplemental Trust

Agreement authorizing the issuance of Additional Bonds shall provide for the creation of a separate Bond Fund for such Bonds if any principal of such Bonds becomes due on a date other than July 1 or the Interest Payment Dates on such Bonds are not July 1 and January 1. The Authority may provide for the creation of a separate Bond Fund, Debt Service Reserve Fund or Redemption Fund and other funds and accounts for any Series of Additional Bonds in other circumstances, as shall be deemed advisable by the Authority.

The Supplemental Trust Agreement authorizing the issuance of any Additional Bonds shall provide for the deposit of Pledged Revenues in the Bond Fund and the Debt Service Reserve Fund, if any, maintained for such Bonds, which deposits shall be made not more frequently than monthly except to the extent required to pay the principal of and interest on such Bonds when due.

If any Supplemental Trust Agreement provides for the establishment of separate funds and accounts for any Series of Bonds, then such Supplemental Trust Agreement shall require that (i) the Pledged Revenues required to be deposited in the CFC Revenue Fund on any date shall be transferred and deposited *pro rata* among all of the Bond Funds on the basis of the principal of, the Sinking Fund Installments for and the interest on the Series of Bonds secured thereby required to be deposited in the Bond Fund for such Bonds on such date, and (ii) the Pledged Revenues required to be deposited in the Debt Service Reserve Fund on any date shall be allocated *pro rata* among all Debt Service Reserve Funds on the basis of the respective aggregate principal amounts of the Bonds Outstanding secured by such Debt Service Reserve Funds. Amounts on deposit in the funds and accounts created for particular Series of Bonds available for the payment of any Bonds shall be applied solely to the payment of the principal or Redemption Price of and interest on, or the purchase price of, the Bonds of such Series or to the reimbursement of the issuer of any Credit Facility securing such Bonds and shall not be available to satisfy the claims of Holders of Bonds of any other Series or the issuer of any Credit Facility securing any other Series of Bonds.

The Supplemental Trust Agreement authorizing the issuance of any Series of Additional Bonds may provide that (i) proceeds realized under any Credit Facility securing the payment of such Additional Bonds shall not be available to pay the principal or Redemption Price of or interest on, or the purchase price of, the Series 2002 Bonds or any other Series of Additional Bonds, and (ii) any proceeds of such Additional Bonds and investment earnings thereon remaining after the completion of the Project or any Additional Facilities financed with the proceeds of such Additional Bonds shall be applied to the payment or redemption of such Series of Additional Bonds.

Any Supplemental Trust Agreement authorizing the issuance of Additional Bonds may provide that (i) such Series of Bonds shall be secured by the Debt Service Reserve Fund maintained for the Series 2002 Bonds, (ii) such Series of Additional Bonds shall not be secured by a Debt Service Reserve Fund, or (iii) such Additional Bonds shall be secured by a separate Debt Service Reserve Fund.

If any Supplemental Trust Agreement authorizing the issuance of any Series of Additional Bonds provides that such Additional Bonds shall be secured by the Debt Service Reserve Fund maintained for the Series 2002 Bonds, such Supplemental Trust Agreement shall provide for the deposit in such Debt Service Reserve Fund on the date of issuance of such Additional Bonds of the amount, if any, necessary to make the amount on deposit therein equal to the Debt Service Reserve

Fund Requirement on all Bonds secured thereby, after giving effect to the issuance of such Additional Bonds. Such Supplemental Trust Agreement may provide that the amount of any increase in the Debt Service Reserve Fund Requirement resulting from the issuance of such Additional Bonds shall be applied to the final payments of the principal or Redemption Price of such Additional Bonds.

If the Supplemental Trust Agreement authorizing the issuance of any Additional Bonds provides that such Series of Additional Bonds shall be secured by a separate Debt Service Reserve Fund, such Supplemental Trust Agreement shall (i) establish the amount of the Debt Service Reserve Fund Requirement for such Debt Service Reserve Fund, (ii) provide the period during which any deficiency shall be cured, (iii) contain provisions with respect to the issuance of any other Additional Bonds secured by such Debt Service Reserve Fund and (iv) provide such terms with respect to the valuation of such Debt Service Reserve Fund, the application of any earnings on or surpluses in such Debt Service Reserve Fund and any Credit Facilities held to the credit of such Debt Service Reserve Fund (which may be different from those described herein) as the Authority shall deem appropriate, any other provision of this Trust Agreement to the contrary notwithstanding. If a separate Debt Service Reserve Fund is created for any Series of Bonds, the Debt Service Reserve Fund Requirement shall be calculated separately for each Series of Bonds for which a separate Debt Service Reserve Fund is maintained.

Additional Bonds shall be executed by the Authority and delivered to the Registrar, whereupon the Registrar shall authenticate and deliver such Additional Bonds upon the Order of the Authority, but only upon receipt by the Registrar of a Certificate of the Trustee to the effect that the Trustee has received the purchase price of such Additional Bonds, if any, and each of the following:

(i) a counterpart of the applicable Supplemental Trust Agreement authorizing such Additional Bonds, executed by the parties thereto;

(ii) an Order of the Authority directing the authentication and delivery of such Additional Bonds, describing such Additional Bonds, designating the purchaser of such Additional Bonds, stating the purchase price of such Additional Bonds and stating that all items required by this Section are therewith delivered to the Trustee in form and substance satisfactory to the Authority;

(iii) an Opinion of Bond Counsel to the effect that (A) the Supplemental Trust Agreement authorizing such Additional Bonds has been duly authorized, executed and delivered by the Authority and constitutes the valid and binding obligation of the Authority; (B) the Authority is duly authorized and entitled to issue such Additional Bonds, and Additional Bonds executed, authenticated and delivered as provided in this Trust Agreement and such Supplemental Trust Agreement have been duly and validly issued and constitute valid and binding limited obligations of the Authority; and (C) the issuance of such Additional Bonds will not adversely affect the excludability from gross income, for federal income tax purposes, of interest paid on any Tax-Exempt Bonds theretofore issued;

(iv) a Certificate of the Authority to the effect that, upon the authentication and delivery of such Additional Bonds, no Event of Default shall exist under this Trust Agreement;

(v) unless such Additional Bonds are issued or incurred for Refunding Purposes, a written report of an Engineer to the effect that the proceeds of such Additional Bonds, together with such other moneys as are reasonably expected to be available therefor, will be sufficient to pay the estimated costs of the acquisition, construction, equipping, completion and financing of the Facilities to be financed in whole or in part with proceeds of such Additional Bonds and placing such Facilities in operation or otherwise to accomplish the purposes for which such Additional Bonds are issued;

(vi) unless such Additional Bonds are issued or incurred for Refunding Purposes, Completion Purposes or Extraordinary Maintenance Purposes and the items described below in the next-to-last or second-to-last paragraphs of this Section 2.04, as applicable, are furnished to the Trustee, a Certificate of the Authority to the effect that (A) the amount of the Pledged Revenues for the most recent Bond Year, together with amounts transferred to the Bond Fund during such Bond Year or on deposit in the Coverage Fund on the last day of such Bond Year, was not less than the sum of (1) 125% of the Debt Service Requirements of Outstanding Bonds for such Bond Year, and (2) 100% of the Debt Service Requirements of all other outstanding Long-Term Indebtedness for such Bond Year and (B) during each of the five Bond Years immediately succeeding the later of the date of delivery of such Additional Bonds and the date to which interest on such Additional Bonds has been funded, the estimated Pledged Revenues together with amounts projected to be on deposit in the Coverage Fund as of the last day of each such Bond Year are projected to be not less than the sum of (1) 125% of the Debt Service Requirements of Outstanding Bonds for such Bond Year, taking into account the Additional Bonds then to be issued, and (2) 100% of the Debt Service Requirements of all other outstanding Long-Term Indebtedness for such Bond Year, together with amounts projected to be on deposit in the Coverage Fund as of the last day of each such Bond Year; and

(vii) the amount, if any, required to make the amount on deposit in the Debt Service Reserve Funds equal the respective Debt Service Reserve Fund Requirements upon the issuance of such Additional Bonds.

If Additional Bonds are issued or incurred for Completion Purposes or Extraordinary Maintenance Purposes, the items required by paragraph (vi) need not be provided to the Trustee if, in lieu thereof, there shall be furnished to the Trustee (I) a Report of an Independent Consultant to the effect that the amount of the Pledged Revenues for each of the five full Bond Years following the date on which the proceeds of such Additional Bonds are expected to have been fully applied is projected to be not less than the Debt Service Requirements of all Outstanding Long-Term Indebtedness as of the last day of each such Bond Year, and (II) a Report of an Engineer to the effect that the proceeds of such Additional Bonds do not exceed the amount necessary to accomplish the intended Completion Purpose or Extraordinary Maintenance Purpose, respectively.

If Additional Bonds are issued or incurred for Refunding Purposes, the items required by paragraph (v) need not be provided to the Trustee if there shall be furnished to the Trustee a Certificate of the Authority to the effect that the Maximum Annual Debt Service on Outstanding Bonds, taking into account the issuance of such Additional Bonds and the Long-Term Indebtedness to be refinanced or refunded, will not be increased by more than ten percent during the life of any then Outstanding Bonds that are not refinanced or refunded with proceeds of such Additional Bonds.

Additional Bonds may be authenticated, delivered and paid for in installments of less than the total authorized principal amount of a Series of Bonds from time to time as the Authority may direct in its written requests.

Section 2.05. Execution and Authentication.

The Bonds shall be executed in the name and on behalf of the Authority by the manual or facsimile signature of the Chairman of the Authority or one of the other Members of the Authority and sealed with its corporate seal (or a facsimile thereof), attested by the manual or facsimile signature of the Executive Secretary of the Authority or his delegate, provided that at least one of such signatures shall be a manual signature. In case any officer whose manual or facsimile signature appears on any Bond shall cease to be such officer before delivery of such Bond, such signature, nevertheless, shall be valid and sufficient for all purposes as if such officer had remained in office until such delivery, and the Authority may adopt and use for the execution of Bonds the manual or facsimile signature of any person who shall have been at the time the proper officer to execute such Bonds, notwithstanding the fact that such person may not have been such officer on the date of such Bonds or that such person may have ceased to be such officer at the time when such Bonds shall be actually authenticated and delivered.

No Bond shall be valid or obligatory for any purpose or entitled to any right or benefit hereunder unless there shall be endorsed on such Bond a certificate of authentication substantially in the form set forth in Appendix B, duly executed by the Registrar, and such certificate of the Registrar upon any Bond executed on behalf of the Authority shall be conclusive evidence and the only evidence required that the Bond so authenticated has been duly issued hereunder and that the Holder thereof is entitled to the benefits of this Trust Agreement. The certificate of authentication may be executed by any authorized signatory of the Registrar.

Section 2.06. Registration and Exchange of Bonds.

The Bonds shall be negotiable instruments for all purposes and shall be transferable by delivery, subject only to the provisions for registration and registration of transfer endorsed on the Bonds.

The Authority shall cause books for registration and the registration of transfer of Bonds to be prepared. The registration books shall be kept by the Registrar.

If any Bond is surrendered to the Registrar at its Designated Office for transfer or exchange in accordance with the provisions of such Bond, the Authority shall execute and the Registrar shall authenticate and deliver in exchange for such Bond a new Bond or Bonds of the same Series, in any Authorized Denomination, bearing interest at the same rate and having the same stated maturity date, in aggregate principal amount equal to the principal amount of the Bond so surrendered, upon reimbursement to the Authority or the Registrar of an amount equal to any tax or other governmental charge required to be paid with respect to such exchange.

Neither the Authority nor the Registrar shall be required to register the transfer of any Bond or make any such exchange of any Bond after such Bond or any portion thereof has been selected for redemption.

Section 2.07. Bonds Mutilated, Destroyed, Lost or Stolen.

If any temporary or definitive Bond shall become mutilated or be destroyed, lost or stolen, the Authority in its discretion may execute, and upon its request the Registrar shall authenticate and deliver, a new Bond in exchange for the mutilated Bond, or in lieu of and substitution for the Bond so destroyed, lost or stolen. In every case of exchange or substitution, the applicant shall furnish to the Authority and to the Registrar (i) evidence to their satisfaction of the mutilation, destruction, loss or theft of the applicant's Bond and of the ownership thereof and (ii) in the case of any destroyed, lost or stolen Bond, such security or indemnity as may be required by them to save each of them harmless from all risks, however remote. Upon the issuance of any Bond upon such exchange or substitution, the Authority may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses, including (without limitation) counsel fees, of the Authority, the Trustee or the Registrar.

If any Bond that has matured or is about to mature shall become mutilated or be destroyed, lost or stolen, instead of issuing a Bond in exchange or substitution therefor, the Authority may pay or authorize the payment of such Bond (without surrender thereof except in the case of a mutilated Bond) if the applicant for such payment shall furnish to the Authority and the Registrar evidence to the satisfaction of the Authority and the Registrar of the mutilation, destruction, loss or theft of such Bond and of the ownership thereof and, in the case of any destroyed, lost or stolen Bond, such security or indemnity as they may require to save them harmless.

Every Bond issued pursuant to the provisions of this Section in exchange or substitution for any Bond that is mutilated, destroyed, lost or stolen shall constitute an additional contractual obligation of the Authority, whether or not the destroyed, lost or stolen Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits hereof equally and proportionately with any and all other Bonds duly issued under this Trust Agreement. All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds, and shall preclude any and all other rights or remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments or other securities without their surrender.

Section 2.08. Cancellation and Disposition of Bonds.

All mutilated Bonds, all Bonds surrendered for exchange or transfer, all Bonds that have been paid at maturity or upon prior redemption and all Bonds surrendered to the Trustee or the Registrar for cancellation or purchased by the Trustee with amounts on deposit in any Bond Fund or Redemption Fund shall be cancelled by the Trustee or the Registrar (as the case may be) and disposed of in accordance with the procedures of the Trustee or the Registrar (as the case may be) for the disposition of cancelled securities in effect as of the date of such disposition. The Trustee or the Registrar (as the

case may be) shall deliver to the Authority a certificate of any such disposition of any Bond, identifying the Bond so cancelled and disposed of.

Section 2.09. Book-Entry System.

The provisions of this Section shall apply to the Bonds of each Series so long as such Bonds shall be maintained under a book-entry system with a Securities Depository, any other provisions of this Trust Agreement to the contrary notwithstanding.

(a) Payments Due on Bonds. The principal or Redemption Price of and interest on the Bonds shall be payable to the Securities Depository, or registered assigns, as the registered owner of the Bonds, in same day funds on each date on which the principal or Redemption Price of or interest on the Bonds is due as set forth in this Trust Agreement and in the Bonds. Such payments shall be made to the offices of the Securities Depository specified by the Securities Depository to the Authority and the Trustee in writing. Without notice to or the consent of the beneficial owners of the Bonds, the Authority and the Securities Depository may agree in writing to make payments of principal and interest in a manner different from that set out herein. In such event, the Authority shall give the Trustee notice thereof, and the Trustee shall make payments with respect to the Bonds in the manner specified in such notice as if set forth herein. Neither the Authority nor the Trustee shall have any obligation with respect to the transfer or crediting of the appropriate principal and interest payments to Participants or the beneficial owners of the Bonds or their nominees.

(b) Redemption of Bonds. In the event that part but not all of any outstanding Bond is to be retired (by redemption, by purchase following any tender offer or otherwise), the Securities Depository, in its discretion (i) may request the Trustee to authenticate and deliver a new Bond in accordance with Section 3.03 upon presentation and surrender of such Bond to the Trustee or (ii) shall make appropriate notation on such Bond indicating the date and amount of each principal payment, *provided* that payment of the final principal amount of any Bond shall be made only upon presentation and surrender of such Bond to the Paying Agent.

(c) Securities Depository Deemed Owner. So long as the Securities Depository or its nominee is the registered owner of the Bonds, the Authority and the Trustee will recognize the Securities Depository or its nominee, respectively, as the holder of all of the Bonds for all purposes, including the payment of the principal or Redemption Price of, and interest on, the Bonds, as well as the giving of notices and any consent or direction required or permitted to be given to, or on behalf of, the holders of the Bonds under this Trust Agreement.

(d) Replacement of Securities Depository or Discontinuance of Book-Entry System. The Authority, in its discretion, at any time may replace any Securities Depository as the depository for the Bonds with another qualified securities depository or discontinue the maintenance of the Bonds under a book-entry system upon 30 days' notice to the Securities Depository (or such fewer number of days as shall be acceptable to such Securities Depository).

(e) Issuance of Replacement Bonds upon Discontinuance of Book-Entry System. If the Authority discontinues the maintenance of the Bonds under a book-entry system, the Authority will issue certificated Bonds directly to the Participants or, to the extent requested by any Participant, to the beneficial owners of Bonds as further described in this Section. The Authority shall make provisions to notify Participants and the beneficial owners of the Bonds, by mailing an appropriate notice to the Securities Depository, or by other means deemed appropriate by the Authority in its discretion, that it will issue certificated Bonds directly to the Participants or, to the extent requested by any Participant, to beneficial owners of Bonds as of a date set forth in such notice, which shall be a date at least 10 days after the date of mailing of such notice (or such fewer number of days as shall be acceptable to the Securities Depository).

In the event that certificated Bonds are to be issued to Participants or to beneficial owners of the Bonds, the Authority shall promptly have prepared Bonds of the same Series and maturity and bearing interest at the same rate registered in the names of the Participants as shown on the records of the Securities Depository provided to the Registrar or, to the extent requested by any Participant, in the names of the beneficial owners of such Bonds shown on the records of such Participant provided to the Registrar as of the date set forth in the notice delivered in accordance with this Section. Bonds issued to Participants or to beneficial owners shall be in fully registered form substantially in the form of Appendix B or the form set forth in any Supplemental Trust Agreement (as the case may be). The Authority, the Trustee, the Registrar and the Paying Agent shall be entitled to rely conclusively on the records of the Securities Depository or any Participant as to the identity of participants or beneficial owners of the Bonds for all purposes, including registration of certificated Bonds delivered pursuant to this subsection (e).

(f) Issuance of Replacement Bonds upon Appointment of Replacement Depository. If the Authority replaces any Securities Depository as the depository for the Bonds with another qualified Securities Depository, the Authority will issue to the replacement Securities Depository Bonds of the same Series and maturity and bearing interest at the same rate substantially in the form of Appendix B or the form set forth in any Supplemental Trust Agreement (as the case may be) registered in the name of such replacement Securities Depository.

(g) No Liability of Authority or Trustee. Each Securities Depository and the Participants and the beneficial owners of the Bonds, by their acceptance of the Bonds, agree that the Authority and the Trustee shall have no liability for the failure of any Securities Depository to perform its obligations to any Participant or any beneficial owner of any Bonds, nor shall the Authority or the Trustee be liable for the failure of any Participant or other nominee of any beneficial owner of any Bonds to perform any obligation that such Participant or other nominee may incur to any beneficial owner of the Bonds.

ARTICLE III

REDEMPTION OF BONDS

Section 3.01. Selection of Bonds to Be Redeemed.

If fewer than all of the Bonds shall be called for redemption, the Authority shall select the Series and maturities of the Bonds to be redeemed.

If fewer than all of the Bonds of a Series of any one maturity shall be called for redemption, the Registrar shall select the particular Bonds or portions of Bonds to be redeemed from such maturity by lot or in such other manner as the Registrar in its discretion may deem proper, *provided* that (a) the portion of any Bond remaining outstanding after any such redemption shall be in a principal amount equal to an Authorized Denomination for such Bond and (b) in selecting Bonds for redemption, the Registrar shall treat each Bond as representing that number of Bonds that is obtained by dividing the principal amount of such Bond by the minimum Authorized Denomination for such Bond.

Section 3.02. Notice of Redemption.

The Authority shall give written notice to the Trustee and the Registrar of its election to redeem Bonds at least 15 days prior to the date on which the Registrar is required to give notice of the redemption of such Bonds in accordance with the terms of such Bonds, or such fewer number of days as shall be acceptable to the Trustee and the Registrar. Upon receipt of such notice, the Registrar shall give notice in the name of the Authority of the Authority's election to redeem such Bonds. Any notice of redemption may state that such redemption is conditioned upon any circumstance set forth in such notice.

At least 45 days before each date on which a Sinking Fund Installment for the Bonds of any Series becomes due, the Trustee shall direct the Registrar to select Bonds subject to redemption from such Sinking Fund Installment to be redeemed on such date in an aggregate principal amount equal to the amount of such Sinking Fund Installment (as such Sinking Fund Installment may be reduced in accordance with Section 4.05(c)) and shall give notice in the name of the Authority of the redemption of such Bonds.

Each notice of redemption shall be given in accordance with the terms of the Bonds and any directions of the Authority, and shall set forth (i) the maturities of the Bonds to be redeemed, (ii) the date fixed for redemption, (iii) the CUSIP numbers of the Bonds to be redeemed, (iv) the Redemption Price to be paid, (v) that such Bonds will be redeemed at the Designated Office of the Paying Agent, (vi) if fewer than all of the Bonds of a Series of any one maturity then Outstanding shall be called for redemption, the distinctive numbers and letters, if any, of the Bonds to be redeemed, (vii) in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed, (viii) that the redemption of Bonds described therein is conditioned upon receipt by the Trustee, on or before the date fixed for redemption, of sufficient funds to pay the Redemption price of the Bonds to be redeemed and any other conditions to such redemption, (ix) the provisions of this Trust Agreement or

such Bonds (as the case may be) pursuant to which such redemption is to be effected, and (x) that on the redemption date, there shall become due and payable upon all Bonds to be redeemed the Redemption Price thereof, together with interest accrued to the date fixed for redemption, and that, from and after such date, interest thereon shall cease to accrue. If any Bond is to be redeemed in part only, the notice of redemption that relates to such Bond shall state also that on or after the date fixed for redemption, upon surrender of such Bond to the Paying Agent at its Designated Office, a new Bond or Bonds of the same Series and maturity, bearing interest at the same rate, and of any Authorized Denomination, will be issued in aggregate principal amount equal to the unredeemed portion of such Bond.

Each notice of redemption with respect to any Bond shall comply with any regulation or release of the Securities Exchange Commission, the Municipal Securities Rulemaking Board or other governmental authority or body from time to time applicable to such Bond. The CUSIP numbers in such notices are provided solely for the convenience of the holders of the Bonds, and the Trustee and the Registrar shall not be liable for any damage or loss arising from incorrect, incomplete or missing CUSIP numbers.

Notwithstanding the giving of any notice of redemption as provided in this Section, if on any date fixed for the redemption of any Bonds (other than any redemption from the Sinking Fund Installments) there shall not be on deposit with the Trustee or any Paying Agent sufficient funds for the payment of the Redemption Price of such Bonds, such redemption shall be cancelled and the notice thereof rescinded, and the Trustee immediately shall give notice thereof to the holders of all of the Bonds so called for redemption.

Section 3.03. Redemption of Portion of Bond.

In case part, but not all, of an Outstanding Bond shall be selected for redemption, upon the presentation and surrender of such Bond to the Paying Agent for payment of the principal amount thereof so called for redemption in accordance with such Bond, the Authority shall execute and the Registrar shall authenticate and deliver to or upon the order of the Holder of such Bond or the Holder's attorney or legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a Bond or Bonds of the same Series and maturity, bearing interest at the same rate and of any Authorized Denomination in aggregate principal amount equal to the unredeemed portion of such Bond.

Section 3.04. Redemption of Series 2002 Bonds.

(a) Optional Redemption. The Series 2002 Bonds are subject to redemption prior to maturity at the option of the Authority, as a whole or in part at any time at a Redemption Price equal to the unpaid principal amount of such Series 2002 Bonds to be redeemed, plus accrued and unpaid interest thereon through the date fixed for redemption, plus the Make-Whole Premium (hereinafter defined) on such principal amount, if any. The Make-Whole Premium will in no event be less than zero.

As used herein, the following terms shall have the meanings specified:

(i) "Make-Whole Premium" means, when used with respect to any Series 2002 Bond or portion thereof, an amount equal to the excess, if any, of the Discounted Value of the principal amount of such Series 2002 Bond to be redeemed over the outstanding principal amount thereof.

(ii) "Discounted Value" means the amount obtained by discounting all Remaining Scheduled Payments of the principal amount of such Series 2002 Bond from the due dates for such payments to the Settlement Date in accordance with accepted financial practice and at a discount factor (applied on a semi-annual basis) equal to the Reinvestment Yield with respect to such Series 2002 Bond.

(iii) "Reinvestment Yield" means the rate equal to the mean of the bid and ask quotations, (A) with respect to any Serial Bond, the rate on the United States Treasury obligation (the "Treasury Rate") having a term equal to the Remaining Average Life of such Serial Bond, plus 0.25% and (B) with respect to any Term Bond, based upon a year of 360 days consisting of twelve 30-day months, of the Swap Rate calculated using the United States Dollar Denominated Fixed Rate to the LIBOR floating rate, as reported at 1:00 EST as of the Business Day next preceding the Settlement Date on Telerate Page 19901 (or any successor page number) for a term equal to the Remaining Average Life of such Term Bond. With respect to any Term Bond, such implied yield will be determined, if necessary, by interpolating linearly between (1) the reported Swap Rate with the term closest to and greater than the remaining average life of such Bond and (2) the reported Treasury Rate or Swap Rate, as the case may be, with the term closest to and less than the remaining average life of such Bond. If Telerate does not exist or no longer publishes the Swap Rate, then the Authority shall use the average of the quotations from among five leading dealers, if available.

(iv) "Remaining Average Life" means with respect to any Series 2002 Bond, the number of years (calculated to the nearest one-twelfth (1/12) year) obtained by dividing (A) the sum of the products obtained by multiplying (1) each Remaining Scheduled Payment on such Bond (but not of interest thereon) by (2) the number of years (calculated to the nearest one-twelfth (1/12) year) which will elapse between the Settlement Date with respect to such Bond and the scheduled date of such Remaining Scheduled Payment (taking into consideration any mandatory redemption from Sinking Fund Installments) by (ii) the principal amount of such Series 2002 Bond to be redeemed.

(v) "Remaining Scheduled Payments" means all payments of the principal of and interest on such Series 2002 Bond which would be due on or after the Settlement Date if no payment of such Bond were made prior to its scheduled due date.

(vi) "Serial Bonds" means, collectively, the Series 2002 Bonds maturing July 1, 2003 through July 1, 2012, inclusive.

(vii) "Settlement Date" means the date fixed for redemption.

(viii) "Term Bonds" means, collectively, the Series 2002 Bonds maturing July 1, 2022 and July 1, 2032.

(b) Mandatory Redemption. The Series 2002 Bonds are subject to mandatory redemption from the Sinking Fund Installments for such Bonds at a Redemption Price equal to the principal

amount of the Series 2002 Bonds to be redeemed plus accrued interest to the date set for redemption, without premium or penalty.

Section 3.05. Redemption of Additional Bonds.

The provisions of this Article are subject in all respects to the provisions of any Supplemental Trust Agreement authorizing any Additional Bonds with respect to the Additional Bonds authorized thereby. Without limiting the generality of the foregoing, any Supplemental Trust Agreement authorizing any Additional Bonds may provide that moneys available for the redemption or purchase of Bonds at the option of the Authority on any date shall be allocated among all Series of outstanding Bonds in proportion (as nearly as practicable) to the aggregate principal amount of Bonds of each Series subject to redemption on such date.

ARTICLE IV

PLEGGED REVENUES AND FUNDS

Section 4.01. Creation of Funds.

(a) The following funds are hereby created:

CFC Revenue Fund;
Construction Fund;
Bond Fund;
Debt Service Reserve Fund;
Redemption Fund;
Coverage Fund; and
Facility Improvements Fund.

The Construction Fund shall be held by the Authority. The Authority shall deposit the Construction Fund with the Trustee, which shall act as custodian of the Construction Fund. The CFC Revenue Fund, the Bond Fund, the Debt Service Reserve Fund, the Redemption Fund, the Coverage Fund and the Facility Improvements Fund shall be held by the Trustee hereunder. Pending the application of amounts on deposit in the funds and accounts created hereby in accordance with this Trust Agreement, such amounts are hereby pledged to the payment of all Outstanding Bonds and, to the extent provided herein, MBIA, except as otherwise provided in any Supplemental Trust Agreement authorizing the issuance of any Additional Bonds in accordance with Section 2.04.

(b) As provided in Section 2.04, any Supplemental Trust Agreement authorizing the issuance of any Additional Bonds may, and to the extent required by Section 2.04 shall, provide for the creation of separate funds and accounts for such Bonds. When any provision of this Trust Agreement requires that any amount be deposited in a fund or account maintained for the Bonds of any Series, such amount shall be deposited in the fund or account established for such Series of Bonds. Notwithstanding any

other provision of this Trust Agreement, amounts from time to time on deposit in the funds and accounts maintained for the Bonds of any Series shall secure only the Bonds of such Series.

(c) For the purposes of internal accounting, any fund or account created by this Trust Agreement may contain one or more accounts or sub-accounts, as shall be deemed appropriate by the Authority.

Section 4.02. Application of Proceeds of Bonds; Deposit of Existing CFCs.

The proceeds of each Series of Bonds shall be received by the Trustee on behalf of the Authority.

Upon the receipt of the proceeds of the Series 2002 Bonds, including accrued interest, if any, thereon, the Trustee shall deposit such proceeds as follows: (i) any accrued interest on the Series 2002 Bonds shall be deposited by the Trustee in the Bond Fund; (ii) \$1,361,001.00 of such proceeds shall be deposited in the Coverage Fund; and (iii) the balance of such proceeds shall be deposited in the Construction Fund.

The CFCs collected and remitted to the MAA prior to the date of this Trust Agreement paid to the Trustee upon the issuance of the Series 2002 Bonds shall be deposited as follows: (i) \$351,432.00 to the Construction Fund and (ii) the balance to the Facility Improvements Fund.

The proceeds of each Series of Additional Bonds shall be applied as provided in the Supplemental Trust Agreement authorizing such Series of Additional Bonds.

Section 4.03. Deposit of Pledged Revenues.

(a) The Authority shall pay or cause to be paid to the Trustee the Pledged Revenues promptly upon receipt thereof by or on behalf of the Authority, which amounts shall be deposited by the Trustee into the CFC Revenue Fund. On the first day of each month, the Trustee shall transfer amounts in the CFC Revenue Fund as follows:

(i) to the Bond Fund, the sum of:

(A) one-sixth (1/6) of the interest becoming due on the Series 2002 Bonds on the immediately succeeding Interest Payment Date;

(B) one-twelfth (1/12) of the amount of any principal of the Series 2002 Bonds Outstanding becoming due on the immediately succeeding July 1;

(C) one-twelfth (1/12) of the amount of any Sinking Fund Installment for the Series 2002 Bonds Outstanding becoming due on the immediately succeeding July 1; and

(D) any deficiency in the amount required to be deposited in the Bond Fund in any prior month in accordance with this paragraph;

(ii) to the Coverage Fund, the balance on deposit in the CFC Revenue Fund until the amount on deposit therein shall equal the Coverage Fund Requirement;

(iii) to MBIA and the issuer of any other Debt Service Reserve Fund Credit Facility any amount required to be paid to MBIA under the terms of the respective Debt Service Reserve Fund Credit Facility Agreements;

(iv) to the payment of any fees and expenses of the Trustee then due and any other Administrative Expenses then due under this Trust Agreement;

(v) to the Debt Service Reserve Fund, beginning on any date on which the Authority receives notice of any deficiency in the Debt Service Reserve Fund, such amount as shall be required to make the amount on deposit in the Debt Service Reserve Fund equal the Debt Service Reserve Fund Requirement; and

(vi) to the Facility Improvement Fund, the balance on deposit in the CFC Revenue Fund.

Section 4.04. Construction Fund

(a) The Authority shall pay from the Construction Fund the Administrative Expenses relating to the issuance of each Series of Bonds and not otherwise paid.

(b) Moneys deposited in the Construction Fund shall be used only to finance or refinance the Costs of or relating to the Project and any Additional Facilities, including (without limitation) reimbursements to the MAA and the Department for such Costs and expenses paid by the Department and MAA in connection with the Project or such Additional Facilities as are approved by the Authority.

(c) Payments pursuant to paragraphs (a) and (b) of this Section shall be made from the Construction Fund pursuant to Requisitions of the Authority.

(d) As soon as practicable after the Completion Date of the Project or any Additional Facilities, the Authority shall deliver to the Trustee a Certificate of the Authority certifying the balance of moneys then remaining in the Construction Fund and shall forthwith pay to the Trustee such balance, less any amounts to be retained in the Construction Fund to pay any unpaid Costs of the Project or such Additional Facilities. The Trustee shall pay any balance so received as follows and in the following order of priority:

FIRST: to the Debt Service Reserve Fund, such amount as shall be necessary to make the amount credited to the Debt Service Reserve Fund equal the Debt Service Reserve Fund Requirement; and

SECOND: to the Coverage Fund, such amounts as shall be necessary to make the amount credited to the Coverage Fund equal the Coverage Fund Requirement; and

THIRD: to the Facility Improvements Fund, the Redemption Fund or the Bond Fund, as shall be directed by Order of the Authority.

Section 4.05. Bond Fund.

Except as provided in any Supplemental Trust Agreement authorizing any Series of Additional Bonds with respect to any Bond Fund maintained for the Bonds of such Series, amounts on deposit in the Bond Fund shall be applied in accordance with this Section.

(a) Interest. On each Interest Payment Date, the Trustee shall make available to the Paying Agent from the Bond Fund maintained for the Bonds of any Series the amount required to pay the interest due on the outstanding Bonds of such Series on such date, which amount shall be applied by the Paying Agent to the payment of the interest due on such Bonds in accordance with the terms of such Bonds.

(b) Principal. On each date on which the principal of the Outstanding Bonds of a Series becomes due, the Trustee shall make available to the Paying Agent from the Bond Fund maintained for the Bonds of such Series the amount required to pay the principal due on such date, which amount shall be applied by the Paying Agent to the payment of such principal in accordance with the terms of such Bonds.

(c) Sinking Fund Installments. Moneys in the Bond Fund maintained for the Bonds of a Series for the payment of Sinking Fund Installments on such Bonds shall be applied to the purchase or redemption of such Bonds as follows:

(i) Subject to the provisions of paragraph (ii) below, prior to the due date for the payment of each Sinking Fund Installment for such Bonds, the Trustee shall direct the Registrar to call for redemption in accordance with Article III Outstanding Bonds of such Series subject to redemption from such Sinking Fund Installment in an aggregate principal amount equal to such Sinking Fund Installment, less the amount previously credited against such Sinking Fund Installment in accordance with paragraph (iii) below. On the date fixed for redemption of such Bonds, the Trustee shall make available to the Paying Agent from such Bond Fund an amount equal to the principal amount of such Bonds so called for redemption, which amount shall be applied by the Paying Agent to the payment of the Redemption Price of such Bonds in accordance with the terms of such Bonds.

(ii) Upon the direction of the Authority, the Trustee shall endeavor to purchase Outstanding Bonds of such Series subject to redemption from the Sinking Fund Installment due on any date from amounts on deposit in such Bond Fund for the payment of such Sinking Fund Installment at the most advantageous price then obtainable with reasonable diligence. No such purchase shall be made by the Trustee (A) after the earlier of the date on which the Trustee gives notice of the redemption of Bonds of such Series from such Sinking Fund Installment and the date that is 45 days before the due date for the payment of such Sinking Fund Installment, or (B) at a price, including any brokerage and other charges, greater than the principal amount of such Bonds and accrued interest thereon.

(iii) If (A) the Trustee purchases Bonds from amounts on deposit in the Bond Fund for the payment of the Sinking Fund Installment for such Bonds in accordance with paragraph (ii) above, (B) the Authority delivers to the Trustee for cancellation Bonds subject to redemption from such Sinking Fund Installment on or before the earlier of the date on which the Trustee gives notice of the redemption of any Bonds from such Sinking Fund Installment and the date that is 45 days before the due date for the payment of such Sinking Fund Installment, or (C) Bonds subject to redemption from any Sinking Fund Installment are redeemed at the election of the Authority, then an amount equal to 100% of the aggregate principal amount of such Bonds so purchased and delivered to the Trustee for cancellation or redeemed (as the case may be) shall be credited against such Sinking Fund Installment.

(iv) If the aggregate principal amount of Bonds of any Series purchased or redeemed in any 12-month period ending July 1 of any year is in excess of the Sinking Fund Installment due on such Bonds in such period, the Trustee shall credit the amount of such excess against subsequent Sinking Fund Installments for such Bonds as directed by a Certificate of the Authority.

Section 4.06. Debt Service Reserve Fund.

If on any Interest Payment Date the amount in the Bond Fund shall be less than the amount of interest then due on the Outstanding Bonds, or if on any date on which the principal amount of any Outstanding Bond becomes due the amount in the Bond Fund shall be less than the amount of the principal and the Sinking Fund Installment (either or both, as the case may be) then due on the Outstanding Bonds, the Trustee forthwith shall transfer moneys from the Debt Service Reserve Fund to the Bond Fund, to the extent necessary to make good any deficiency.

For the purposes of this Trust Agreement, in the case of the Debt Service Reserve Fund:

(a) a "deficiency" shall mean that the value of the assets of the Debt Service Reserve Fund, determined in accordance with Section 4.11, is less than the Debt Service Reserve Fund Requirement; and

(b) a "surplus" shall mean that the value of the assets of the Debt Service Reserve Fund, determined in accordance with Section 4.11, is in excess of the Debt Service Reserve Fund Requirement.

The Trustee shall determine the value of the assets of the Debt Service Reserve Fund in the manner provided by Section 4.11 as of the close of business (i) on July 1 in each year, (ii) on the date of any withdrawal from the Debt Service Reserve Fund and on the last Business Day of each month thereafter until such determination discloses that a deficiency no longer exists in such fund, (iii) on any date on which the Trustee obtains actual knowledge that any Debt Service Reserve Fund Credit Facility held to the credit of the Debt Service Reserve Fund is no longer entitled to be credited to the Debt Service Reserve Fund, (iv) on the date that is six months prior to the stated expiration date of any Debt Service Reserve Fund Credit Facility, and (v) on any other date directed by the Authority.

As promptly as practicable after making such determination, the Trustee shall notify the Authority of the result of such determination and of the amount of any deficiency or surplus determined to exist in the Debt Service Reserve Fund.

The Trustee shall transfer the amount of any surplus that exists in the Debt Service Reserve Fund from time to time to the Facility Improvements Fund, the Bond Fund, the Redemption Fund or the Coverage Fund upon the direction of the Authority.

If the Authority shall determine to provide for the payment of any Bonds as provided in Section 9.01, then on the date on which such Bonds are deemed to be paid in accordance with such Section, the amount by which the amount then on deposit in the Debt Service Reserve Fund exceeds the Debt Service Reserve Fund Requirement for the Outstanding Bonds, taking into account the Bonds then deemed to be paid in accordance with Section 9.01, shall be paid to the escrow deposit agent for such Bonds upon the Order of the Authority.

Section 4.07. The Debt Service Reserve Surety Bond.

(a) If, on the fifth business day prior to any scheduled interest payment date or principal payment date on the Series 2002 Bonds (the "Debt Service Payment Date"), there is not on deposit with the Trustee, after making all transfers and deposits required under this Trust Agreement, moneys sufficient to pay the principal of and interest on such Series 2002 Bonds due on such Debt Service Payment Date, the Trustee shall make a claim under the Debt Service Reserve Surety Bond by giving notice to MBIA and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone, telecopy, telex, TWX or telegram no later than 1:00 p.m., New York City time on such Business Day of the policy number of the Debt Service Reserve Surety Bond, the related Debt Service Payment Date, the amount of such principal and interest payment due on the Series 2002 Bonds, the amount of such deficiency and whether the Trustee has previously made demand under the Debt Service Surety Bond.

(b) In the event the claim to be made is for a Sinking Fund Installment, upon receipt of the moneys due, the Trustee shall authenticate and deliver to affected holders who surrender their Series 2002 Bonds a new Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of such Bond surrendered.

(c) The Trustee shall keep a complete and accurate record of all funds deposited by MBIA into the Debt Service Reserve Policy Payments Account (hereinafter defined) and the allocation of such funds to payment of interest on and principal paid in respect of any Series 2002 Bond. The Authority and MBIA shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(d) Upon payment of a claim under the Debt Service Reserve Surety Bond, the Trustee shall establish a separate special purpose trust account for the benefit of holders referred to herein as the "Debt Service Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Debt Service Reserve Surety Bond in trust on behalf of holders and shall deposit any such amount in the Debt Service Policy

Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to holders in the same manner as principal and interest payments are to be made with respect to the Series 2002 Bonds under Section 4.13. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments.

(e) Funds held in the Debt Service Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee.

(f) Any funds remaining in the Debt Service Policy Payments Account following a Debt Service Payment Date shall promptly be remitted to MBIA.

Section 4.08. Facility Improvements Fund.

Amounts on deposit in the Facility Improvements Fund shall be applied in accordance with Requisitions of the Authority to the payment of (a) costs of operating the transportation system in connection with the rental car facilities prior to the completion of the Project, (b) costs of acquisition of the Common Shuttle Bus Fleet, costs of additions, improvements or betterments to, or design, expansion, construction, replacement, remodeling or equipping of the Facilities, including (without limitation) any extraordinary maintenance of or repairs to the Facilities, and such other costs of the Facilities as shall be permitted under Applicable Law and (c) any amounts required to be refunded to any Operator as an overpayment of Contingent Rent under the Lease and Concession Contract to Establish and Operate a Non-exclusive On-Airport Rental Auto Concession at Baltimore/Washington International Airport, or other similar agreement, between MAA and such Operator.

So long as no Event of Default shall have occurred and be continuing, upon the Order of the Authority, any amount from time to time on deposit in the Facility Improvements Fund in excess of the amount determined by the Authority to be required for the purposes of the Facility Improvements Fund shall be transferred to the Coverage Fund, the Bond Fund or the Redemption Fund.

Section 4.09. Coverage Fund.

If on any Interest Payment Date the amount in the Bond Fund shall be less than the amount of interest then due on the Outstanding Bonds, or if on any date on which the principal amount of any Outstanding Bond becomes due the amount in the Bond Fund shall be less than the amount of the principal and the Sinking Fund Installment (either or both, as the case may be) then due on the Outstanding Bonds, the Trustee forthwith shall transfer moneys from the Coverage Fund to the Bond Fund, to the extent necessary to make good any deficiency, prior to the transfer of amounts on deposit in the Debt Service Reserve Fund.

Amounts on deposit in the Coverage Fund in excess of the Coverage Fund Requirement shall be transferred to the Bond Fund, the Redemption Fund or the Facility Improvements Fund (or applied for any purpose for which amounts on deposit in the Facility Improvements Fund may be applied hereunder) in accordance with Requisitions of the Authority.

Section 4.10. Redemption Fund.

(a) The Trustee shall deposit in the Redemption Fund any amounts paid to the Trustee for the redemption of Bonds (other than any redemption from the Sinking Fund Installments).

(b) On any date on which a determination of the value of the assets of the Debt Service Reserve Fund in the manner provided by Section 4.11 discloses a deficiency therein, the Trustee shall transfer to the Debt Service Reserve Fund from the Redemption Fund any available amounts on deposit in the Redemption Fund to the extent of such deficiency. The Trustee shall notify the Authority of such transfer and the amount thereof.

(c) Subject to the provisions of paragraphs (b) and (d) of this Section, available moneys in the Redemption Fund shall be applied by the Trustee to the purchase or redemption of Bonds of such Series and maturities as the Authority shall direct in writing. At the written direction of the Authority, the Trustee shall endeavor to purchase such Bonds at the most advantageous price obtainable with reasonable diligence.

(d) The Authority may set aside any available amount on deposit in the Redemption Fund for the redemption of particular Bonds by the delivery of irrevocable written instructions to the Trustee directing the Trustee to set aside such amount for such purpose, in which event all of the provisions of Sections 9.01 and 10.04 shall be applicable to such Bonds and the amounts set aside for the payment of such Bonds. Amounts set aside for the redemption of Bonds and investment earnings on such amounts shall be applied to the payment of the interest due on such Bonds on or prior to the redemption date of such Bonds to the extent provided in such instructions.

(e) Moneys set aside to pay the Redemption Price of any Bonds theretofore called or redemption or the purchase price of Bonds theretofore contracted to be purchased shall not be deemed to be available for application as provided in this Section.

Section 4.11. Investments.

Moneys in any of the funds and accounts established by this Trust Agreement may be invested, but only in Permitted Investments maturing or redeemable at the option of the holder in such amounts and on such dates as may be necessary to provide moneys to meet the payments from such funds and accounts. The Trustee shall invest amounts on deposit in the funds and accounts held by the Trustee in accordance with this Section as directed by an Authority Representative.

Subject to the further provisions of this Section, interest earned, profits realized and losses suffered by reason of any investment of any amounts held by the Trustee under this Trust Agreement shall be credited or charged, as the case may be, to the fund or account for which such investment shall have been made, except as otherwise provided in any Supplemental Trust Agreement authorizing any Additional Bonds with respect to any funds and accounts maintained for such Additional Bonds.

The Trustee may sell or redeem any obligations in which moneys shall have been invested to the extent necessary to provide cash in the respective funds or accounts to make any payments required

to be made therefrom or to facilitate the transfers of moneys between various funds and accounts as may be required or permitted from time to time pursuant to the provisions of this Trust Agreement. The proceeds from the sale of any investment shall be paid into the fund or account for which the sale thereof was made.

In determining the value of the assets of the funds and accounts created by this Trust Agreement (i) investments and accrued interest thereon shall be deemed a part thereof, and (ii) investments shall be valued at the current market value thereof.

In addition, in determining the value of the assets of the Debt Service Reserve Fund on any date, there shall be credited to the Debt Service Reserve Fund the amount that can be realized by the Trustee under any Debt Service Reserve Fund Credit Facility if each of the following conditions is met: (i) on the date of delivery of such Debt Service Reserve Fund Credit Facility to the Trustee, the unsecured indebtedness or claims-paying ability of the issuer thereof is rated in one of the three highest Rating Categories of a Rating Agency; (ii) such Debt Service Reserve Fund Credit Facility permits the Trustee to realize amounts thereunder at such times as the Trustee is required to transfer any amount (other than any surplus) from the Debt Service Reserve Fund in accordance with this Trust Agreement; (iii) if amounts realized under such Debt Service Reserve Fund Credit Facility are, under any circumstances, payable from the Pledged Revenues, such amounts shall be payable in no fewer than 12 equal monthly installments; and (iv) the expiration date of such Debt Service Reserve Fund Credit Facility is at least six months after the date of valuation or is after the maturity date of the Bonds secured thereby or such Debt Service Reserve Fund Credit Facility permits the Trustee to draw thereunder for deposit to the Debt Service Reserve Fund an amount equal to the Debt Service Reserve Fund Requirement prior to its expiration.

Neither the Authority nor the Trustee shall be liable for any depreciation in the value of any obligations in which moneys of the funds or accounts created by this Trust Agreement shall be invested in accordance with this Section, or for any loss arising from any investment permitted herein. The investments authorized by this Section shall at all times be subject to the provisions of Applicable Law.

Section 4.12. Application of Moneys in Certain Funds for Retirement of Bonds.

Notwithstanding any other provision of this Trust Agreement, if at any time the Authority shall determine to provide for the payment of all Outstanding Bonds of a Series in accordance with Article IX, upon the Order of the Authority, the Trustee shall apply any moneys on deposit in the Bond Fund or the Debt Service Reserve Fund securing such Bonds available for the payment of the principal or Redemption Price of and interest on such Bonds, the Coverage Fund or the Facility Improvements Fund to the payment or redemption of such Bonds in the manner provided by Article IX, except as otherwise provided in any Supplemental Trust Agreement.

Section 4.13. The Bond Insurance Policy.

(a) In the event that, on the second Business Day and again on the Business Day immediately preceding any payment date on the Series 2002 Bonds, the Trustee has not received sufficient moneys

to pay all principal of and interest on the Series 2002 Bonds due on such payment date, on the second following or following, as the case may be, Business Day, the Trustee shall immediately notify MBIA or its designee on the same Business Day by telephone or telegraph, confirmed in writing by registered or certified mail, of the amount of the deficiency. If the deficiency is made up in whole or in part prior to or on the payment date, the Trustee shall so notify MBIA or its designee. In addition, if the Trustee has notice that any holder of Series 2002 Bonds has been required to disgorge payments of principal or interest on the Series 2002 Bonds to a trustee in bankruptcy or creditors or others pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes a voidable preference to such holder within the meaning of any applicable bankruptcy laws, then the Trustee shall notify MBIA or its designee of such fact by telephonic or telegraphic notice, confirmed in writing by registered or certified mail.

(b) The Trustee is hereby irrevocably designated, appointed, directed and authorized to act as attorney-in-fact for Holders of the Series 2002 Bonds as follows: (i) if and to the extent there is a deficiency in the amounts required to pay interest on any Series 2002 Bonds, to execute and deliver to State Street Bank and Trust Company, N.A., or its successors under the Bond Insurance Policy (the "Insurance Paying Agent"), in form and substance satisfactory to the Insurance Paying Agent, an instrument appointing MBIA as agent for such holders in any legal proceeding related to the payment of interest on such Series 2002 Bonds and an assignment to MBIA of the claims for interest to which such deficiency relates and which are paid by MBIA and to receive as designee of the respective holder and not as Trustee in accordance with the tenor of the Bond Insurance Policy payment from the Insurance Paying Agent with respect to the claims for interest so assigned and disburse the same to such respective holders; and (ii) if and to the extent of a deficiency in amounts required to pay principal of any Series 2002 Bonds, to execute and deliver to the Insurance Paying Agent, in form satisfactory to the Insurance Paying Agent, an instrument appointing MBIA as agent for such holder in any legal proceeding relating to the payment of such principal on such Series 2002 Bonds and an assignment to MBIA of any of the Series 2002 Bonds surrendered to the Trustee of so much of the principal amount thereof as has not previously been paid or for which moneys are not held by the Trustee and available for such payment (but such assignment shall be delivered only if payment from the Insurance Paying Agent is received), and to receive as designee of the respective holders (and not as Trustee) in accordance with the tenor of the Bond Insurance Policy payment therefor from the Insurance Paying Agent and disburse the same to such holders. Payments with respect to claims for interest on and principal of Series 2002 Bonds disbursed by the Trustee from proceeds of the Bond Insurance Policy shall not be considered to discharge the obligation of the Authority with respect to such Series 2002 Bonds as set forth in Article IX, and MBIA shall become the owner of such unpaid Series 2002 Bonds and claims for interest in accordance with the tenor of the assignment made to it under the provisions of this paragraph or otherwise. Irrespective of whether any such assignment is executed and delivered, the Authority and the Trustee hereby agree for the benefit of MBIA that (A) they recognize that to the extent MBIA makes payments, directly or indirectly (as by paying through the Trustee), on account of the principal of or interest on the Series 2002 Bonds to the holders of such Bonds, MBIA will be subrogated to the rights of such owners to receive the amount of such principal and interest from the Authority, with interest thereon as provided herein and solely from the Pledged Revenues, and (B) they will accordingly pay to MBIA the amount of such principal and interest (including principal and interest received under subparagraph (ii) of the first paragraph of the Bond Insurance Policy, which

principal and interest shall be deemed past due and not to have been paid), with interest thereon as provided in this Trust Agreement and the Series 2002 Bonds, but only from the Pledged Revenues and in the manner provided herein for the payment of the principal of and interest on the Series 2002 Bonds to holders of the Series 2002 Bonds, and will otherwise treat MBIA as the owner of such rights to the amount of such principal and interest.

ARTICLE V

PARTICULAR COVENANTS

Section 5.01. Payment of Bonds.

The Authority shall pay or cause to be paid the principal or Redemption Price of and interest on, and the purchase price of, every Bond on the date and at the place and in the manner provided herein and in the Bonds, according to the true intent and meaning thereof, *provided* that the Bonds shall be limited obligations of the Authority payable solely from the Pledged Revenues.

Neither the State, nor the Department, nor the MAA, nor any political subdivision of the State nor the Authority shall be obligated to pay the Bonds or the interest thereon except from the Pledged Revenues and from other sources as provided herein, and neither the faith and credit nor the taxing power of the State, the Department, the MAA, any political subdivision of the State or the Authority is pledged to the payment of the Bonds or the interest thereon. The issuance of the Bonds shall not directly or indirectly or contingently obligate the State, the Department, MAA or any political subdivision of the State to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment. The Authority and MAA have no taxing powers.

Section 5.02. Representations of the Authority.

The Authority represents and covenants that: (a) it is duly authorized under the Constitution and laws of the State, particularly the Enabling Legislation, to issue the Series 2002 Bonds, to enter into this Trust Agreement and to pledge the Trust Estate in the manner and to the extent set forth in this Trust Agreement, (b) all action on its part for the issuance of the Series 2002 Bonds has been duly and effectively taken, and (c) the Series 2002 Bonds when issued in accordance with this Trust Agreement will be valid and binding obligations of the Authority.

Section 5.03. Rate Covenant.

The Authority covenants that it shall cause the MAA to fix, charge and collect such CFCs and Contingent Rent as will be sufficient in each Bond Year, together with amounts transferred to the Bond Fund from the Coverage Fund during such Bond Year, amounts on deposit in the Coverage Fund as of the last day of such Bond Year and interest earnings on the funds and accounts created by this Trust Agreement for such Bond Year, to produce Pledged Revenues in each Bond Year in an amount not less than the sum of (a) 125% of the Debt Service Requirements of all outstanding Bonds for such

Bond Year and (b) 100% of the Debt Service Requirements of all other outstanding Long-Term Indebtedness for such Bond Year.

If in any Bond Year the amount of the CFCs and Contingent Rent imposed and collected by MAA in connection with operation of the Facilities is less than the amount required under this Section, as soon as practicable after the last day of such Bond Year (but in no event more than 120 days after the last day of such Bond Year), the Authority shall employ an Independent Consultant to prepare a Report including recommendations with respect to the CFC and Contingent Rent). The Authority shall require the Independent Consultant to file its report with the Authority, the Department, MAA and the Trustee within 30 days after the date of its employment by the Authority pursuant to this Section, *provided* that the Authority may extend the time for the filing by the Independent Consultant of its report to the extent reasonably necessary to enable the Independent Consultant to complete such report if the Independent Consultant files a Request for such an extension with the Authority and the Trustee containing an estimated completion date for such report and stating that the Independent Consultant is proceeding diligently to complete its report and that its report cannot reasonably be completed within the time allowed by this paragraph.

The Independent Consultant may recommend with respect to the CFC and Contingent Rent imposed and collected in connection with operation of the Facilities, either that MAA (i) make no change, or (ii) make some change, even though such recommendation is not calculated to result in compliance with this Section, if the Independent Consultant includes in its Report a statement to the effect that compliance with such recommendations should result in the generation of the maximum feasible amount of Pledged Revenues.

The Authority shall cause the MAA to revise or cause to be revised the CFC and Contingent Rent, in conformity with any practicable recommendation of the Independent Consultant and shall otherwise follow any practicable recommendation of the Independent Consultant. If the MAA complies with the reasonable recommendations of such Independent Consultant, then the failure of the Authority to meet the requirements of this Section for such Bond Year shall not constitute an Event of Default.

The provisions of this Section are in all respects subject to Applicable Law.

Section 5.04. Rates and Charges.

The Authority shall at all times maintain or cause MAA to maintain adequate accounting and management procedures to provide for the periodic review of the CFC and Contingent Rent imposed and collected in order to determine the need for any change therein or modification thereof and to permit such change or modification to be implemented within the period required to enable the Authority to comply with this Trust Agreement.

Section 5.05. Accounts and Audits.

The Authority shall keep or cause MAA to keep proper books of records and accounts (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions with respect to the Pledged Revenues. Such books and accounts shall be subject to the inspection of the Trustee (at reasonable hours and subject to the reasonable rules and regulations of the Authority).

Section 5.06. Additional Indebtedness.

The Authority shall not create or incur any Indebtedness payable in whole or in part from any portion of the Trust Estate, except: (a) any Additional Bonds issued in accordance with this Trust Agreement; (b) any Indebtedness secured by a pledge of all or any portion of the Trust Estate junior and subordinate to the pledge of such portion of the Trust Estate securing the Bonds ("Subordinate Obligations"); (c) any unsecured Indebtedness ("Unsecured Obligations"); and (d) temporary, short-term loans incurred in accordance with this Section ("Temporary Loans").

If the cash requirements of any portion of the Facilities from time to time exceed the funds available therefor as a result of any delay in receipt of any grant payments or other Pledged Revenues, the Authority may obtain Temporary Loans in anticipation of such payments or revenues. Temporary Loans may be secured by a first lien on any grant payments in anticipation of which such Temporary Loans are incurred, or other revenues of the Authority that do not constitute Pledged Revenues, but shall be subordinate to all outstanding Bonds with respect to the balance of the Trust Estate.

No payments shall be made with respect to the principal of or interest on any Subordinate Obligation or any Unsecured Obligation during any period in which (i) any Event of Default shall have occurred and be continuing, or (ii) any deposit required to be made under Section 4.03 remains unpaid. During any other period, the Authority may pay or prepay, or authorize the payment or prepayment of, the principal of and interest on any Subordinate Obligation or any Unsecured Obligation and no recourse shall be had by the Trustee or any Holder against the person to whom any such payment shall have been made unless such person shall have had, at the time of receipt of such payment, actual knowledge of the occurrence of an Event of Default.

Section 5.07. Lease and Assignment; Financing Agreement.

The Authority shall perform its obligations under, and enforce the performance of the obligations of the other parties to, the Lease and Assignment and the Financing Agreement ("Facilities Contracts"), in each case to the extent necessary to permit the Authority to meet its obligations under this Trust Agreement. The Authority shall take all reasonable measures permitted by law to enforce payment to it of all Pledged Revenues, and shall at all times, to the extent permitted by law, defend, preserve and protect the rights, benefits and privileges of the Authority under the Facilities Contracts.

Nothing in this Section shall be deemed to require the Authority to take any action to enforce its rights under the Facilities Contracts or otherwise or to require the MAA to enforce the rights under any

contracts with respect to the Facilities, including (without limitation) its right to receive any Pledged Revenues, if the Authority in good faith determines that such action is not reasonably justified by the nature of the potential remedy or recovery or the likelihood of the recovery and the expense or other adverse effects of such action.

Section 5.08. Financing Statements

The Authority covenants that, in order further to evidence the grant to the Trustee of the interest of the Trustee in the Trust Estate made hereby to the extent possible by such filing, appropriate financing statements (the "Financing Statements"), naming the Trustee as assignee of the Trust Estate, will be filed in the appropriate offices as required by the Maryland Uniform Commercial Code, as from time to time in effect (the "UCC"). Upon the request of the Trustee the Authority shall execute such necessary continuation statements ("Continuation Statements") from time to time as may be required pursuant to the UCC to protect the interests of the Trustee and the Holders in the Trust Estate.

Section 5.09. No Disposition of Trust Estate.

Except as permitted by this Trust Agreement, the Authority shall not sell, lease, pledge, assign or otherwise dispose of, and shall neither create nor suffer to remain any lien, encumbrance or charge upon, its interest in the Trust Estate ranking prior to or on a parity with the claim, lien and pledge created by this Trust Agreement as security for the Series 2002 Bonds and any Additional Bonds issued within the limitations of this Trust Agreement. The Authority from the Pledged Revenues will cause to be discharged, or will make adequate provisions to satisfy and discharge, within 60 days after the same shall accrue, all lawful claims and demands that, if unpaid, might by law become such a lien upon its interest in the Trust Estate, *provided* that nothing contained in this Section shall require the Authority to pay or cause to be discharged, or make provision for, any such lien, encumbrance or charge so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings.

Section 5.10. Transportation Authority Fund.

Section 4-313 of the Enabling Legislation shall not apply to the Series 2002 Bonds and, accordingly, the Series 2002 Bonds shall not be secured by the Transportation Authority Fund.

ARTICLE VI

CONCERNING THE TRUSTEE

Section 6.01. Registrar; Paying Agent.

Except as otherwise provided in any Supplemental Trust Agreement, the Trustee shall also be the Registrar and the Paying Agent for the Bonds. The provisions of this Article VI for the protection of the Trustee shall apply equally to the Registrar and the Paying Agent in the performance of their duties.

Section 6.02. Trustee Entitled to Indemnity.

The Trustee shall be under no obligation to institute any suit, or to undertake any proceeding under this Trust Agreement, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction against any and all costs and expenses, advances, outlays and counsel fees and other reasonable disbursements, and against all liability except as a consequence of its own negligence or default. Nevertheless, the Trustee may begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as the Trustee, without indemnity.

Section 6.03. Responsibilities of the Trustee.

The recitals, statements and representations contained in this Trust Agreement and in the Bonds shall be taken as the statements of the Authority and not of the Trustee, and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Trust Agreement or with respect to the security afforded by this Trust Agreement or the due execution hereof by the Authority, and the Trustee shall incur no liability with respect thereto. Except as otherwise expressly provided in this Trust Agreement, the Trustee shall have no responsibility or duty with respect to: (i) the issuance of the Bonds for value, (ii) the application of the proceeds thereof, except to the extent that such proceeds are received by it in its capacity as Trustee, or (iii) the application of any moneys paid to the Authority or others in accordance with this Trust Agreement except as to the application of any moneys paid to it in its capacity as Trustee.

The duties and obligations of the Trustee shall be determined by the express provisions of this Trust Agreement and no implied covenant or obligation shall be read into this Trust Agreement against the Trustee, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Trust Agreement.

The Trustee shall not be liable for any action taken or omitted by it in the performance of its duties under this Trust Agreement except for its own negligence or willful misconduct.

The Trustee is not liable with respect to any action it takes or omits to be taken by it in good faith in accordance with the direction of the Bondholders under any provision of this Trust Agreement relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Trust Agreement.

No provision of this Trust Agreement shall require the Trustee to expend or risk its own funds or otherwise incur any liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it has reasonable grounds for believing that the repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

The Trustee is under no obligation to exercise any of the rights or powers vested in it by this Trust Agreement at the request or direction of any of the Bondholders unless such holders have offered to the Trustee security or indemnity satisfactory to the Trustee as to its terms, coverage, duration,

amount and otherwise with respect to the costs, expenses and liabilities which may be incurred by it in compliance with such request or direction, and the provision of such indemnity shall be mandatory for any remedy taken upon direction of the holders of a majority in aggregate principal amount of the Bonds.

The Trustee is not required to take notice or deemed to have notice of any default or Event of Default hereunder, except Events of Default under Section 7.01(a) and (b), unless a responsible officer of the Trustee has actual knowledge thereof or has received notice in writing of such default or Event of Default from the Authority or the holders of at least 25% of the Bonds, and in the absence of any such notice, the Trustee may conclusively assume that no such default or Event of Default exists.

The Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under this Trust Agreement shall extend to the Trustee's officers, directors, agents, attorneys and employees. Such immunities and protections and right to indemnification, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the defeasance or discharge of this Trust Agreement and final payment of the Bonds.

The permissive right of the Trustee to take the actions permitted by this Trust Agreement shall not be construed as an obligation or duty to do so.

In case an Event of Default shall have occurred and be continuing, the Trustee shall exercise such of the rights and powers vested in it hereby and use the same degree of care and skill in their exercise as a prudent person would exercise under the circumstances in the conduct of his or her own affairs.

Section 6.04. Property Held in Trust.

All moneys and securities held by the Trustee or any Paying Agent at any time pursuant to the terms of this Trust Agreement shall be held by it in trust for the purposes and under the terms and conditions of this Trust Agreement.

Section 6.05. Trustee Protected in Relying on Certain Documents.

The Trustee may rely upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other document provided to the Trustee in accordance with the terms of this Trust Agreement that it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of this Trust Agreement, or upon the written opinion of any counsel, architect, engineer, insurance consultant, management consultant or accountant believed by the Trustee to be qualified in relation to the subject matter, and the Trustee shall be under no duty to make any investigation or inquiry into any statements contained or matters referred to in any such instrument. The Trustee may consult with counsel, who may or may not be Bond Counsel or counsel to the

Authority, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it in good faith and in accordance therewith.

Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Trust Agreement, such matter may be deemed to be conclusively proved and established by a Certificate of the Authority, unless other evidence in respect thereof be hereby specifically prescribed. Such certificate shall be full warrant for any action taken or suffered in good faith under the provisions hereof, but in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable. Except as otherwise expressly provided herein, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision hereof by the Authority to the Trustee shall be sufficiently executed if executed in the name of the Authority by an Authority Representative.

The Trustee shall not be under any obligation to see to the recording or filing of this Trust Agreement, or otherwise to the giving to any person of notice of the provisions hereof, except as provided in Section 6.13.

Section 6.06. Compensation and Expenses of the Trustee.

The Authority covenants and agrees:

(a) to pay the Trustee from the Pledged Revenues from time to time reasonable compensation for all services rendered by it hereunder and under the other agreements relating to the Bonds to which the Trustee is a party subject to the terms agreed to from time to time by the Authority and the Trustee;

(b) to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Trust Agreement, any other agreement relating to the Bonds to which it is a party or in complying with any request by the Authority or any Rating Agency with respect to the Bonds, including the reasonable compensation, expenses and disbursements of its agents and counsel, except any such expense, disbursement or advance attributable to the Trustee's negligence or bad faith; and

(c) to indemnify, defend and hold the Trustee harmless from and against any loss, liability or expense incurred without negligence, gross negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of the office of Trustee under this Trust Agreement, including the costs of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder or thereunder.

In the event the Trustee incurs expenses or renders services in any proceedings under any bankruptcy law relating to the Authority, the expenses so incurred and compensation for services so rendered are intended to constitute expenses of administration under any bankruptcy law.

The obligations of this Authority to make the payments described in this Section shall survive discharge of this Trust Agreement, the resignation or removal of the Trustee and payment in full of the Bonds.

Section 6.07. Permitted Acts.

The Trustee and its directors, officers, employees or agents may become the owner of or may in good faith buy, sell, own, hold and deal in Bonds and may join in any action that any Holder of Bonds may be entitled to take as fully and with the same rights as if it were not the Trustee. The Trustee may act as depository, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, the Authority or any committee formed to protect the rights of the Holders or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Trust Agreement.

Section 6.08. Resignation of the Trustee.

The Trustee may at any time resign and be discharged of its duties and obligations hereunder by giving not fewer than 30 days' written notice, specifying the date when such resignation shall take effect, to the Authority and each Holder. Such resignation shall take effect upon the appointment of a successor Trustee and the acceptance of such appointment by such successor.

Section 6.09. Removal of Trustee.

The Trustee may be removed by the Authority so long as no Event of Default shall have occurred and be continuing or, if any Event of Default shall have occurred and be continuing, by a majority of the Holders by an instrument or concurrent instruments in writing signed and acknowledged by such Holders or by their attorneys-in-fact, duly authorized and delivered to the Authority. Facsimile copies of each such instrument shall be delivered by the Authority to the Trustee and any successor thereof. The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Trust Agreement with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the Authority or of not less than ten percent of the Holders.

Section 6.10. Successor Trustee.

If the Trustee shall resign, be removed, be dissolved or become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs, the position of the Trustee hereunder shall thereupon become vacant.

If the position of Trustee shall become vacant for any of the foregoing reasons or for any other reason, a successor Trustee shall be appointed (i) by the Authority, so long as no Event of Default shall

have occurred and be continuing, or (ii) if an Event of Default shall have occurred and be continuing, by a majority of the Holders, by an instrument or concurrent instruments in writing signed and acknowledged by such Holders or their attorneys-in-fact, duly authorized and delivered to such successor Trustee, with notification thereof being given to the predecessor Trustee and the Authority.

Copies of any instrument of the Authority providing for any such appointment shall be delivered by the Authority to the Trustee so appointed and the predecessor Trustee. The Authority shall mail notice of any such appointment to each Holder within 90 days after such appointment.

If in a proper case no appointment of a successor Trustee shall be made within 60 days after the giving by any Trustee of any written notice of resignation in accordance with Section 6.08 or after the occurrence of any other event requiring or authorizing such appointment, the Trustee or any Holder may apply to any court of competent jurisdiction for the appointment of such a successor, and the court may thereupon, after such notice, if any, as the court may deem proper, appoint such successor.

Any successor Trustee appointed under the provisions of this Section shall be a commercial bank or trust company or national banking association having a capital and surplus aggregating at least \$100,000,000, if there be such a commercial bank or trust company or national banking association willing and able to accept the appointment on reasonable and customary terms, and authorized by law to perform all the duties of the Trustee required by this Trust Agreement.

Section 6.11. Transfer of Rights and Property to Successor Trustee.

Any successor Trustee appointed under the provisions of Section 6.10 shall execute, acknowledge and deliver to its predecessor and the Authority an instrument in writing accepting such appointment, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, immunities, powers, duties, obligations and trusts of its predecessor hereunder, with like effect as if originally appointed as Trustee. However, the Trustee then ceasing to act shall nevertheless, on request of the Authority or of such successor, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the rights, immunities, powers and trusts of such Trustee and all the right, title and interest of such Trustee in and to the Trust Estate, and shall pay over, assign and deliver to such successor any moneys or other properties subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the Authority be required by such successor for more fully and certainly vesting in and confirming to it any such moneys, estates, properties, rights, powers, duties or obligations, any and all such deeds, conveyances and instruments in writing, on request and so far as may be authorized by law, shall be executed, acknowledged and delivered by the Authority.

Section 6.12. Merger, Conversion or Consolidation of Trustee.

Any company into which the Trustee may be merged or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any

company to which the Trustee may sell or transfer all or substantially all of its corporate trust business shall be the successor to such Trustee hereunder, without any further act, deed or conveyance, provided that such company shall be a commercial bank or trust company or national banking association qualified to be a successor to such Trustee under the provisions of Section 6.10.

Section 6.13. Trustee to File Continuation Statements.

At the expense of the Authority, the Trustee shall file such Continuation Statements as may be required by the UCC, in order to continue perfection of the security interest of the Trustee in such property as may have been granted to the Trustee pursuant to this Trust Agreement in the time, place and manner required by the UCC, so long as a legible copy of each original filed UCC financing statement, showing the date, file number, and office of filing, is provided to Trustee not less than six months prior to the expiration date of such original filings.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES

Section 7.01. Events of Default.

Each of the following events is hereby declared to constitute an event of default hereunder (an "Event of Default"):

(a) the principal of any Bond shall not have been paid when the same shall have become due and payable, either at maturity or by proceedings for redemption or otherwise;

(b) the interest on any Bond shall not have been paid when the same shall have become due and payable; or

(c) the Authority shall default in the due and punctual performance of any of the covenants, conditions, agreements and provisions contained in any Bond or in this Trust Agreement on the part of the Authority to be performed (other than as described in clause (a) or (b) above), which default shall continue for 30 days after written notice specifying such default and requiring the same to be remedied shall have been given to the Authority by the Trustee, *provided* that, if the Authority shall proceed to take any curative action which, if begun and prosecuted with due diligence, cannot be completed within a period of 30 days, then such period shall be increased to such extent as shall be necessary to enable the Authority to complete such curative action through the exercise of due diligence.

A default under this Trust Agreement with respect to the Bonds shall not be or constitute a default under any other trust agreement entered into by the Authority or with respect to any other indebtedness of the Authority, and no default under any other trust agreement entered into by the Authority or with respect to any other indebtedness of the Authority shall be or constitute a default under this Trust Agreement.

Section 7.02. Enforcement.

Upon the happening and continuance of any Event of Default, then and in every such case the Trustee may proceed, and upon the written request of not less than 25% of the Holders shall proceed, to protect and enforce its rights and the rights of the Holders under the laws of the State and under this Trust Agreement and any Credit Facility by such suits, actions or special proceedings in equity or at law, either for the specific performance of any covenant contained herein or therein, or in aid or execution of any power herein or therein granted, or for an accounting against the Authority as if the Authority were the trustee of an express trust or for the enforcement of any proper legal or equitable remedy as the Trustee shall deem most effectual to protect and enforce such rights.

In the enforcement of any remedy upon the occurrence of an Event of Default under this Trust Agreement, the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due from the Authority, for principal of or interest on the Bonds, or otherwise under any of the provisions of this Trust Agreement or of any Bonds, with interest on overdue payments of principal at the rate or rates of interest specified in the Bonds, together with any and all costs and expenses of collection and of all proceedings hereunder and under the Bonds, without prejudice to any other right or remedy of the Trustee or of the Holders, and to recover and enforce judgment or decree against the Authority, but solely as provided herein and in the Bonds and from the sources and moneys provided herein and in the Bonds, for any portion of such amounts remaining unpaid and to collect in any manner provided by law the moneys adjudged or decreed to be payable.

The principal of the Bonds shall not be subject to acceleration by the Trustee or the Bondholders upon the occurrence of any Event of Default notwithstanding any other provision of this Trust Agreement.

Section 7.03. Priority of Payments Following Default.

If at any time there shall have occurred and be continuing an Event of Default, after payment of all amounts owing to the Trustee under this Trust Agreement, amounts held by the Trustee hereunder, together with any moneys thereafter becoming available for such purpose, whether through exercise of the remedies provided in this Article or otherwise, shall be applied as follows:

(a) unless the principal of all Outstanding Bonds shall have become due and payable, all such moneys shall be applied:

FIRST: to the payment to the persons entitled thereto of all installments of interest then due on the Bonds Outstanding, in the order in which such installments became due and payable and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment of such installment, ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference, except as to any difference in the respective rates of interest specified in such Bonds;

SECOND: to the payment to the persons entitled thereto of the unpaid principal of any Outstanding Bonds that shall have become due and payable, in the order of their due dates, with interest upon the principal amount of such Bonds from the respective dates upon which they shall have become due and payable and, if the amount available shall not be sufficient to pay in full the principal of such Bonds due and payable on any particular date, together with such interest, then first to the payment of such interest, ratably, according to the amount of interest due on such date, and then to the payment of such principal, ratably, according to the amount of principal due on such date, to the persons entitled thereto, without any discrimination or preference, except as to any difference in the respective rates of interest specified in such Bonds;

THIRD: to the payment of the interest on and the principal of the Bonds outstanding as the same become due and payable; and

FOURTH: to the payment to MBIA and any other Credit Facility Provider of amounts payable to MBIA or such other Credit Facility Provider, respectively, under this Trust Agreement in respect of amounts paid by MBIA or such other Credit Facility Provider, respectively, on any Bonds under the Bond Insurance Policy or any other Credit Facility, to the extent that such amount exceeds the amount that would be payable to any holder of such Bonds other than MBIA or such other Credit Facility Provider, respectively; and

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

Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section, such moneys shall be applied by the Trustee at such times, and from time to time, as the Trustee may determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. The setting aside of such moneys in trust for the benefit of all Holders shall constitute proper application by the Trustee, and the Trustee shall incur no liability whatsoever to the Authority, to any Holder or to any other person for any delay in applying any such moneys, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of this Trust Agreement as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such moneys, it shall fix the date (which shall be an Interest Payment Date for the Bonds unless the Trustee shall deem another date more suitable) upon which such application is to be made, and upon such date interest on the amounts of principal of the Bonds to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date. The provisions of this paragraph shall be subject in all respects to the provisions of the Bonds with respect to the payment of defaulted interest on the Bonds.

The Trustee shall not be required to make payment to the Holder of any Bond unless such Bond shall be presented to the Trustee for appropriate endorsement.

Section 7.04. Discontinuance of Proceedings.

In case any proceedings taken by the Trustee or the Holders on account of any default with respect to the Bonds shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or such Holders, then and in every such case the Authority, the Trustee and the Holders 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 7.05. Majority of the Holders May Control Proceedings.

Anything in this Trust Agreement to the contrary notwithstanding, a majority of the Holders shall have the right, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee under this Trust Agreement, *provided* that such direction shall not be otherwise than in accordance with law and the provisions of this Trust Agreement, that such Holders shall provide indemnity reasonably satisfactory to the Trustee, and that the Trustee shall have the right to decline to follow any such direction which, in the opinion of the Trustee, would be unjustly prejudicial to Holders not parties to such direction.

Section 7.06. Restrictions Upon Action by Individual Holders.

No Holder of any Bond shall have any right to institute any suit, action or proceeding in equity or at law on any Bond for the execution of any trust hereunder or for any other remedy hereunder unless (i) such Holder previously shall have given to the Trustee written notice of the Event of Default on account of which such suit, action or proceeding is to be instituted, (ii) not less than 25% of Holders shall have made written request to the Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted by this Trust Agreement or to institute such action, suit or proceeding in its or their name, and (iii) there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time. Such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Trust Agreement or to any other remedy hereunder. Notwithstanding the foregoing provisions of this Section and without complying therewith, 25% or more of the Holders may institute any such suit, action or proceeding in their own names for the benefit of all Holders.

It is understood and intended that, except as otherwise provided above, no one or more Holders shall have any right in any manner whatever to affect, disturb or prejudice the security of this Trust Agreement or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted and maintained in the manner herein provided and for

the benefit of all Holders and that any individual right of action or other right given by law to one or more of such Holders is restricted by this Trust Agreement to the rights and remedies herein provided.

Section 7.07. Actions by Trustee.

All rights of action under this Trust Agreement or under any Bond may be enforced by the Trustee without the possession of any Bond or the production thereof at the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all Holders, all subject to the provisions of this Trust Agreement.

Section 7.08. No Remedy Exclusive.

No remedy herein conferred upon or reserved to the Trustee or to the Holders is intended to be exclusive of any other remedy and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 7.09. No Delay or Omission Construed as a Waiver; Waiver of Default.

No delay or omission of the Trustee or of any Holder to exercise any right or power accruing upon any default shall impair any such right or power, nor shall any such delay or omission be construed to be a waiver of any such default or an acquiescence therein. Every power and remedy given by this Article to the Trustee and the Holders, respectively, may be exercised from time to time and as often as may be deemed expedient.

The Trustee may, and upon written request of not less than 25% of the Holders shall, waive any default with respect to Bonds which in its opinion shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions of this Trust Agreement or before the completion of the enforcement of any other remedy under this Trust Agreement; but no such waiver shall extend to or affect any other existing or any subsequent default or impair any rights or remedies consequent thereon.

Section 7.10. Notice of Default.

The Trustee shall mail to all Holders written notice of the occurrence of any Event of Default of which the Trustee shall have knowledge within 30 days after such Event of Default shall have occurred and be known to it. The Trustee shall not be subject to any liability to any Holder by reason of its failure to mail any notice required by this Section.

ARTICLE VIII

MODIFICATION OR AMENDMENT OF TRUST AGREEMENT

Section 8.01. Modification or Amendment of Trust Agreement Without Consent.

Without notice to, or the consent of, the Holders, the Authority and the Trustee may enter into a Supplemental Trust Agreement supplementing, modifying or amending this Trust Agreement or any Supplemental Trust Agreement at any time or from time to time for one or more of the following purposes:

(a) to grant to or confer upon the Trustee for the benefit of the Holders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Trustee for the benefit of the Holders;

(b) to add to the covenants and agreements of the Authority contained in this Trust Agreement, other covenants and agreements thereafter to be observed relative to the acquisition, construction, equipping, operation, maintenance, development or administration of the Facilities, or the application, custody, use or disposition of the proceeds of Bonds;

(c) to surrender to the Trustee any right, power or privilege reserved to or conferred upon the Authority by this Trust Agreement;

(d) to confirm, as further assurance, any pledge under, and the subjection to any lien on, or claim or pledge of (whether created or to be created by this Trust Agreement), the Trust Estate;

(e) to cure any ambiguity or to cure or correct any defect or inconsistent provisions contained in this Trust Agreement or to make such provisions in regard to matters or questions arising under this Trust Agreement as may be necessary or desirable and not contrary to or inconsistent with this Trust Agreement;

(f) to provide for the issuance of Additional Bonds, including (without limitation) any modifications or amendments required to grant to or otherwise secure for the Holders of such Additional Bonds a parity interest in the security granted to the holders of the Series 2002 Bonds and any other then-Outstanding Bonds in accordance with Section 2.04;

(g) to permit the qualification of this Trust Agreement or any Supplemental Trust Agreement under any federal statute now or hereafter in effect or under any state blue sky law and, in connection therewith, to add to this Trust Agreement or any Supplemental Trust Agreement such other terms, conditions and provisions as may be permitted or required by such federal statute or state blue sky law;

(h) to obtain or to maintain any ratings on the Bonds of any Series from any nationally recognized securities rating agency;

(i) to provide for the issuance of any Bonds in coupon form or in book entry form, to change any Securities Depository or to discontinue any book-entry system;

(j) to preserve the excludability from gross income for federal income tax purposes of the interest paid on any Tax-Exempt Bonds theretofore issued; or

(k) to make any other change in this Trust Agreement that, in the opinion of the Trustee, shall not prejudice in any material respect the rights of the Holders of the Bonds Outstanding at the date as of which such change shall become effective.

Section 8.02. Supplemental Trust Agreements Requiring Consent of Holders.

In addition to Supplemental Trust Agreements permitted by Section 8.01, with the prior written consent of a the Holders of majority of the Bonds affected thereby, the Authority and the Trustee may enter into at any time and from time to time Supplemental Trust Agreements amending or supplementing this Trust Agreement, any Supplemental Trust Agreement or any Bond to modify any of the provisions thereof or to release the Authority from any of the obligations, covenants, agreements, limitations, conditions or restrictions therein contained, *provided* that nothing contained herein shall permit (i) a change in any terms of redemption or purchase of any Bond, the due date for the payment of the principal of or interest on any Bond or any reduction in the principal, Redemption Price or purchase price of or interest rate on any Bond without the consent of the Holder of such Bond, or (ii) the creation of a claim or lien upon, or a pledge of, the Trust Estate ranking prior to or on a parity with the claim, lien and pledge created by this Trust Agreement as security for the Series 2002 Bonds and any Additional Bonds issued within the limitations of this Trust Agreement, a preference or priority of any Bond over any other Bond or a reduction in the percentage of Bonds the consent of the Holders of which is required for any modification of this Trust Agreement without the unanimous consent of the Holders.

Section 8.03. Restriction on Amendment; Execution of Supplemental Trust Agreements.

Neither this Trust Agreement, any Supplemental Trust Agreement, nor any Bond shall be supplemented or amended in any respect except as provided in this Article. Any Supplemental Trust Agreement authorized by Section 8.01 or 8.02 may be entered into by the Authority and the Trustee without notice to or the consent of the Holders but shall become effective only on the conditions, to the extent and at the time provided herein and in such Section.

The Trustee shall not be obligated to enter into any supplemental indenture or amendment which adversely affects the Trustee's rights, duties or immunities under this Trust Agreement.

Section 8.04. Notation on Bonds.

Bonds authenticated and delivered after the effective date of any Supplemental Trust Agreement entered into by the Authority may, and if the Trustee or the Authority so determines, shall,

bear a notation by endorsement or otherwise in form approved by the Authority and the Trustee of such action. If the Authority or the Trustee shall so determine, new Bonds modified as necessary, in the opinion of the Trustee and the Authority, to conform to such Supplemental Trust Agreement shall be prepared, authenticated and delivered and, upon demand of the holder of any Outstanding Bonds and surrender of such Bonds to the Trustee, such Bonds shall be exchanged, without cost to such holder, for a new Bond so modified.

Section 8.05. Consent of and Advice to MBIA.

Notwithstanding any other the provision of this Trust Agreement, the Trustee and the Authority shall not enter into any Supplemental Trust Agreement pursuant to Section 8.02 without the prior written consent of MBIA. The Trustee shall advise MBIA of the execution of any Supplemental Trust Agreement pursuant to Section 8.01.

ARTICLE IX

DEFEASANCE

Section 9.01. Defeasance.

(a) If the Authority shall pay or cause to be paid the principal or Redemption Price of and interest on all Bonds at the times and in the manner stipulated therein, in this Trust Agreement and in any Supplemental Trust Agreement authorizing the issuance of any Additional Bonds, then the pledge of the Trust Estate to the Trustee for the benefit of the Holders and all other rights granted hereby to the Trustee or the Holders shall be discharged and satisfied. In such event, upon the request of the Authority, the Trustee shall execute and deliver to the Authority all such instruments as may be desirable to evidence such discharge and satisfaction, and the Trustee shall pay or deliver to the Authority, or to such officer, board or body as may then be entitled by law to receive the same, all property held by it pursuant to this Trust Agreement (other than any moneys and securities required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption).

(b) A Series 2002 Bond and any Additional Bond, except as otherwise provided in any Supplemental Trust Agreement authorizing the issuance thereof, shall be deemed to have been paid within the meaning of, and with the effect expressed in, this Section if (i) money for the payment or redemption of such Bond shall be held by the Trustee (through deposit by the Authority of moneys for such payment or redemption or otherwise, regardless of the source of such moneys), whether at or prior to the maturity or the redemption date of such Bond, or (ii) if the maturity or redemption date of such Bond shall not have arrived, provision shall have been made by the Authority for the payment of the principal or Redemption Price of and interest on such Bond on the due dates for such payments by deposit with the Trustee (or other method satisfactory to the Trustee) of Government Obligations, the principal of and the interest on which when due will provide for such payment, *provided* that, if such Bond is to be redeemed prior to the maturity thereof, the Authority shall have taken all action necessary

to redeem such Bond and notice of such redemption shall have been duly and irrevocably given or provisions satisfactory to the Trustee shall have been made for the giving of such notice.

(c) If the Authority shall determine to provide for the payment of all of the Bonds of any Series in accordance with this Section, upon the direction of the Authority, the Trustee shall set aside any amounts on deposit in any funds and accounts maintained for the Bonds of such Series (other than amounts theretofore set aside for the payment of particular Bonds of such Series in accordance with Section 10.04) for the payment of the principal or Redemption Price of and interest on, and the purchase price of, such Bonds on the due dates for such payments in accordance with this Section. If all of the Bonds of any Series shall have been paid in accordance with this Trust Agreement, amounts on deposit in any funds and accounts maintained for such Bonds (other than amounts set aside for the payment of particular Bonds of such Series in accordance with Section 10.04) shall be paid to the Authority. The provisions of this paragraph shall be subject in all respects to the provisions of any Supplemental Trust Agreement authorizing any Additional Bonds.

(d) Anything in this Trust Agreement to the contrary notwithstanding, at the written request of the Authority, any moneys held by the Trustee in trust for the payment of any of the Bonds that remain unclaimed for four years after the later of the date at which such Bonds became due and payable and the date of deposit of such moneys shall be repaid by the Trustee to the Authority, or to such officer, board or body as may then be entitled by law to receive such moneys, as its absolute property and free from trust, and the Trustee shall thereupon be released and discharged with respect thereto.

ARTICLE X

MISCELLANEOUS

Section 10.01. Further Assurances.

So far as it may be authorized by law, the Authority shall pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights and other property hereby pledged or assigned, or intended so to be, or which the Authority may hereafter become bound to pledge or assign.

Section 10.02. Consent of Holders; Evidence of Signatures of Holders and Ownership of Bonds.

Any request, direction, consent or other instrument which this Trust Agreement may require or permit to be signed and executed by the Holders may be in one or more instruments of similar tenor, and shall be signed or executed by such Holders in person, by their legal representatives or by their attorneys duly appointed in writing. Except as otherwise expressly provided herein, proof of the execution of any such instrument or of an instrument appointing any such attorney, or the holding by any person of such Bond shall be sufficient for any purpose of this Trust Agreement and shall be

conclusive in favor of the Trustee, the Registrar and the Authority, with regard to any action taken by any of them under such instrument if made in the following manner:

(a) the fact and date of the execution by any Holder or Holder's attorney or legal representative of such instrument may be proved by the certificate (which need not be acknowledged or verified) of an officer of a bank or trust company satisfactory to the Trustee or the Registrar (as the case may be) or of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which such officer purports to act, that the person signing such instrument acknowledged to such officer the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer; and the authority of any person executing any such instrument on behalf of a corporate Holder may be established without further proof if such instrument is signed by a person purporting to be the president or a vice president of such corporation with a corporate seal affixed and attested by a person purporting to be its secretary or an assistant secretary, its cashier or an assistant cashier; and

(b) the ownership of Bonds and the amount, numbers and other identification and date of holding the same shall be proved by the registration books established with respect to such Bonds.

Notwithstanding the foregoing, the Trustee may in its discretion require further or other proof in any case in which it deems such further or other proof desirable.

Notwithstanding the foregoing provisions of this Section, the Supplemental Trust Agreement, authorizing the issuance of any Additional Bond secured by a Credit Facility may provide that the issuer of such Credit Facility shall be deemed the holder of such Bond for the purposes of making any request or giving or withholding any consent, vote or direction permitted or required to be made or given by any holder of such Bond under this Trust Agreement or such Supplemental Trust Agreement.

Any request, direction, consent or vote of the Holder of any Bond given in accordance with this Trust Agreement or any Supplemental Trust Agreement shall bind all future Holders of such Bond with respect to anything done or suffered to be done or omitted to be done by the Authority or the Trustee in accordance therewith.

Section 10.03. Preservation by Trustee and Inspection of Documents.

All documents received by the Trustee from the Authority, the Holders or otherwise under the provisions of this Trust Agreement shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Authority, any Holder and their agents and representatives, any of whom may make copies thereof.

Section 10.04. Moneys and Funds Held for Particular Bonds.

Amounts held by the Trustee for the payment of the principal or Redemption Price of, and interest on, Bonds due on any date shall, pending such payment, be set aside and held in trust by it for the Holders of such Bonds and, for the purposes of this Trust Agreement, such principal or Redemption

Price of and interest on such Bonds, due after such date, shall no longer be considered to be unpaid, except to receive payment from such amounts set aside or held for such payment.

Section 10.05. No Recourse Against Members and Officers.

No recourse shall be had for the payment of the principal or Redemption Price of and interest on the Bonds or for any claims based thereon or on this Trust Agreement against any member or officer, employee, or agent of the Authority, all such liability, if any, being expressly waived and released by every Holder of Bonds by the acceptance of such Bonds.

Section 10.06. Severability of Invalid Provision.

If any covenant or agreement in this Trust Agreement is determined to be contrary to law, then such covenant or agreement shall be null and void and shall in no way affect the validity of the other provisions of this Trust Agreement or of the Bonds.

Section 10.07. Notices.

Any notice or other instrument authorized or required to be given pursuant to this Trust Agreement shall be sent by telex or other telecommunication device capable of creating a written record or delivered personally or sent by registered or certified mail, postage prepaid, addressed as follows (or to such other address as may be designated by written notice given hereunder):

In the case of the Authority:

Maryland Transportation Authority
303 Authority Drive
Baltimore, Maryland 21222-2200
Attention: Executive Secretary
Telephone: 410-288-8410
Facsimile: 410-288-8412

In the case of the Trustee:

The Bank of New York
Corporate Trust Administration – Municipal Finance
101 Barclay Street – 8 West
New York, New York 10286
Telephone: 212-896-7228
Facsimile: 212-896-7301

In the case of MBIA:

MBIA Insurance Corporation
113 King Street
Armonk, New York 10504
Attention: Surveillance
Telephone: _____
Facsimile: _____

Section 10.08. Other Trust Agreements.

The Authority expressly reserves the right to enter into one or more other trust agreements and to issue bonds, notes and other obligations thereunder without compliance with the provisions hereof.

Section 10.09. Business Days.

Except as otherwise expressly provided herein or in any Supplemental Trust Agreement, if any date specified herein for the payment of any Bond or the performance of any act shall not be a Business Day, such payment or performance shall be made on the next succeeding Business Day with the same effect as if made on such date.

Section 10.10. Interested Parties.

Nothing in this Trust Agreement expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Authority, the Trustee and the Holders any right, remedy or claim under or by reason of this Trust Agreement or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Trust Agreement contained by and on behalf of the Authority shall be for the sole and exclusive benefit of the Authority, the Trustee and the Holders.

Section 10.11. Execution in Several Counterparts.

This Trust Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original for all purposes; and all such counterparts shall together constitute but one and the same instrument.

Section 10.12. Governing Law.

This Trust Agreement shall be governed by and construed in accordance with the laws of the State of Maryland.

Section 10.13 Security Agreement.

This Trust Agreement constitutes a security agreement under the Uniform Commercial Code as in effect in the State of Maryland.

IN WITNESS WHEREOF, the parties hereto have caused this Trust Agreement to be duly executed, sealed and delivered, all as of the day and year first above written.

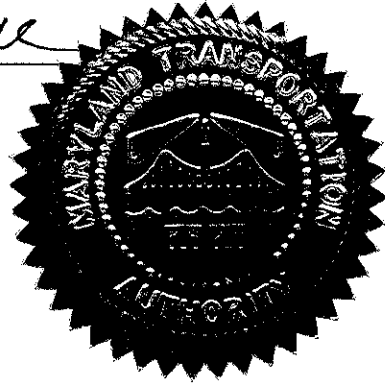
(SEAL)

MARYLAND TRANSPORTATION AUTHORITY

ATTEST:

By: _____

Thomas L. Osborne
Thomas L. Osborne
Executive Secretary



Paul F. McMillen III

(SEAL)

THE BANK OF NEW YORK,
as trustee

ATTEST:

By: _____

Fernando Moreyra
Assistant Treasurer

Approved for Form and Legal Sufficiency

Donald C. Dindine
Assistant Attorney General
Maryland Transportation Authority

IN WITNESS WHEREOF, the parties hereto have caused this Trust Agreement to be duly executed, sealed and delivered, all as of the day and year first above written.

(SEAL)

MARYLAND TRANSPORTATION AUTHORITY

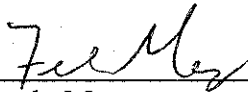
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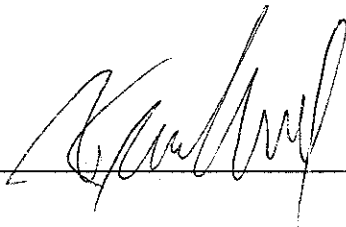
By: _____
Thomas L. Osborne
Executive Secretary

(SEAL)

THE BANK OF NEW YORK,
as trustee

ATTEST:

By:  _____
Fernando Moreyra
Assistant Treasurer



Approved for Form and Legal Sufficiency

Assistant Attorney General
Maryland Transportation Authority

STATE OF MARYLAND, COUNTY OF Baltimore, TO WIT:

I HEREBY CERTIFY that on this 10th day of June in the year 2002, before the subscriber, a Notary Public in and for the State of Maryland, personally Thomas L. Osborne, the Executive Secretary of Maryland Transportation Authority, and that he, as such officer, being authorized so to do, executed the foregoing Trust Agreement for the purposes therein contained, by signing his name thereto as the Executive Secretary of Maryland Transportation Authority and causing the corporate seal of Maryland Transportation Authority to be affixed thereto.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

(SEAL)

Donna Pearson
Notary Public
My Commission Expires: 03/01/06

STATE OF _____, CITY OF _____, TO WIT:

I HEREBY CERTIFY that on this _____ day of June in the year 2002, before the subscriber, a Notary Public in and for the State of _____, personally appeared Fernando Moreyra, an Assistant Treasurer of The Bank of New York, a banking corporation duly organized and existing under the laws of the State of New York, and that he, as such officer, being authorized so to do, executed the foregoing Trust Agreement for the purposes therein contained, by signing his name thereto as an Assistant Treasurer of such corporation and causing the corporate seal of such corporation to be affixed thereto.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

(SEAL)

Notary Public
My Commission Expires:

STATE OF MARYLAND, COUNTY OF BALTIMORE, TO WIT:

I HEREBY CERTIFY that on this _____ day of June in the year 2002, before the subscriber, a Notary Public in and for the State of Maryland, personally Thomas L. Osborne, the Executive Secretary of Maryland Transportation Authority, and that he, as such officer, being authorized so to do, executed the foregoing Trust Agreement for the purposes therein contained, by signing his name thereto as the Executive Secretary of Maryland Transportation Authority and causing the corporate seal of Maryland Transportation Authority to be affixed thereto.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

(SEAL)

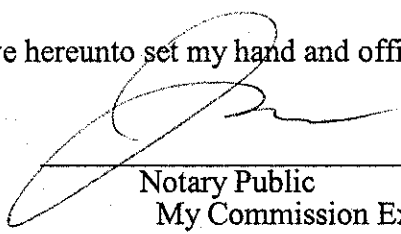
Notary Public
My Commission Expires:

STATE OF New York CITY OF New York TO WIT:

I HEREBY CERTIFY that on this _____ day of June in the year 2002, before the subscriber, a Notary Public in and for the State of New York, personally appeared Fernando Moreyra, an Assistant Treasurer of The Bank of New York, a banking corporation duly organized and existing under the laws of the State of New York, and that he, as such officer, being authorized so to do, executed the foregoing Trust Agreement for the purposes therein contained, by signing his name thereto as an Assistant Treasurer of such corporation and causing the corporate seal of such corporation to be affixed thereto.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

(SEAL)



Notary Public
My Commission Expires: 2/14/06

JOANN LABARBERA
Notary Public, State of New York
No. 011a5023752
Qualified in Westchester County
Commission Expires Feb. 14, 2006

APPENDIX A

DESCRIPTION OF THE PROJECT

The Project includes:

- (1) construction of a new 6,300 space parking facility to accommodate customer rental car pick-up and return activity, vehicle storage for 2,000 cars, and infrastructure for vehicle maintenance facilities to be constructed by the rental car operators;
- (2) construction of a customer service building containing customer service and administrative areas for each operator;
- (3) the purchase of customer shuttle buses;
- (4) construction of a bus maintenance facility ;
- (5) infrastructure improvements that include relocation of a water main, construction of a sanitary sewer line and construction of a fiber optic duct bank system; and
- (6) roadway and intersections improvements at Stoney Run Road and New Ridge Road.

APPENDIX B

FORM OF BOND

IT CANNOT BE DETERMINED FROM THE FACE OF THIS BOND WHETHER THE ENTIRE PRINCIPAL SUM SHOWN BELOW HAS BEEN ADVANCED OR WHETHER A PART OF THE PRINCIPAL OF THIS BOND HAS BEEN PAID

REGISTERED UNITED STATES OF AMERICA REGISTERED

No. R - _____ \$ _____

MARYLAND TRANSPORTATION AUTHORITY
TAXABLE LIMITED OBLIGATION REVENUE BONDS
BALTIMORE/WASHINGTON INTERNATIONAL AIRPORT
CONSOLIDATED RENTAL CAR FACILITY
SERIES 2002

| <u>Date</u> | <u>Interest Rate</u> <u>(per annum)</u> | <u>Maturity Date</u> | <u>CUSIP</u> |
|---------------|--|----------------------|--------------|
| June 19, 2002 | _____ % | July 1, _____ | _____ |

Registered Owner: Cede & Co.

Principal Sum: _____ Dollars

MARYLAND TRANSPORTATION AUTHORITY, an agency of the State of Maryland, (said agency being sometimes referred to herein as the "Authority"), for value received, hereby promises to pay, but only from the Pledged Revenues (defined herein) and other amounts pledged to such payment under the Trust Agreement (defined herein) to the Registered Owner shown above or registered assigns or legal representative, upon the presentation and surrender hereof at the designated office (the "Designated Office") of the Trustee (defined herein), the Principal Sum shown above (or such lesser amount as shall be outstanding hereunder from time to time in accordance with Section 4 hereof) on the Maturity Date shown above (or earlier as hereinafter referred to), with interest thereon from the most recent date to which interest has been paid, or if the Date of Authentication shown below is prior to the first interest payment date, from June 19, 2002 at the Interest Rate shown above until said Principal Sum is paid, payable on January 1, 2003, and semiannually thereafter on January 1 and July 1 of each year.

All interest due on this bond shall be payable to the person in whose name this bond is registered on the bond registration books maintained by The Bank of New York, as trustee and registrar (such entity and any successor in such capacity being referred to herein as the "Trustee") as of the close of business on the fifteenth day of the calendar month immediately

preceding the interest payment date upon which such interest is due and payable and shall be made by check mailed to the address of such owner as it appears on the bond registration books maintained by the Trustee; *provided*, that if there is a default in the payment of interest due hereon, such defaulted interest shall be payable to the person in whose name this bond is registered as of the close of business on a subsequent date fixed by the Trustee (the "Special Record Date") that is at least 10 and not more than 15 days before the date set for the payment of such defaulted interest. Notice of any Special Record Date will be given as hereinafter provided to the registered owner hereof not later than 10 days before the Special Record Date.

The principal or redemption price of and interest on this bond are payable in lawful money of the United States of America or by check payable in such money. If any payment of the principal or redemption price of or interest on this bond shall be due on a day other than a Business Day (defined herein), such payment shall be made on the next Business Day with like effect as if made on the originally scheduled date. A "Business Day" is any date which is not (i) a Saturday, a Sunday or legal holiday in the State of Maryland (the "State"), (ii) a day on which banking institutions in the State or the city in which the Designated Office of the Trustee is located are authorized or obligated to remain closed, or (iii) a day on which the New York Stock Exchange is closed.

This bond shall not be deemed to constitute a debt or liability of the State of any political subdivision thereof, of the Department of Transportation of Maryland, (the "Department"), of the Maryland Aviation Administration (the "MAA") or of the Authority, or a pledge of the faith and credit of the State, any political subdivision thereof the Department, the MAA or the Authority, but shall be payable solely from the Pledged Revenues and other amounts pledged to such payment under the Trust Agreement. Neither the State nor any political subdivision thereof, nor the Department, nor the MAA, nor the Authority shall be obligated to pay this bond or the interest hereon except from such sources, and neither the faith and credit nor the taxing power of the State, any political subdivision thereof or the Authority is pledged to the payment of the principal of or the interest on this bond. This bond is not a general obligation of the Authority. The Authority has no taxing power. The sources of revenues or moneys of the Authority are limited to those provided by the Enabling Act (defined herein), and the issuance of bonds under the Enabling Act does not directly or indirectly or contingently obligate, morally or otherwise, the State, any political subdivision thereof or the Authority to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment.

This bond is one of a duly authorized series of bonds of the Authority designated "MARYLAND TRANSPORTATION AUTHORITY TAXABLE LIMITED OBLIGATION REVENUE BONDS BALTIMORE/WASHINGTON INTERNATIONAL AIRPORT CONSOLIDATED RENTAL CAR FACILITY, SERIES 2002" (the "Bonds"), aggregating One Hundred Seventeen Million Three Hundred Forty Five Thousand Dollars (\$117,345,000) in principal amount, duly issued by the Authority under and pursuant to (i) Sections 4-101 through 4-401 of the Transportation Article of the Annotated Code of Maryland, as amended (the "Enabling Act"), (ii) certain proceedings of the Authority, (iii) and the Trust Agreement, dated as of June 1, 2002, by and between the Authority and the Trustee (as amended and supplemented from time to time, the "Trust Agreement"). The terms of the Bonds include those stated in the Trust Agreement and the Bonds are subject to all such terms. Reference is

hereby made to the Trust Agreement for a description of the funds, revenues and charges pledged thereunder, the nature and extent of the security created or to be created, and the rights, limitations of rights, obligations, duties and immunities of the Authority, the Trustee and the owners of the Bonds. By the acceptance of this bond, the owner hereof assents to all of the provisions of the Trust Agreement. Certified copies of the Trust Agreement are on file at the Designated Office of the Trustee and at the offices of the Authority in Baltimore, Maryland.

2. The Bonds. All the Bonds are of like tenor except as to number, principal amount, maturity, interest rate and redemption provisions and mature on July 1 of the years and in the amounts and bear interest as set forth below:

Serial Bonds:

| <u>Year</u> | <u>Principal Amount</u> | <u>Interest Rate</u> | <u>Year</u> | <u>Principal Amount</u> | <u>Interest Rate</u> |
|-------------|-------------------------|----------------------|-------------|-------------------------|----------------------|
| 2003 | \$ 600,000 | 2.74% | 2008 | \$1,935,000 | 5.26% |
| 2004 | 1,630,000 | 3.63 | 2009 | 2,035,000 | 5.49 |
| 2005 | 1,690,000 | 4.16 | 2010 | 2,145,000 | 5.68 |
| 2006 | 1,760,000 | 4.70 | 2011 | 2,270,000 | 5.84 |
| 2007 | 1,840,000 | 5.01 | 2012 | 2,400,000 | 5.89 |

Term Bonds:

| <u>Year</u> | <u>Principal Amount</u> | <u>Interest Rate</u> |
|-------------|-------------------------|----------------------|
| 2022 | \$34,285,000 | 6.48% |
| 2032 | \$64,755,000 | 6.65 |

The Bonds are issuable only in registered form without coupons in denominations of \$5,000 and any integral multiple thereof.

3. Additional Bonds. The Trust Agreement provides that Additional Bonds may be issued within the limitations and provisions of the Trust Agreement. All Bonds issued within the limitations and provisions of the Trust Agreement shall be secured equally and ratably by the Pledged Revenues and other moneys pledged by the Authority, to the extent provided in the Trust Agreement.

4. Redemption.

(a) The Bonds are subject to optional and mandatory redemption prior to maturity as provided in the Trust Agreement.

(b) Notice of Redemption. The Trustee shall mail notice of any redemption at least 30 days prior to the redemption date to the registered owners of the Bonds to be redeemed at their addresses as they appear on the registration books maintained by the Trustee. The

failure so to mail any such notice to any of such registered owners shall not affect the validity of the proceedings for the redemption of any Bonds.

(c) Effect of Call for Redemption. On the date designated for redemption, if all conditions, if any, to such redemption shall have been satisfied, the Bonds or portions of Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Bonds or such portions thereof on such date and, if moneys for the payment of the redemption price and accrued interest are held by the Trustee as provided in the Trust Agreement, interest on such Bonds or such portions thereof so called for redemption shall cease to accrue, such Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Trust Agreement, and the registered owners thereof shall have no rights in respect of such Bonds or such portions thereof so called for redemption except to receive payment of the redemption price thereof and the accrued interest thereon so held by the Trustee. If a portion of this bond shall be called for redemption, a new Bond or Bonds in the aggregate principal amount equal to the unredeemed portion hereof, of the same series and maturity and bearing interest at the same rate, shall be issued to the registered owner upon the surrender hereof.

(d) Provisions Applicable to Book-Entry Bonds. So long as all of the Bonds shall be maintained in book-entry form with a Securities Depository (as defined in the Trust Agreement) in accordance with the Trust Agreement, in the event that part, but not all, of this bond shall be called for redemption, the holder of this bond may elect not to surrender this bond in exchange for a new Bond in accordance with paragraph (c) above and in such event shall make a notation indicating the principal amount of such redemption and the date thereof on the Payment Grid attached hereto. For all purposes, the principal amount of this bond outstanding at any time shall be equal to the Principal Sum shown on the face hereof reduced by the principal amount of any partial redemption of this bond following which the holder of this bond has elected not to surrender this bond in accordance with paragraph (c) above. The failure of the owner hereof to note the principal amount of any partial redemption on the Payment Grid attached hereto, or any inaccuracy therein, shall not affect the payment obligation of the Authority hereunder. THEREFORE, IT CANNOT BE DETERMINED FROM THE FACE OF THIS BOND WHETHER A PART OF THE PRINCIPAL OF THIS BOND HAS BEEN PAID.

5. Defeasance. The Trust Agreement prescribes the manner in which it may be discharged and provides that Bonds shall be deemed to be paid if moneys or certain Government Obligations (as defined in the Trust Agreement), the principal of and interest on which, when due, will be sufficient to pay the principal or redemption price of and interest on such Bonds to the date of maturity or redemption thereof, shall have been deposited with the Trustee.

6. Persons Deemed Owners; Restrictions upon Actions by Individual Owners. The Authority and the Trustee may deem and treat the person in whose name this bond is registered as the absolute owner hereof (whether or not this bond shall be overdue and notwithstanding any notation of ownership or other writing hereon made by anyone other than the Authority or the Trustee) for the purpose of receiving payment of or on account of the principal or redemption price of this bond, and for all other purposes except as otherwise provided herein

with respect to the payment of interest on this bond, and neither the Authority nor the Trustee shall be affected by any notice to the contrary. All such payments so made to any such registered owner, or upon his order, shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable under this bond.

The registered owner of this bond shall have no right to enforce the provisions of the Trust Agreement, or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Trust Agreement, or to institute, appear in or defend any suit or other proceeding with respect hereto, except as provided in the Trust Agreement.

7. Transfer and Exchange. This bond may be exchanged for an equal, aggregate principal amount of Bonds, of the same maturity and bearing interest at the same rate and of other authorized denominations, and the transfer of this bond may be registered, upon presentation and surrender of this bond at the Designated Office of the Trustee, together with an assignment duly executed by the registered owner hereof or such owner attorney or legal representative. The Authority and the Trustee may require the person requesting any such exchange or transfer to reimburse them for any tax or other governmental charge payable in connection therewith. Neither the Authority nor the Trustee shall be required to register the transfer of this bond or make any such exchange of this bond after this bond or any portion thereof has been selected for redemption.

8. Modifications. Modifications or alterations of the Trust Agreement may be made only to the extent and in the circumstances permitted by the Trust Agreement.

9. Negotiability. As declared by the Enabling Act, this bond shall be and be deemed to be for all purposes a negotiable instrument subject only to the provisions for registration and registration of transfer stated herein.

10. Governing Law. This bond shall be governed by and construed in accordance with the laws of the State.

11. Notices. Except as otherwise provided in the Trust Agreement, when the Trustee is required to give notice to the owner of this bond, such notice shall be mailed by first-class mail to the registered owner of this bond at such owner's address as it appears on the registration books maintained by the Trustee. Any notice mailed as provided herein will be conclusively presumed to have been given, whether or not actually received by the addressee.

All acts, conditions and things required by the Constitution and laws of the State and the rules and regulations of the Authority to happen, exist and be performed precedent to and in the issuance of this bond and the execution and delivery of the Trust Agreement have happened, exist and have been performed as so required.


No recourse shall be had for the payment of the principal or redemption price of and interest on this bond or for any claims based thereon or on the Trust Agreement against any member or other officer of the Authority or any person executing this bond, all such liability, if any, being expressly waived and released by the registered owner of this bond by the acceptance of this bond.

This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Trust Agreement until it shall have been authenticated by the execution by the Trustee of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, Maryland Transportation Authority has caused this bond to be executed by the manual or facsimile signatures of the Chairman of the Authority and the Executive Secretary of the Authority, and the official seal of the Authority to be impressed or imprinted hereon, all as of the 19th day of June, 2002.

MARYLAND TRANSPORTATION AUTHORITY

Executive Secretary
of the Maryland
Transportation Authority



Chairman
of the Maryland
Transportation Authority

Certificate of Authentication

Date of Authentication: June 19, 2002

This bond is one of the bonds of the series designated herein and issued under the provisions of the within-mentioned Trust Agreement. A signed original of the opinion of Deborah A. Donohue, Assistant Attorney General and Counsel to the Maryland Transportation Authority, and of Bond Counsel, Piper Rudnick LLP, Baltimore, Maryland, is on file with the undersigned.

THE BANK OF NEW YORK
as Trustee

By: _____
Authorized Signatory

STATEMENT OF INSURANCE

MBIA Insurance Corporation (the "Insurer") has issued a policy containing the following provisions, such policy being on file at The Bank of New York, New York, New York.

The Insurer, in consideration of the payment of the premium and subject to the terms of this policy, hereby unconditionally and irrevocably guarantees to any owner, as hereinafter defined, of the following described obligations, the full and complete payment required to be made by or on behalf of the Maryland Transportation Authority (the "Issuer") to The Bank of New York or its successor (the "Paying Agent") of an amount equal to (i) the principal of (either at the stated maturity or by any advancement of maturity pursuant to a mandatory sinking fund payment) and interest on, the Obligations (as that term is defined below) as such payments shall become due but shall not be so paid (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement

of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed hereby shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration); and (ii) the reimbursement of any such payment which is subsequently recovered from any owner pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such owner within the meaning of any applicable bankruptcy law. The amounts referred to in clauses (i) and (ii) of the preceding sentence shall be referred to herein collectively as the "Insured Amounts." "Obligations" shall mean:

\$117,345,000
Maryland Transportation Authority
Taxable Limited Obligation Revenue Bonds
Baltimore/Washington International Airport
Consolidated Rental Car Facility
Series 2002

Upon receipt of telephonic or telegraphic notice, such notice subsequently confirmed in writing by registered or certified mail, or upon receipt of written notice by registered or certified mail, by the Insurer from the Paying Agent or any owner of an Obligation the payment of an Insured Amount for which is then due, that such required payment has not been made, the Insurer on the due date of such payment or within one Business Day after receipt of notice of such nonpayment, whichever is later, will make a deposit of funds, in an account with State Street Bank and Trust Company, N.A., in New York, New York, or its successor, sufficient for the payment of any such Insured Amounts which are then due. Upon presentment and surrender of such Obligations or presentment of such other proof of ownership of the Obligations, together with any appropriate instruments of assignment to evidence the assignment of the Insured Amounts due on the Obligations as are paid by the Insurer, and appropriate instruments to effect the appointment of the Insurer as agent for such owners of the Obligations in any legal proceeding related to payment of Insured Amounts on the Obligations, such instruments being in a form satisfactory to State Street Bank and Trust Company, N.A., State Street Bank and Trust Company, N.A. shall disburse to such owners or the Paying Agent payment of the Insured Amounts due on such Obligations, less any amount held by the Paying Agent for the payment of such Insured Amounts and legally available therefor. This policy does not insure against loss of any prepayment premium which may at any time be payable with respect to any Obligation.

As used herein, the term "owner" shall mean the registered owner of any Obligation as indicated in the books maintained by the Paying Agent, the Issuer, or any designee of the Issuer for such purpose. The term owner shall not include the Issuer or any party whose agreement with the Issuer constitutes the underlying security for the Obligations.

Any service of process on the Insurer may be made to the Insurer at its offices located at 113 King Street, Armonk, New York 10504 and such service of process shall be valid and binding.

This policy is non-cancellable for any reason. The premium on this policy is not refundable for any reason including the payment prior to maturity of the Obligations.

MBIA Insurance Corporation

