

ORDINANCE NO. 011-118

ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE SUPPLEMENTAL INDENTURES UNDER WHICH THE CHICAGO TRANSIT AUTHORITY MAY ISSUE ONE OR MORE SERIES OF CORPORATE PURPOSE DEBT OBLIGATIONS PAYABLE FROM THE SALES TAX RECEIPTS FUND; AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$500,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF SALES TAX RECEIPTS REVENUE BONDS AND MAKING OTHER PROVISIONS WITH RESPECT TO SAID BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE SUPPLEMENTAL INDENTURES UNDER WHICH THE CHICAGO TRANSIT AUTHORITY MAY ISSUE ONE OR MORE SERIES OF OBLIGATIONS SECURED BY THE PLEDGE OF 49 U.S.C. SECTION 5307 URBANIZED AREA FORMULA FUNDS OR THE PLEDGE OF 49 U.S.C. SECTION 5309 FIXED GUIDEWAY MODERNIZATION FORMULA FUNDS; AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$125,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF CAPITAL GRANT RECEIPTS REVENUE BONDS (FEDERAL TRANSIT ADMINISTRATION SECTION 5307 URBANIZED AREA FORMULA FUNDS) AND CAPITAL GRANT RECEIPTS REVENUE BONDS (FEDERAL TRANSIT ADMINISTRATION SECTION 5309 FIXED GUIDEWAY MODERNIZATION FORMULA FUNDS); AND MAKING OTHER PROVISIONS WITH RESPECT TO SAID BONDS AND AUTHORIZING THE PURCHASE OF DEBT SERVICE RESERVE POLICIES WITH RESPECT TO OTHER OUTSTANDING BONDS OF THE AUTHORITY

WHEREAS, The Chicago Transit Authority is a political subdivision, body politic and municipal corporation of the State of Illinois (the "*Authority*") organized

and existing under the Metropolitan Transit Authority Act, 70 Illinois Compiled Statutes 3605 (the "*Act*"); and

WHEREAS, The Authority operates a Transportation System, as defined in the Act; and

WHEREAS, The Authority intends to issue bonds for the purpose of: (i) financing the purchase of rail cars to replace existing cars (the "*Projects*"), (ii) refunding certain bonds at maturity, or prior to maturity, pursuant to the redemption provisions pertaining to such bonds, and (iii) payment of costs of issuance related thereto; and

WHEREAS, Pursuant to Section 12 of the Act, the Authority has the continuing power to borrow money for the purpose of acquiring, constructing, reconstructing, extending or improving its Transportation System and to evidence its obligation to repay any money borrowed by issuing its revenue bonds payable solely from the revenues or income or other funds, which the Authority may receive, and to issue its revenue bonds for the purpose of refunding its bonds at maturity, or prior to maturity pursuant to the redemption provisions pertaining to said bonds; and

WHEREAS, Pursuant to Section 13 of the Local Government Debt Reform Act, 30 Illinois Compiled Statutes 350 (the "*Local Government Debt Reform Act*"), the Authority may pledge as security for the payment of its bonds moneys deposited or to be deposited in any special fund of the Authority; and

WHEREAS, The Authority anticipates the receipt from time to time from the Regional Transportation Authority (the "*RTA*") of amounts representing the Authority's share (in accordance with the Regional Transportation Authority Act, 70 Illinois Compiled Statutes 3615 (the "*RTA Act*"), including Section 4.03.3 thereof) of (i) the tax receipts derived from taxes imposed by the RTA pursuant to the RTA Act; (ii) amounts paid to the RTA by the State of Illinois (the "*State*") from transfers to (a) the Regional Transportation Authority Occupation and Use Tax Replacement Fund, (b) the Public Transportation Fund and (c) the RTA tax fund created by Section 4.03(n) of the RTA Act from the County and Mass Transit District Fund and (iii) funds derived by RTA from any other source designated by law as a replacement source of funds for all or a portion of the RTA tax receipts described in clause (i), or the State payments described in clause (ii) (the "*Sales Tax Receipts*"); and

WHEREAS, Pursuant to a Trust Indenture dated July 1, 2008 by and between the Authority and U.S. Bank National Association, as trustee (the "*2008 Trustee*"), securing Chicago Transit Authority Sales and Transfer Tax Receipts Revenue Bonds, as supplemented (the "*2008 Indenture*"), the Authority has established and maintains the Sales Tax Receipts Fund held by the Authority and established in Section 504 of the 2008 Indenture; and

WHEREAS, Upon satisfaction of the requirements of Section 401 of the 2008 Indenture, the Authority may issue Corporate Purpose Debt Obligations (as defined in the 2008 Indenture) and may provide that a Corporate Purpose Debt Obligation shall be payable from and secured by a pledge of or lien on the Sales Tax Receipts Fund on a parity with the lien on and pledge of the Sales Tax Receipts Fund granted by the 2008 Indenture for the payment of Pension and Retirement Debt Obligations issued under the 2008 Indenture; and

WHEREAS, Pursuant to and in accordance with the provisions of the Act and the Local Government Debt Reform Act, the Authority previously authorized the execution and delivery of a Trust Indenture dated as of March 1, 2010 (the "*Sales Tax Master Indenture*") between the Authority and U.S. Bank National Association, as trustee (the "*Sales Tax Trustee*"), to provide for the issuance from time to time of the Corporate Purpose Debt Obligations, and to permit the issuance from time to time, after obtaining all necessary Board approvals, of other parity obligations secured by a pledge of or lien on the Sales Tax Receipts Fund on a parity with the lien on and pledge of the Sales Tax Receipts Fund granted by the 2008 Indenture as provided in the Sales Tax Master Indenture; and

WHEREAS, Pursuant to the Sales Tax Master Indenture, the Authority previously issued its (i) Sales Tax Receipts Revenue Bonds, Series 2010A, of the Authority (the "*Series 2010A Sales Tax Bonds*") in the aggregate principal amount of \$44,645,000, of which \$44,645,000 principal amount thereof is outstanding, and (ii) Sales Tax Receipts Revenue Bonds, Taxable Series 2010B (Build America Bonds) of the Authority (the "*Series 2010B Sales Tax Bonds*" and together with the Series 2010A Sales Tax Bonds, the "Outstanding Sales Tax Bonds") in the aggregate principal amount of \$505,355,000, of which \$505,355,000 principal amount thereof is outstanding; and

WHEREAS, The Sales Tax Master Indenture permits the Authority to issue additional bonds from time to time after obtaining all necessary approvals of the Chicago Transit Board (the "Board"), provides for the ability of the Authority to enter into agreements to provide credit support and/or liquidity support for such additional bonds, and provides for the ability of the Authority to enter into swap agreements and similar hedge agreements pursuant to Section 7 of the Bond Authorization Act, 30 Illinois Compiled Statutes 305, the payments of the principal of, premium, if any, and interest on such additional bonds and certain payments under such support agreements and hedge agreements to be payable from and secured by the Sales Tax Receipts on a parity with the Outstanding Sales Tax Bonds (the Outstanding Sales Tax Bonds, the Series 2011 Sales Tax Bonds (as defined below), any such additional bonds (including additional refunding bonds) and any such agreements collectively the "*Sales Tax Parity Obligations*") to the extent provided in the Sales Tax Master Indenture; and

WHEREAS, Pursuant to and in accordance with the provisions of the Act, the Local Government Debt Reform Act and the Sales Tax Master Indenture, the Authority now desires to authorize the execution and delivery of a one or more supplemental indentures (collectively, the "*Second Supplemental Indenture*" and together with the Sales Tax Master Indenture as previously supplemented, the "*Sales Tax Indenture*") between the Authority and the Sales Tax Trustee, to provide for the issuance of one or more series of its "Chicago Transit Authority Sales Tax Receipts Revenue Bonds, Series 2011" (the "*Series 2011 Sales Tax Bonds*," and together with the Outstanding Sales Tax Bonds and any additional Sales Tax Parity Obligations, the "*Sales Tax Bonds*"), as additional bonds, or refunding bonds, or both, under the Sales Tax Master Indenture, which Series 2011 Sales Tax Bonds may be issued at one time or from time to time and in one or more series, and shall be secured by the Sales Tax Receipts and income from the temporary investment thereof, as provided in the Sales Tax Indenture, and shall be used primarily to finance the Projects; and

WHEREAS, The Series 2011 Sales Tax Bonds are limited obligations of the Authority payable from the Sales Tax Receipts and moneys, securities and funds pledged to the payment of the Series 2011 Sales Tax Bonds under the Sales Tax Indenture; and the 2011 Sales Tax Bonds are not, and shall not be or become, an indebtedness or obligation of the State or any political subdivision of the State (other than the Authority) or of any municipality within the State, nor shall any Series 2011 Sales Tax Bond be or become an indebtedness of the Authority within the purview of any constitutional limitation or provision; and

WHEREAS, The Authority expects to receive Section 5307 Urbanized Area Formula Funds from the United States of America, acting through the Department of Transportation, Federal Transit Administration ("*5307 Grant Receipts*"); and

WHEREAS, The Authority expects to receive Section 5309 Fixed Guideway Modernization Formula Funds from the United States of America, acting through the Department of Transportation Federal Transit Administration ("*5309 Grant Receipts*"); and

WHEREAS, Pursuant to and in accordance with the provisions of the Act and the Local Government Debt Reform Act, the Authority previously authorized the execution and delivery of a Trust Indenture dated as of November 1, 2004 (the "*5307 Master Indenture*") between the Authority and Amalgamated Bank of Chicago, Chicago, Illinois, as trustee (the "*5307 Trustee*"), to provide for the issuance from time to time of the 5307 Bonds (as hereinafter defined) and to permit the issuance from time to time, after obtaining all necessary Board approvals, of other 5307 Parity Obligations (as hereinafter defined) secured by a pledge of the 5307 Grant Receipts as provided in the 5307 Master Indenture; and

WHEREAS, Pursuant to the 5307 Master Indenture, the Authority previously issued its (i) Capital Grant Receipts Revenue Bonds, Series 2004A (Federal Transit Administration Section 5307 Formula Funds) (the "*Series 2004A 5307 Bonds*") in the aggregate principal amount of \$150,000,000, of which \$78,515,000 principal amount thereof is outstanding, and (ii) Capital Grant Receipts Revenue Bonds, Series 2004B (Federal Transit Administration Section 5307 Formula Funds) (the "*Series 2004B 5307 Bonds*") in the aggregate principal amount of \$100,000,000, of which \$52,100,000 principal amount thereof is outstanding (the Series 2004A 5307 Bonds and the Series 2004B 5307 Bonds, collectively the "*Series 2004 5307 Bonds*"), and pursuant to the First Supplemental Indenture dated as of November 1, 2006, supplementing the 5307 Master Indenture, the Authority previously issued its Capital Grant Receipts Revenue Bonds, Series 2006A (Federal Transit Administration Section 5307 Formula Funds) (the "*Series 2006A 5307 Bonds*") in the aggregate principal amount of \$275,000,000, of which \$240,440,000 principal amount is outstanding, and pursuant to the Second Supplemental Indenture dated as of April 1, 2008, supplementing the 5307 Master Indenture, the Authority previously issued its Capital Grant Receipts Revenue Bonds, Series 2008A (Federal Transit Administration Section 5307 Urbanized Area Formula Funds) (the "*Series 2008A 5307 Bonds*") in the aggregate principal amount of \$100,000,000, of which \$100,000,000 principal amount thereof is outstanding, and pursuant to the Third Supplemental Indenture dated as of May 1, 2010, supplementing the 5307 Master Indenture, the Authority previously issued its Capital Grant Receipts Revenue Bonds, Refunding Series 2010 (Federal Transit Administration Section 5307 Formula Funds) (the "*Series 2010 5307 Bonds*") in the aggregate principal amount of \$63,895,000, of which \$63,895,000 principal amount thereof is outstanding (the Series 2004 5307 Bonds, Series 2006A 5307 Bonds, the Series 2008A 5307 Bonds and the Series 2010 5307 Bonds collectively, the "*Outstanding 5307 Bonds*"); and

WHEREAS, The 5307 Master Indenture permits the Authority to issue additional bonds from time to time after obtaining all necessary Board approvals, provides for the ability of the Authority to enter into agreements to provide credit support and/or liquidity support for such additional bonds, and provides for the ability of the Authority to enter into swap agreements and similar hedge agreements pursuant to Section 7 of the Bond Authorization Act, 30 Illinois Compiled Statutes 305, the payments of the principal of, premium, if any, and interest on such additional bonds and certain payments under such support agreements and hedge agreements to be payable from and secured by the 5307 Grant Receipts on a parity with the Outstanding 5307 Bonds (the Outstanding 5307 Bonds, the Series 2011 5307 Bonds (as defined below), any such additional bonds and any such agreements collectively the "*5307 Parity Obligations*") to the extent provided in the 5307 Master Indenture; and

WHEREAS, Pursuant to and in accordance with the provisions of the Act, the Local Government Debt Reform Act, and the 5307 Master Indenture, the Authority now desires to authorize the execution and delivery of one or more supplemental Indentures (collectively, the "*Fourth Supplemental Indenture*," and together with the 5307 Master Indenture as previously supplemented, the "*5307 Indenture*") between the Authority and the 5307 Trustee, to provide for the issuance of one or more series of its "Chicago Transit Authority Capital Grant Receipts Revenue Bonds, Refunding Series 2011 (Federal Transit Administration Section 5307 Urbanized Area Formula Funds)" (the "*Series 2011 5307 Bonds*," and together with the Outstanding 5307 Bonds and any additional 5307 Parity Obligations, the "*5307 Bonds*"), as additional bonds under the 5307 Master Indenture, which Series 2011 5307 Bonds may be issued at one time or from time to time and in one or more series, and shall be secured by the 5307 Grant Receipts and income from the temporary investment thereof, as provided in the 5307 Indenture, and shall be used primarily to refund a portion of the Series 2004A 5307 Bonds and the Series 2006A 5307 Bonds; and

WHEREAS, Pursuant to and in accordance with the provisions of the Act and the Local Government Debt Reform Act, the Authority previously authorized the execution and delivery of a Trust Indenture dated as of April 1, 2008 (the "*5309 Master Indenture*") between the Authority and Amalgamated Bank of Chicago, Chicago, Illinois, as trustee (the "*5309 Trustee*") to provide for the issuance from time to time of the 5309 Bonds (as hereinafter defined) and to permit the issuance from time to time, after obtaining all necessary board approvals, of other 5309 Parity Obligations (as hereinafter defined) secured by a pledge of the 5309 Grant Receipts as provided in the 5309 Indenture; and

WHEREAS, Pursuant to the 5309 Master Indenture, the Authority previously issued its Capital Grant Receipts Revenue Bonds, Series 2008 (Federal Transit Administration Section 5309 Fixed Guideway Modernization Formula Funds)" (the "*Series 2008 5309 Bonds*") in the aggregate principal amount of \$150,000,000, of which \$137,770,000 principal amount thereof is outstanding, and pursuant to the First Supplemental Indenture dated as of November 26, 2008, supplementing the 5309 Master Indenture, the Authority previously issued its Capital Grant Receipts Revenue Bonds, Series 2008A (Federal Transit Administration Section 5309 Fixed Guideway Modernization Formula Funds) (the "*Series 2008A 5309 Bonds*") in the aggregate principal amount of \$175,000,000, of which \$161,255,000 principal amount thereof is outstanding, and pursuant to the Second Supplemental Indenture dated as of May 1, 2010, supplementing the 5309 Master Indenture, the Authority previously issued its Capital Grant Receipts Revenue Bonds, Refunding Series 2010 (Federal Transit Administration Section 5309 Fixed Guideway Modernization Formula Funds) (the "*Series 2010 5309 Bonds*") in the aggregate principal amount of \$26,820,000, of which \$26,820,000 principal amount thereof is

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outstanding (the Series 2008 5309 Bonds, the Series 2008A 5309 Bonds and the Series 2010 5309 Bonds, collectively the "*Outstanding 5309 Bonds*"); and

WHEREAS, The 5309 Master Indenture permits the Authority to issue additional bonds from time to time in the future after obtaining all necessary board approvals, provides for the ability of the Authority to enter into agreements to provide credit support and/or liquidity support for such additional bonds, and provides for the ability of the Authority to enter into swap agreements and similar hedge agreements pursuant to Section 7 of the Bond Authorization Act, 30 Illinois Compiled Statutes 305, the payments of the principal of, premium, if any, and interest on such additional bonds and certain payments under such support agreements and hedge agreements to be payable from and secured by the 5309 Grant Receipts on a parity with the Outstanding 5309 Bonds (the Outstanding 5309 Bonds, the Series 2011 5309 Bonds (as defined below), any such additional bonds and any such agreements collectively the "*5309 Parity Obligations*") to the extent provided in the 5309 Indenture; and

WHEREAS, Pursuant to and in accordance with the provisions of the Act, the Local Government Debt Reform Act, and the 5309 Master Indenture, the Authority now desires to authorize the execution and delivery of one or more supplemental indentures (collectively, the "*Third Supplemental Indenture*," and together with the 5309 Master Indenture as previously supplemented, the "*5309 Indenture*") between the Authority and the 5309 Trustee, to provide for the issuance of one or more series of its "Chicago Transit Authority Capital Grant Receipts Revenue Bonds, Series 2011 (Federal Transit Administration Section 5309 Fixed Guideway Modernization Formula Funds)" (the "*Series 2011 5309 Bonds*," and together with the Outstanding 5309 Bonds and any additional 5309 Parity Obligations, the "*5309 Bonds*"), as additional bonds under the 5309 Master Indenture, which Series 2011 5309 Bonds may be issued at one time or from time to time and in one or more series, and shall be secured by the 5309 Grant Receipts and income from the temporary investment thereof, as provided in the 5309 Master Indenture, and shall be used primarily to finance the Projects; and

WHEREAS, The State has established a program to allocate Illinois toll revenue credits to the Authority that the Authority may utilize in an amount sufficient to meet the local match requirement for the Section 5307 Formula Funds and/or the Section 5309 Formula Funds; and

WHEREAS, The Series 2011 5307 Bonds are limited obligations of the Authority payable solely from the 5307 Grant Receipts and the moneys, securities and funds pledged to the payment of the 5307 Bonds under the 5307 Indenture; and the Series 2011 5307 Bonds are not, and shall not be or become, an indebtedness obligation of the State or any political subdivision of the State (other than the Authority) or of any municipality within the State, nor shall any Series 2011 5307 Bonds be or become an indebtedness of the Authority within the purview of any constitutional limitation or provision; and

WHEREAS, The Series 2011 5309 Bonds are limited obligations of the Authority payable solely from the 5309 Grant Receipts and the moneys, securities and funds pledged to the payment of the 5309 Bonds under the 5309 Indenture; and the Series 2011 5309 Bonds are not, and shall not be or become, an indebtedness or obligation of the State or any political subdivision of the State (other than the Authority) or of any municipality within the State, nor shall any Series 2011 5309 Bonds be or become an indebtedness of the Authority within the purview of any constitutional limitation or provision; and

WHEREAS, The Series 2011 Sales Tax Bonds may be issued in one or more series, provided the aggregate principal amount of the Series 2011 Sales Tax Bonds shall not exceed \$500,000,000; and

WHEREAS, The Series 2011 5307 Bonds and the 2011 5309 Bonds (collectively, the “*2011 Grant Receipt Bonds*”) may be issued in one or more series, provided the aggregate principal amount of the 2011 Grant Receipt Bonds shall not exceed \$125,000,000; and

WHEREAS, In anticipation of the issuance of the Series 2011 Sales Tax Bonds and the 2011 Grant Receipt Bonds (collectively, the “*2011 Bonds*”), the Board desires to authorize and direct any of the Authorized Officers (as defined in Section 1 hereof) to act on behalf of the Board and the Authority to take certain actions necessary to permit the Authority to offer the proposed 2011 Bonds for sale pursuant to the Preliminary Official Statements, as defined herein, and take all other necessary actions relating to the offer, sale and delivery of the 2011 Bonds; and

WHEREAS, The Authority desires to authorize the procurement of one or more policies of bond insurance with respect to all or a portion of 2011 Bonds if determined to be desirable in connection with the sale of the 2011 Bonds; and

WHEREAS, The Authority desires to authorize obtaining one or more surety or insurance policies with respect to certain debt service reserve accounts relating to the Sales and Transfer Tax Receipts Revenue Bonds, Taxable Series 2008A (Pension Funding) and Sales and Transfer Tax Receipts Revenue Bonds, Taxable Series 2008B (Retiree Health Care Funding) (the “*2008 Pension and Retiree Health Care Bonds*”), if determined to be desirable; and

WHEREAS, The Authority has satisfied all conditions stated in the Act, the Local Government Debt Reform Act, the Sales Tax Indenture, the 5307 Indenture and the 5309 Indenture (the Sales Tax Indenture, the 5307 Indenture and the 5309 Indenture collectively, the “*Indentures*”) as prerequisites to the issuance of the 2011 Bonds; and

WHEREAS, The Authority has caused to be prepared and presented to this meeting certain documents relating to the offer, sale, issuance and delivery of the 2011 Bonds; and

WHEREAS, It appears that each of the documents or instruments referred to herein, which is now before this meeting, is in appropriate form and is an appropriate document or instrument to be executed and delivered for the purposes intended; now, therefore:

BE IT ORDAINED BY THE CHICAGO TRANSIT BOARD OF THE CHICAGO TRANSIT AUTHORITY:

SECTION 1. Definitions. In this Ordinance, each of the terms defined in the above recitals shall have the meanings ascribed to such terms and the following terms shall have the meanings ascribed to such terms, unless the context otherwise requires:

(a) “*Authorized Officers*” means the Chairman of the Board, the President or the Treasurer of the Authority, or any other officer or employee of the Authority or member of the Chicago Transit Board authorized to perform specific acts or duties hereunder by ordinance duly adopted by the Authority.

(b) “*Board*” means the Chicago Transit Board.

(c) “*FTA*” means the Federal Transit Administration of the United States Department of Transportation of the United States of America.

(d) “*5307 Grant Receipts*” means all amounts received by the Authority from its share of FTA Section 5307 (49 United States Code Section 5307) Urbanized Area Formula funds.

(e) “*5309 Grant Receipts*” means all amounts received by the Authority from its share of FTA Section 5309 (49 United States Code Section 5309) Fixed Guideway Modernization Formula funds.

(f) “*Sales Tax Receipts Fund*” means the Sales Tax Receipts Fund held by the Authority and established in Section 504 of the 2008 Indenture.

(g) Terms not defined herein shall have the meaning given thereto in the Indentures.

SECTION 2. Findings and Determinations. The Board hereby makes the following findings and determinations:

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(a) All of the recitals contained in the preamble to this Ordinance are incorporated in full as part of this Ordinance.

(b) A.C. Advisory, Inc. and Public Financial Management, Inc., acting as co-financial advisors to the Authority, have prepared and presented to the Authority a plan of finance for the 2011 Bonds, and such plan of finance is hereby approved.

(c) In accordance with the plan of finance, portions of the proceeds of the sale of the Series 2011 Sales Tax Bonds may be applied to finance the costs of the Projects, to fund a deposit to the Consolidated Debt Service Reserve Fund established and maintained pursuant to the Sales Tax Indenture, to fund capitalized interest on the Series 2011 Sales Tax Bonds for a period not to exceed the greater of two (2) years or six months following the completion of the Projects to be financed with the proceeds of the Series 2011 Sales Tax Bonds and to fund certain costs of issuance of the Series 2011 Sales Tax Bonds (including bond insurance premiums and related costs).

(d) In accordance with the plan of finance, portions of the proceeds of sale of the Series 2011 5307 Bonds may be applied to refund a portion of the Outstanding 5307 Bonds, to fund a Debt Service Reserve Account established and maintained pursuant to the Fourth Supplemental Indenture, to fund capitalized interest on the Series 2011 5307 Bonds for a period not to exceed two (2) years, to fund a Variable Rate Stabilization Account within the Debt Service Fund, and to fund certain costs of issuance of the Series 2011 5307 Bonds (including bond insurance premiums and related costs).

(e) In accordance with the plan of finance, portions of the proceeds of sale of the Series 2011 5309 Bonds may be applied to finance the costs of the Projects, to fund a Debt Service Reserve Account established and maintained pursuant to the Third Supplemental Indenture, to fund capitalized interest on the Series 2011 5309 Bonds for a period not to exceed the greater of two (2) years or six months following the completion of the Projects to be financed with the proceeds of the Series 2011 5309 Bonds, to fund a Variable Rate Stabilization Account within the Debt Service Fund, and to fund certain costs of issuance of the Series 2011 5309 Bonds (including bond insurance premiums and related costs).

(f) The fee allocation arrangement and level of fees to be paid to the financial advisors, bond insurer, rating agencies, trustees, bond counsel and for cost of issuance shall be as determined by the Treasurer of the Authority, provided such fees (exclusive of fees for bond insurance) do not exceed in aggregate two percent (2%) of the principal amount of the 2011 Bonds and all such fees (exclusive of fees for bond insurance) shall be paid as part of the costs of issuance of the 2011 Bonds. The Authority is authorize to utilize funds of the Authority (other than the proceeds of the 2011 Bonds) to pay costs associated

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with the issuance of a bond insurance policy or debt service reserve policy, as described in Sections 13, 14 and 15 herein.

(g) Pursuant to Section 13 of the Local Government Debt Reform Act, amounts on deposit in the Sales Tax Receipts Fund held by the Authority and established in the 2008 Indenture (subject however to the PBC Parity Pledge Rights, as defined in the 2008 Indenture, and any parity pledge or lien created with respect to the Pension and Retirement Debt Obligations, as defined in the Sales Tax Master Indenture), to the extent and in the manner provided herein and in the Sales Tax Indenture, shall be and are pledged as security for the payment of the 2011 Bonds and any additional Parity Obligations that may be issued or entered into in the future under the terms of the Sales Tax Master Indenture.

(h) Pursuant to Section 13 of the Local Government Debt Reform Act, the 5307 Grant Receipts, to the extent and in the manner provided herein and in the 5307 Indenture, shall be and are pledged as security for the payment of the Outstanding 5307 Bonds as defined in the 5307 Indenture, the Series 2011 5307 Bonds and any additional 5307 Parity Obligations that may be issued or entered into in the future under the terms of the 5307 Indenture.

(i) Pursuant to Section 13 of the Local Government Debt Reform Act, the 5309 Grant Receipts, to the extent and in the manner provided herein and in the 5309 Indenture, shall be and are pledged as security for the payment of the Outstanding 5309 Bonds, the Series 2011 5309 Bonds and any additional 5309 Parity Obligations that may be issued or entered into in the future under the terms of the 5309 Indenture.

(j) The Authority has been advised by its financial advisors that the 2011 Bonds should be offered to investors by the means of one or more private, negotiated sales to Wells Fargo Bank, National Association (the "*Representative*"), on behalf of a group of underwriters (listed on Exhibit A attached hereto and collectively referred to herein as the "*Underwriters*") and, pursuant to one or more Bond Purchase Agreements between the Authority and the Underwriters (each a "*Bond Purchase Agreement*"), the Underwriters will agree to offer the 2011 Bonds for sale pursuant to one or more bona fide public offerings. Pursuant to Section 10 of the Local Government Debt Reform Act, the Board determines that the 2011 Bonds shall be sold by means of one or more private, negotiated sales to the Underwriters pursuant to the terms and provisions of each Bond Purchase Agreement and that the manner of sale will accommodate current market practices and will provide an opportunity to sell the 2011 Bonds under the most favorable terms.

(k) Authority is hereby delegated to the Treasurer of the Authority (and if such Treasurer is not available, any other Authorized Officer) to sell the 2011

Bonds at one time or from time to time to the Underwriters pursuant to one or more Bond Purchase Agreements, provided that the underwriting spread of the Underwriters shall not exceed .7% of the aggregate principal amount of the 2011 Bonds being sold at such time. The authority delegated to the Authorized Officers pursuant to this Ordinance with respect to the sale of the 2011 Bonds shall terminate on April 30, 2012.

SECTION 3. Authorization of the 2011 Bonds for the Purposes Authorized by this Ordinance. Pursuant to Section 12 of the Act and the Local Government Debt Reform Act, the Authority hereby authorizes the issuance of the 2011 Bonds at one time or from time to time and in one or more series, in an aggregate principal amount not to exceed \$625,000,000 for the purchase price or prices as specified in the applicable Bond Purchase Agreement. The proceeds of the Series 2011 Sales Tax Bonds shall be used primarily for the purpose of financing a portion of the costs of the Projects. The proceeds of the Series 2011 5307 Bonds shall be used primarily for the purpose of refunding a portion of the Outstanding 5307 Bonds. The proceeds of the Series 2011 5309 Bonds shall be used primarily for the purpose of financing a portion of the costs of the Projects.

SECTION 4. Certain Terms of the 2011 Bonds; Execution and Delivery of the 2011 Bonds.

(a) The Chairman of the Board, President or such other Authorized Officer designated by the Chairman is authorized to execute the 2011 Bonds on behalf of the Authority, and the Assistant Secretary or First Assistant Secretary shall attest thereto, in each case by manual or facsimile signatures, and the seal (or a facsimile thereof) of the Authority shall be impressed, imprinted, engraved or otherwise reproduced thereon, and the 2011 Bonds shall be delivered to the applicable trustee under the applicable Indenture for authentication and delivery to the Underwriters.

(b) The 2011 Bonds shall be in the form and denominations set forth in the Indentures, shall be dated and numbered as provided in the Indentures, shall mature on the dates, shall be issued in the principal amounts and in the designated series, shall bear interest payable at the times and at the rates per annum and shall be subject to redemption prior to maturity upon the terms and conditions to be specified in the applicable Bond Purchase Agreement, the applicable Indenture and the Official Statement (as defined herein), subject to the limitations set forth in subsection (c) hereof.

(c) The Series 2011 Sales Tax Bonds shall be designated "Sales Tax Receipts Revenue Bonds, Series 2011" and include such further appropriate designation as to series as is set forth in the Second Supplemental Indenture. The Series 2011 5307 Bonds shall be designated "Chicago Transit Authority Capital Grant Receipts Revenue Bonds (Federal Transit Administration Section

5307 Urbanized Area Formula Funds)” and include such further appropriate designation as to series as is set forth in the Fourth Supplemental Indenture. The Series 2011 5309 Bonds shall be designated “Chicago Transit Authority Capital Grant Receipts Revenue Bonds (Federal Transit Administration Section 5309 Fixed Guideway Modernization Formula Funds)” and include such further appropriate designation as to series as is set forth in the Third Supplemental Indenture. The 2011 Bonds shall bear interest at the rate or rates as provided in the Indentures, but in no event shall such rate or rates exceed 6% per annum. Interest on the 2011 Bonds shall be payable on each interest payment date as provided in the Indentures (as executed and delivered by the Authority). The 2011 Bonds shall mature on such dates as provided in the Indentures, but in no event later than December 1, 2042. The 2011 Bonds shall be subject to redemption as provided in the Indentures. The 2011 Bonds may be redeemable prior to maturity at the option of the Authority, in whole or in part on any date, at such times and at such redemption prices not to exceed 103% of the principal amount of 2011 Bonds to be redeemed, as shall be determined by an Authorized Officer at the time of the sale thereof. The 2011 Bonds may be made subject to sinking fund redemption, at par plus accrued interest to the date fixed for redemption, as determined by an Authorized Officer at the time of the sale thereof; provided, that such 2011 Bonds shall mature not later than December 1, 2042. Any one or more of the Indentures may provide for the establishment of a Debt Service Reserve Account if an Authorized Officer determines that the establishment of such a reserve would be advantageous to the Authority in obtaining either bond insurance for the 2011 Bonds or in achieving a higher rating on the 2011 Bonds.

(d) The Series 2011 Sales Tax Bonds are limited obligations of the Authority payable from the Sales Tax Receipts and the moneys, securities and funds pledged to the payment of the Series 2011 Sales Tax Bonds under the Sales Tax Indenture; and the Series 2011 Sales Tax Bonds are not, and shall not be or constitute an indebtedness of the RTA, the State, or of any other political subdivision of or municipality within the State (other than the Authority). The Series 2011 Sales Tax Bonds shall not be secured by any lien upon any physical property of the Authority. An Authorized Officer may from time to time determine to make payments on the Series 2011 Sales Tax Bonds from other available funds, including 5307 Grant Receipts and 5309 Grant Receipts, without a pledge of such funds under the Indenture.

(e) The Series 2011 5307 Bonds are limited obligations of the Authority payable solely from the 5307 Grant Receipts and the moneys, securities and funds pledged to the payment of the Series 2011 5307 Bonds under the 5307 Indenture; and the Series 2011 5307 Bonds are not, and shall not be or become, an indebtedness or obligation of the State or any political subdivision of the State (other than the Authority) or of any municipality within the State, nor shall any Series 2011 5307 Bond be or become an indebtedness of the Authority within the purview of any constitutional limitation or provision. The Series 2011 5307

Bonds shall not be secured by any lien upon any physical property of the Authority.

(f) The Series 2011 5309 Bonds are limited obligations of the Authority payable solely from the 5309 Grant Receipts and the moneys, securities and funds pledged to the payment of the Series 2011 5309 Bonds under the 5309 Indenture; and the Series 2011 5309 Bonds are not, and shall not be or become, an indebtedness or obligation of the State or any political subdivision of the State (other than the Authority) or of any municipality within the State, nor shall any Series 2011 5309 Bond be or become an indebtedness of the Authority within the purview of any constitutional limitation or provision. The Series 2011 5309 Bonds shall not be secured by any lien upon any physical property of the Authority.

SECTION 5. Pledge of Sales Tax Receipts Fund to Secure Parity Obligations. The Board hereby confirms the pledge by the Authority, as part of the trust estate established by the Sales Tax Indenture, of (i) all amounts on deposit in the Sales Tax Receipts Fund held by the Authority and established in the 2008 Indenture (subject however to the PBC Parity Pledge Rights, as defined in the Sales Tax Master Indenture, and the parity pledge and lien created with respect to Pension and Retirement Debt Obligations, as defined in the Sales Tax Master Indenture), (ii) all moneys, securities and earnings thereon in all Funds, Sub-Funds, Accounts and Sub-Accounts established under the Second Supplemental Indenture, subject however to the right of the Authority to make periodic withdrawals from the Sales Tax Receipts Fund and the Debt Service Fund as permitted by the Sales Tax Indenture, and (iii) any and all other moneys and securities furnished from time to time to the Sales Tax Trustee by the Authority or on behalf of the Authority or by any other persons to be held by the Sales Tax Trustee under the terms of the Second Supplemental Indenture; all as security for the payment of the principal of, redemption premium, if any, and interest on, the Series 2011 Sales Tax Bonds and any additional Parity Obligations as the Authority may issue or enter into in the future.

SECTION 6. Pledge of Grant Receipts to Secure Parity Obligations. The Board hereby authorizes the execution of the Fourth Supplemental Indenture and confirms the pledge by the Authority, as part of the trust estate established by the 5307 Indenture, of the 5307 Grant Receipts as security for the payment of the principal of, redemption premium, if any, and interest on, the Outstanding 5307 Bonds, the Series 2011 5307 Bonds and any additional 5307 Parity Obligations as the Authority may issue or enter into in the future and other than such 5307 Grant Receipts as may, under the terms of the 5307 Indenture, be withdrawn by or paid to the Authority free of the pledge and lien of the 5307 Indenture. The Board hereby authorizes the execution of the Third Supplemental Indenture and confirms the pledge by the Authority, as part of the trust estate established by the

5309 Indenture, of the 5309 Grant Receipts as security for the payment of the principal of, redemption premium, if any, and interest on, the Series 2011 5309 Bonds and any additional 5309 Parity Obligations as the Authority may issue or enter into in the future and other than such 5309 Grant Receipts as may, under the terms of the 5309 Indenture, be withdrawn by or paid to the Authority free of the pledge and lien of the 5309 Indenture.

SECTION 7. Approval of Escrow Agreement. Portions of the proceeds of the sale of the Series 2011 5307 Bonds may be deposited into an escrow account pursuant to and in accordance with the terms of an Escrow Agreement in substantially the form attached to this Ordinance as Exhibit B. Such deposit shall be in an amount sufficient, together with other available funds, to purchase direct obligations of the United States of America ("*Escrow Investments*") that may not be redeemed at the option of the Authority or any person other than the holder thereof, which Escrow Investments will mature in principal amounts and bear interest in such amounts and become due and payable at such times so that monies will be available from such maturing principal and interest payments as shall, together with any beginning cash balance, be sufficient to pay, as the same become due, all principal of, interest and redemption premium, if any, on all or a portion of the Outstanding 5307 Bonds being refunded thereby. The Authorized Officers are each hereby authorized to execute and deliver one or more Escrow Agreements in the name and on behalf of the Authority in substantially the form of Escrow Agreement attached to this Ordinance as Exhibit B and hereby approved, with such changes as may be approved by the Authorized Officer executing the same, with such execution to constitute conclusive evidence of the approval of such Authorized Officer and the Authority of any and all changes from the form of Escrow Agreement presented to this meeting and approved hereby.

SECTION 8. Approval of the Supplemental Indentures.

(a) To provide for the details of and to prescribe the terms and conditions upon which the Series 2011 Sales Tax Bonds are to be issued, secured, executed, authenticated and held, the Authorized Officers are each hereby authorized to execute and deliver the Second Supplemental Indenture and such other additional supplemental indentures as the Authorized Officers deem necessary or appropriate, in the name and on behalf of the Authority, in each case in substantially the form attached hereto as Exhibit C, and such appropriate form is hereby approved, with such other or further changes in the Second Supplemental Indenture and any other supplemental indentures as may be approved by any Authorized Officer executing the same. The execution of the Second Supplemental Indenture and any other supplemental indentures by any Authorized Officer shall constitute conclusive evidence of the approval by such Authorized Officer and the Authority of any and all such changes from the form of

the Second Supplemental Indenture presented to this meeting and approved hereby.

(b) To provide for the details of and to prescribe the terms and conditions upon which the Series 2011 5307 Bonds are to be issued, secured, executed, authenticated and held, the Authorized Officers are each hereby authorized to execute and deliver the Fourth Supplemental Indenture and such other additional supplemental indentures as the Authorized Officers deem necessary or appropriate, in the name and on behalf of the Authority, in each case in substantially the form attached hereto as Exhibit D, and such appropriate form is hereby approved, with such other or further changes in the Fourth Supplemental Indenture and any other supplemental indentures as may be approved by any Authorized Officer executing the same. The execution of the Fourth Supplemental Indenture and any other supplemental indentures by any Authorized Officer shall constitute conclusive evidence of the approval by such Authorized Officer and the Authority of any and all such changes from the form of the Fourth Supplemental Indenture presented to this meeting and approved hereby.

(c) To provide for the details of and to prescribe the terms and conditions upon which the Series 2011 5309 Bonds are to be issued, secured, executed, authenticated and held, the Authorized Officers are each hereby authorized to execute and deliver the Third Supplemental Indenture and such other additional supplemental indentures as the Authorized Officers deem necessary or appropriate, in the name and on behalf of the Authority, in each case in substantially the form attached hereto as Exhibit E, and such appropriate form is hereby approved, with such other or further changes in the Third Supplemental Indenture and any other supplemental indentures as may be approved by any Authorized Officer executing the same. The execution of the Third Supplemental Indenture and any other supplemental indentures by any Authorized Officer shall constitute conclusive evidence of the approval by such Authorized Officer and the Authority of any and all such changes from the form of the Third Supplemental Indenture presented to this meeting and approved hereby.

SECTION 9. Approval of Use and Distribution of the Preliminary Official Statements. The Authorized Officers are each hereby authorized to use and distribute one or more Preliminary Official Statements for the 2011 Bonds (the "*Preliminary Official Statements*") in the forms of the Preliminary Official Statements attached hereto as Exhibits F-1 and F-2, presented to the Board and hereby approved, which Preliminary Official Statements shall also include such information as shall be deemed necessary or appropriate by any Authorized Officer to approve such Preliminary Official Statements, including information concerning the bonds being refunded, the bond insurer and bond insurance policy relating to the 2011 Bonds, information conforming to the form of

Indentures and such other information as such officer deems necessary or appropriate under the circumstances. Upon the determination of any Authorized Officer that a Preliminary Official Statement is deemed final, the Representative, on behalf of the Underwriters, is hereby authorized to publish and distribute such Preliminary Official Statement for use, together with the form of the applicable indentures, in connection with a public offering of the 2011 Bonds in an aggregate original principal amount not to exceed the amount described in Section 3 hereof.

SECTION 10. Approval of One or More Bond Purchase Agreements. The Authorized Officers are each hereby authorized to execute and deliver one or more Bond Purchase Agreements in the name and on behalf of the Authority in substantially the forms of the Bond Purchase Agreements attached to this Ordinance as Exhibits G-1, G-2 and G-3 and hereby approved, with such changes as may be approved by the Authorized Officer executing the same, with such execution to constitute conclusive evidence of the approval of such Authorized Officer and the Authority of any and all changes from the forms of Bond Purchase Agreements presented to this meeting and approved hereby.

SECTION 11. Approval of One or More Continuing Disclosure Undertakings. The Authorized Officers are each hereby authorized to execute and deliver one or more Continuing Disclosure Undertakings (each a "*Continuing Disclosure Undertaking*") in the name and on behalf of the Authority in substantially the form of the Continuing Disclosure Undertaking attached to the Preliminary Official Statements as appendices and hereby approved, with such changes as may be approved by any Authorized Officer executing the same, with such execution to constitute conclusive evidence of the approval of such Authorized Officer and the Authority of any and all changes from the form of Continuing Disclosure Undertaking presented to this meeting and approved hereby.

SECTION 12. Official Statements. The Authorized Officers are each hereby authorized to prepare, execute and distribute one or more final Official Statements (the "*Official Statements*"), which shall reflect the final terms and conditions of the 2011 Bonds as established by a Bond Purchase Agreement, the Indentures and other documents and instruments approved and authorized hereby. Each such Official Statement shall be in the form of the applicable Preliminary Official Statement deemed final pursuant to Section 8 hereof with such changes therein as shall be necessary to conform to this Ordinance and such other changes therein as shall be approved by any Authorized Officer executing the same, with such execution to constitute conclusive evidence of the approval of such Authorized Officer and the Authority of any and all changes from the form of the Preliminary Official Statements presented to this meeting and approved hereby.

SECTION 13. Authorization of the Purchase of Municipal Bond Insurance Policy. In connection with any sale of any series of the 2011 Bonds, any one of the Authorized Officers is authorized to obtain one or more policies of bond insurance from recognized bond insurers selected by such Authorized Officer. The Authorized Officer may, on behalf of the Authority, make covenants with such bond insurer as are necessary or desirable to obtain such policies, execute and deliver such documents and agreements and pay such related costs with 2011 Bond proceeds or with the funds of the Authority, as are necessary to carry out the purposes of this Ordinance. Any of the Authorized Officers is further authorized to request one or more of the financial advisors to solicit proposals from recognized bond insurers for one or more policies of bond insurance. The Board hereby determines that competitive bidding for such bond insurance is not required under Section 54.3-2 of the Chicago Transit Authority Regulations Governing Purchases and Sales Transactions inasmuch as the services required are for a professional, technical or artistic skill and, as a result, any of the Authorized Officers is authorized to determine whether under then current market conditions it is most advantageous to the Authority, to select one or more policies of insurance pursuant to a competitive process or a private negotiated process. If such Authorized Officer so determines that a negotiated process is most advantageous, any of the Authorized Officers is further authorized to select one or more of such policies of bond insurance based upon a determination of what is in the best interest of the Authority and, regardless of the manner of selection, to negotiate and execute all required agreements and certificates with such selected bond insurer(s), such agreements and certificates to be in a form acceptable to the General Counsel of the Authority.

SECTION 14. Authorization of the Purchase of Debt Service Reserve Policy relating to the 2011 Bonds. Any one of the Authorized Officers is authorized to obtain one or more surety bonds or debt service reserve policies issued by a nationally recognized insurance provider (the "Surety Provider") to satisfy any reserve requirement under the Indentures. The Authorized Officer may, on behalf of the Authority, make covenants with such Surety Provider as are necessary or desirable to obtain such policies, execute and deliver such documents and agreements and pay such related costs with 2011 Bond proceeds or with funds of the Authority, as are necessary to carry out the purposes of this Ordinance. The Board hereby determines that competitive bidding for such policies is not required under Section 54.3-2 of the Chicago Transit Authority Regulations Governing Purchases and Sales Transactions inasmuch as the services required are for a professional, technical or artistic skill and, as a result, any of the Authorized Officers is authorized to determine whether under then current market conditions it is most advantageous to the Authority, to select one or more policies pursuant to a competitive process or a private negotiated process. If such Authorized Officer so determines that a negotiated process is most advantageous, any of the Authorized Officers is further authorized to select one or more of such policies based upon a

determination of what is in the best interest of the Authority and, regardless of the manner of selection, to negotiate and execute all required agreements and certificates with such selected insurer(s), such agreements and certificates to be in a form acceptable to the General Counsel of the Authority.

SECTION 15. Authorization of the Purchase of Debt Service Reserve Policies relating to the 2008 Pension Bonds and Retiree Health Care Bonds. Any one of the Authorized Officers is authorized to obtain one or more debt service reserve policies issued by Assured Guaranty Municipal Corp. (the "AGM") for deposit into one or more debt service reserve accounts established under the 2008 Indenture. The Authorized Officer may, on behalf of the Authority, make covenants with AGM as are necessary or desirable to obtain such policies, execute and deliver such documents and agreements and pay such related costs with the funds of the Authority, as are necessary to carry out the purposes of this Ordinance. The Board hereby determines that competitive bidding for such policies is not required under Section 54.3-2 of the Chicago Transit Authority Regulations Governing Purchases and Sales Transactions inasmuch as the services required are for a professional, technical or artistic skill and, as a result, any of the Authorized Officers is authorized to determine whether under then current market conditions it is most advantageous to the Authority, to select one or more policies pursuant to a competitive process or a private negotiated process. If such Authorized Officer so determines that a negotiated process is most advantageous, any of the Authorized Officers is further authorized to select one or more of such policies based upon a determination of what is in the best interest of the Authority and, regardless of the manner of selection, to negotiate and execute all required agreements and certificates with AGM, such agreements and certificates to be in a form acceptable to the General Counsel of the Authority. In connection with obtaining such policies for deposit into one or more debt service reserve accounts under the 2008 Indenture, any one of the Authorized Officers is authorized to withdraw any funds currently being held in such debt service reserve accounts which are no longer needed to satisfy the reserve requirement thereunder, and in accordance with the provisions of the 2008 Indenture, to provide for the disposition by the Authority of such funds (including the use of such funds to pay for premiums and other costs of obtaining such debt service reserve policies).

SECTION 16. Authorization of Hedge Agreements. The Authorized Officers are each hereby authorized to execute and deliver from time to time one or more agreements, or documents with respect to one or more series of 2011 Bonds that will have the benefit of providing the Authority: a guaranteed interest rate, interest rate basis, cash flow basis or purchase price (including, without limitation, agreements or contracts commonly known as interest rate swap, collar cap, or derivative agreements, forward payment conversion agreements, interest rate locks, forward bond purchase agreements, bond warrant agreements or bond purchase option agreements and including agreements or contracts

providing for payments based on levels of or changes in interest rates, including a change in an interest rate index, to exchange cash flows or a series of payments, or to hedge payment, rate spread, or similar exposure) as provided in Section 7 of the Bond Authorization Act. Any of the Authorized Officers is authorized to request one or more of the financial advisors to solicit proposals from qualified financial institutions to act as counterparties under one or more of such contracts or agreements. The Board hereby determines that competitive bidding for such contracts or agreements is not required under Section 54.3-2 of the Chicago Transit Authority Regulations Governing Purchases and Sales Transactions inasmuch as the services required are for a professional, technical or artistic skill and, as a result, any of the Authorized Officers is authorized to determine whether under then current market conditions it is most advantageous to the Authority to select one or more of such contracts, agreements or counterparties pursuant to a competitive process or a private negotiated process. If such Authorized Officer so determines that a negotiated process is most advantageous, any of the Authorized Officers is further authorized to select one or more of such contracts, agreements and counterparties based upon a determination of what is in the best interest of the Authority and to negotiate and execute all required agreements and certificates with such selected financial institution(s). The stated aggregate notional amount under all such agreements authorized hereunder shall not exceed the principal amount of the series of Bonds subject to such hedging agreements (net of offsetting transactions entered into by the Authority). Any such agreement to the extent practicable shall be in substantially the form of either the Local Currency – Single Jurisdiction version or the Multicurrency – Cross Border version of the 1992 ISDA Master Agreement accompanied by the U.S. Municipal Counterparty Schedule published by the International Swaps and Derivatives Association, Inc. (the “ISDA”) or any successor form to either published by the ISDA, with the appropriate confirmations of transactions governed by that agreement, and with such insertions, completions and modifications thereof as shall be approved by an Authorized Officer executing the same, his or her execution to constitute conclusive evidence of the Board’s approval of such insertions, completions and modifications thereof. Should the ISDA form not be the appropriate form to accomplish the objectives of the Authority under this Section, then such other agreement as may be appropriate and in a form acceptable to the General Counsel to the Authority is hereby approved, the execution by any Authorized Officer being conclusive evidence of the Board’s approval of such form. Payments made by the Authority and payments received by the Authority under such agreements may be paid from and deposited into such funds and accounts as provided in the appropriate Indenture and, to the extent provided in an Indenture, such agreements may constitute Parity Obligations under said Indenture.

SECTION 17. Toll Revenue Credits. In connection with the payment of debt service on the 2011 Bonds, the Authority may utilize allocated State toll

revenue credits to meet all or part of the local match requirement on Section 5307 Formula Funds and/or Section 5309 Formula Funds.

SECTION 18. Continuing Appropriation of Grant Receipts. This Ordinance shall constitute a continuing appropriation of all 5307 Grant Receipts, which shall be used for the purposes specified in and permitted by the 5307 Indenture so long as any 5307 Parity Obligations remain outstanding thereunder. This Ordinance shall constitute a continuing appropriation of all 5309 Grant Receipts, which shall be used for the purposes specified in and permitted by the 5309 Indenture so long as any 5309 Parity Obligations remain outstanding thereunder.

SECTION 19. Prior Actions Ratified and Confirmed. The prior actions of the Authorized Officers and all other authorized officers and agents of the Authority in doing any and all acts necessary in connection with the offer, issuance and sale of the 2011 Bonds are hereby approved, ratified and confirmed.

SECTION 20. Ratification and Continued Effectiveness of Actions of Any Authorized Officer Who, For Any Reason, Ceases to be an Authorized Officer. In the event that any Authorized Officer executes or delivers any document or other instrument approved hereunder and later ceases to be such an Authorized Officer before the delivery or performance of the document or instrument so executed, whether by reason of resignation, death or otherwise, any such document or instrument so executed or delivered and any such other action taken in connection therewith shall be and continue to be authorized by this Ordinance and valid, binding and enforceable against the Authority and the Board.

SECTION 21. Authorization and Ratification of Subsequent Acts. The Authorized Officers are each hereby authorized to do all such acts and to execute or accept all such documents as may be necessary to carry out and comply with the provisions of this Ordinance, and the documents attached hereto as Exhibit B through Exhibit G, inclusive, and all of the acts of the Authorized Officers of the Authority which are in conformity with the intent and purposes of this Ordinance, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved. Without limiting the generality of the foregoing, the Authorized Officers of the Authority are hereby each also authorized to execute, acknowledge and deliver such certificates, agreements and documents which, in the opinion of the Authority's General Counsel and co-bond counsel, Katten Muchin Rosenman LLP and Charity & Associates, P.C., are necessary to effectuate the provisions of this Ordinance, including the issuance of the 2011 Bonds.

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SECTION 22. Conflicting Ordinances Amended. All ordinances in conflict herewith are, to the extent of such conflict, hereby amended to conform to this Ordinance.

SECTION 23. Severability. If any section, paragraph or provisions of this Ordinance shall be held invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any remaining provisions.

SECTION 24. Effective Date. This Ordinance shall be in full force and effect from and after its passage.

APPROVED:

PASSED:

Chairman

Assistant Secretary

October 13, 2011

October 13, 2011