

APPENDIX E-3
Amended Trust Indenture.

**FIRST AMENDED AND RESTATED
MASTER INDENTURE OF TRUST**

between

CONNECTOR 2000 ASSOCIATION, INC.

and

U.S. BANK NATIONAL ASSOCIATION
as Trustee

Dated as of _____, 2011

Relating to

**Connector 2000 Association, Inc.
Toll Road Revenue Bonds
(Southern Connector Project, Greenville, South Carolina)**

Table of Contents

Page

ARTICLE I. DEFINITIONS AND INTERPRETATION

| | | |
|--------------|---|----|
| Section 101. | Definitions | 4 |
| Section 102. | Table of Contents, Titles and Headings..... | 18 |
| Section 103. | Interpretation and Construction..... | 18 |

ARTICLE II. SECURITY FOR THE BONDS

| | | |
|--------------|---|----|
| Section 201. | Pledge of Trust Estate..... | 20 |
| Section 202. | Time of Pledge | 20 |
| Section 203. | Declaration..... | 20 |
| Section 204. | Special Limited Obligations; No Obligation of the State | 21 |
| Section 205. | Discharge of Lien..... | 21 |

ARTICLE III. AUTHORIZATION AND ISSUANCE OF BONDS, GENERAL TERMS AND PROVISIONS OF THE BONDS

| | | |
|--------------|--|----|
| Section 301. | Authorization of Bonds | 22 |
| Section 302. | Redemption of Series 2011 Bonds | 24 |
| Section 303. | Provisions for Issuance of Bonds | 24 |
| Section 304. | Delivery of Series 2011 Bonds and Application of Bond Proceeds for Additional Bonds | 28 |
| Section 305. | Medium of Payment; Date; Letter and Numbers | 28 |
| Section 306. | Legends..... | 29 |
| Section 307. | Execution, Authentication and Registration | 29 |
| Section 308. | Exchange of Bonds..... | 30 |
| Section 309. | Negotiability, Transfer and Registry | 30 |
| Section 310. | Regulations with Respect to Exchanges and Transfers | 30 |
| Section 311. | Bonds Mutilated, Destroyed, Stolen or Lost..... | 31 |
| Section 312. | Temporary Bonds | 31 |
| Section 313. | Cancellation and Destruction of Bonds | 32 |
| Section 314. | Securities Depository Provisions | 32 |

ARTICLE IV. REDEMPTION OF BONDS

| | | |
|--------------|--|----|
| Section 401. | Privilege of Redemption and Redemption Price | 34 |
| Section 402. | Redemption at the Option of the Association | 39 |

| | | |
|--------------|---|----|
| Section 403. | Redemption Otherwise Than at the Option of the Association..... | 40 |
| Section 404. | Selection of Bonds to be Redeemed..... | 40 |
| Section 405. | Notice of Redemption..... | 40 |
| Section 406. | Payment of Redeemed Bonds..... | 41 |
| Section 407. | Modification by Supplemental Indenture..... | 41 |

**ARTICLE V.
ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF**

| | | |
|--------------|---|----|
| Section 501. | Security for Bonds..... | 42 |
| Section 502. | Establishment of Funds and Accounts..... | 42 |
| Section 503. | [Reserved]..... | 42 |
| Section 504. | Revenue Fund..... | 42 |
| Section 505. | Flow of Funds..... | 43 |
| Section 506. | Other Transfers to Debt Service Fund..... | 45 |
| Section 507. | Debt Service Fund..... | 46 |
| Section 508. | Debt Service Reserve Fund..... | 46 |
| Section 509. | Renewal and Replacement Fund..... | 47 |
| Section 510. | Extraordinary Redemption Fund..... | 47 |
| Section 511. | Rebate Fund..... | 48 |
| Section 512. | Form of Requisition..... | 48 |

**ARTICLE VI.
MONEYS HELD IN TRUST, SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS**

| | | |
|--------------|--|----|
| Section 601. | Moneys Held in Trust..... | 49 |
| Section 602. | Deposits and Transfers..... | 49 |
| Section 603. | Investment of Funds..... | 49 |
| Section 604. | Valuation and Sale of Investments..... | 50 |

**ARTICLE VII.
PARTICULAR COVENANTS OF THE ASSOCIATION**

| | | |
|--------------|--|----|
| Section 701. | Payment of Bonds..... | 52 |
| Section 702. | Related Financial Transactions..... | 52 |
| Section 703. | Money for Bond Payments to be Held in Trust..... | 52 |
| Section 704. | Power to Enter Into Master Indenture, Issue Bonds and Pledge Trust Estate..... | 53 |
| Section 705. | Construction Contracts..... | 53 |
| Section 706. | Toll Rate Covenant..... | 53 |
| Section 707. | Tax Covenant..... | 54 |
| Section 708. | General..... | 56 |
| Section 709. | Further Assurances..... | 56 |

| | | |
|--------------|--|----|
| Section 710. | Sale or Encumbrance of Project; License Agreement | 56 |
| Section 711. | Association Engineer’s Reports on Southern Connector Project | 57 |
| Section 712. | Annual Budget | 57 |
| Section 713. | Accounts and Reports..... | 57 |
| Section 714. | Rules and Regulations; Maintenance of Southern Connector Project | 58 |
| Section 715. | Payment of Lawful Claims | 58 |
| Section 716. | Association Engineers | 59 |
| Section 717. | Insurance..... | 59 |
| Section 718. | Contracts With Other Persons | 60 |

**ARTICLE VIII.
DISCHARGE AND DEFEASANCE**

| | | |
|--------------|-------------------------------------|----|
| Section 801. | Discharge of Master Indenture | 61 |
| Section 802. | Defeasance | 61 |

**ARTICLE IX.
DEFAULT AND REMEDIES**

| | | |
|--------------|---|----|
| Section 901. | Rights and Remedies, Generally | 63 |
| Section 902. | Events of Default..... | 63 |
| Section 903. | Notice of Default | 64 |
| Section 904. | Specific Remedies | 64 |
| Section 905. | Application of Certain Proceeds | 66 |
| Section 906. | Trustee May Act Without Possession of Bonds..... | 66 |
| Section 907. | Trustee as Attorney-in-Fact | 66 |
| Section 908. | Remedies Not Exclusive..... | 67 |
| Section 909. | Limitation on Suits | 67 |
| Section 910. | Right of Owners of the Bonds to Direct Proceedings..... | 67 |
| Section 911. | Restoration of Rights and Remedies | 68 |
| Section 912. | Waiver of Stay or Extension Laws | 68 |
| Section 913. | Delay or Omission Not Waiver | 68 |
| Section 914. | Notice to Owners of the Bonds of Default..... | 68 |
| Section 915. | Conflict with License Agreement or any Operating Agreement..... | 68 |
| Section 916. | References to Series 2011A Bonds | 68 |

**ARTICLE X.
CONCERNING THE FIDUCIARIES**

| | | |
|---------------|--|----|
| Section 1001. | Trustee; Appointment and Acceptance of Duties..... | 70 |
| Section 1002. | Paying Agents, Registrars and Other Agents; Appointment and Acceptance of Duties | 70 |

| | | |
|---------------|---|----|
| Section 1003. | Responsibilities of the Trustee | 70 |
| Section 1004. | Evidence on Which the Trustee May Act | 71 |
| Section 1005. | Compensation | 72 |
| Section 1006. | Certain Permitted Acts..... | 72 |
| Section 1007. | Resignation of Trustee | 72 |
| Section 1008. | Removal of Trustee | 72 |
| Section 1009. | Appointment of Successor Trustee..... | 72 |
| Section 1010. | Transfer of Rights and Property to Successor Trustee | 73 |
| Section 1011. | Merger or Consolidation..... | 74 |
| Section 1012. | Adoption of Authentication | 74 |
| Section 1013. | Resignation or Removal of Fiduciaries and Appointment of Successors | 74 |
| Section 1014. | Limitation on Indemnification | 75 |

**ARTICLE XI.
SUPPLEMENTAL INDENTURES**

| | | |
|---------------|---|----|
| Section 1101. | Supplemental Indentures Effective Without Consent of Bondowners | 76 |
| Section 1102. | Supplemental Indentures Requiring Bondowner Consent | 77 |
| Section 1103. | Consent of Bondowners..... | 78 |
| Section 1104. | Amendment of the License Agreement | 79 |
| Section 1105. | Exclusion of Bonds | 80 |
| Section 1106. | General Provisions | 80 |
| Section 1107. | Notation on Bonds..... | 80 |

**ARTICLE XII.
LICENSE ASSIGNMENT PROVISIONS**

| | | |
|---------------|-------------------------|----|
| Section 1201. | License Assignment..... | 81 |
|---------------|-------------------------|----|

**ARTICLE XIII.
MISCELLANEOUS**

| | | |
|---------------|---|----|
| Section 1301. | Evidence of Signatures of Bondowners and Ownership of Bonds..... | 82 |
| Section 1302. | [Reserved]..... | 83 |
| Section 1303. | Money Held for Particular Bonds | 83 |
| Section 1304. | Preservation and Inspection of Documents..... | 83 |
| Section 1305. | Failure to Present Bonds | 83 |
| Section 1306. | Filing of Security Instruments..... | 83 |
| Section 1307. | Parties Interested Herein..... | 84 |
| Section 1308. | No Recourse on the Bonds..... | 84 |
| Section 1309. | No Individual Liability | 84 |
| Section 1310. | Master Indenture and Supplemental Indentures to Constitute Contracts..... | 84 |

| | | |
|---------------|---|----|
| Section 1311. | Notice | 85 |
| Section 1312. | Governing Law | 86 |
| Section 1313. | Severability of Invalid Provisions | 86 |
| Section 1314. | Successors..... | 86 |
| Section 1315. | Holidays..... | 86 |
| Section 1316. | Execution in Several Counterparts | 86 |
| Section 1317. | Balances in Certain Funds and Accounts | 86 |
| Section 1318. | Conflicts Among Master Indenture and Supplemental Indenture | 86 |

EXHIBIT “A” – FORM OF SERIES 2011A BONDS

EXHIBIT “B” – FORM OF SERIES 2011B BONDS

EXHIBIT “C” – FORM OF SERIES 2011C BONDS

EXHIBIT “D” – FORM OF REQUISITION FROM RENEWAL AND REPLACEMENT FUND

EXHIBIT “E” – FORM OF REQUISITION FOR INSURANCE PROCEEDS

EXHIBIT “T” – DETAILS OF SERIES 2011 BONDS

**FIRST AMENDED AND RESTATED
MASTER INDENTURE OF TRUST**

This **FIRST AMENDED AND RESTATED MASTER INDENTURE OF TRUST**, dated as of _____, 2011 (this “*Master Indenture*”), by and between **CONNECTOR 2000 ASSOCIATION, INC.**, a South Carolina non-profit corporation (the “*Association*”), and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association having a corporate trust office in Columbia, South Carolina (in such capacity, together with any successor in such capacity, the “*Trustee*”).

W I T N E S S E T H:

WHEREAS, Part II, Section 128 of Act No. 497 of the Acts and Joint Resolutions of the General Assembly of South Carolina of 1994; S.C. Code Ann. §57-3-200 (Supp. 1996) (the “*Act*”) granted to the South Carolina Department of Transportation, an agency of the State of South Carolina (“*SCDOT*”) the authority to “enter into . . . partnership agreements with . . . private entities to finance, by tolls and other financing methods, the cost of acquiring, constructing, equipping, maintaining and operating highways, roads, streets and bridges in this State”; and

WHEREAS, pursuant to the Act, on July 1, 1995 SCDOT published a request for proposals (the “*RFP*”) for the financing and construction of an approximately sixteen mile long, four lane toll access highway with a 70 mile per hour design speed connecting interstate highway I-85 to interstate highway I-385 around the southern perimeter of the City of Greenville, South Carolina (the “*Southern Connector*”); and

WHEREAS, also included in the RFP was an extension of South Carolina Highway 153 from its existing terminus at I-85 to connect with the Southern Connector (the “*SC 153 Extension*”); and

WHEREAS, the Association and Interwest Carolina Transportation Group, LLC, (the “*Developer*”) a South Carolina limited liability company formed under S.C. Code Ann. §33-43-101 (Supp. 1996), *et seq.*, to develop and construct the Southern Connector and the SC 153 Extension submitted a proposal to SCDOT on January 5, 1996; and

WHEREAS, on February 29, 1996, SCDOT selected the proposal of the Association and Developer over two competing proposals for purposes of financing, developing and constructing both the Southern Connector (the “*Southern Connector Project*”) and the SC 153 Extension (the “*SC 153 Project*”) (collectively, the “*Projects*”); and

WHEREAS, SCDOT and the Association entered into a License Agreement dated as of February 11, 1998 (the “*Original License Agreement*”) authorizing the Association to acquire, on behalf of SCDOT, land or interests in land and to undertake the Projects, to accept certain financial support for the Projects from SCDOT, the State of South Carolina (the “*State*”) and the Federal Highway Administration (“*FHWA*”), and to finance and operate the Southern Connector as a toll facility, including the collection and application of tolls for the use of the Southern Connector; and

WHEREAS, the Association entered into a Development Agreement dated as of February 11, 1998 (the “*Development Agreement*”) with Developer which required Developer to perform the obligations of the Association under the Original License Agreement relating to the financing, planning, acquisition, design, construction, start-up and equipping of the Southern Connector Project or the planning, acquisition, design, and construction of the SC 153 Project; and

WHEREAS, the Association and First Union National Bank, predecessor in trust to the Trustee, entered into that certain Master Trust Indenture dated as of February 1, 1998 (the “*Original Master Indenture*”) and that certain First Supplemental Trust Indenture dated as of February 1, 1998 (the “*First Supplement*”) pursuant to which the Association issued its \$66,200,000 principal amount of its Senior Current Interest Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 1998A (the “*Series 1998A Bonds*”); its \$87,385,622 original principal amount Senior Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 1998B (the “*Series 1998B Bonds*” and, together with the Series 1998A Bonds, the “*Original Senior Bonds*”) and \$46,592,058 original principal amount of its Subordinate Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 1998C (the “*Series 1998C Bonds*” or the “*Original Subordinate Bonds*”); and

WHEREAS, the Developer completed the acquisition and construction of the Projects, which were accepted by the SCDOT on behalf of the State and made part of the State Highway System; and

WHEREAS, the Association has operated the Southern Connector pursuant to the Original License Agreement, has collected tolls from the public for use of the Southern Connector and has remitted such tolls to the Trustee pursuant to the Original Master Indenture; and

WHEREAS, the traffic levels on the Southern Connector have been substantially less than anticipated at the time of the issuance of the Original Senior Bonds and the Original Subordinate Bonds (together, the “*Original Bonds*”) and the Association has not collected toll revenues sufficient to pay all of the principal of and interest on the Bonds and perform all of its obligations under the Original Master Indenture and the Original License Agreement; and

WHEREAS, at the predecessor Trustee’s request the Association appointed HSBC Bank USA, N.A. as Standby Subordinate Bonds Co-Trustee (the “*Subordinate Bonds Trustee*”) for the benefit of the owners of the Original Subordinate Bonds to perform with respect to the Original Subordinate Bonds those duties ascribed to the Trustee under Article IX of the Original Master Indenture pursuant to that certain Second Supplemental Trust Indenture dated as of October 16, 2002 (the “*Second Supplemental Indenture*” and, together with the Original Master Indenture and the First Supplemental Indenture, the “*Original Trust Indenture*”); and

WHEREAS, the Association has defaulted in the payment of principal of and interest on certain of the Original Bonds and has failed to timely perform all of its obligations under the Original Indenture; and

WHEREAS, SCDOT has notified the Association that the SCDOT has asserted that the Association is in default of certain of its obligations and covenants under the Original License Agreement; and

WHEREAS, on June 24, 2010 the Association filed a voluntary petition for relief (the “*Petition*”) under Chapter 9 of Title 11 of the United States Code (the “*Bankruptcy Code*”) in the United States Bankruptcy Court for the District of South Carolina (the “*Court*”); and

WHEREAS, the Association filed with the Court on November 23, 2010 its First Amended Disclosure Statement (the “*Disclosure Statement*”) in connection with a proposed solicitation by the Association of ballots for the acceptance of its First Amended Plan for Adjustment of Debts (the “*Plan*”); and

WHEREAS, the Plan provides for the modification and amendment of the Original License Agreement by a First Amendment to License Agreement dated as of March 1, 2011 (the “*First Amendment to License Agreement*”, and the Original License Agreement as amended by the First Amendment to License Agreement, is referenced to herein as the “*License Agreement*”) between SCDOT and the Association; and

WHEREAS, after a hearing on January 5, 2011, the Court approved the Disclosure Statement and authorized the Association to solicit acceptances of the Plan; and

WHEREAS, on _____, 2011, the Bankruptcy Court entered an order (the “*Confirmation Order*”) confirming the Plan and directing the Association to modify the Original Bonds evidenced by an exchange of the Series 2011 Bonds (as defined herein) for the Original Bonds as provided in the Plan and this Master Indenture; and

WHEREAS, the Plan provides for the Association promptly after the Effective Date of the Plan (as defined herein), to issue (i) its Senior Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011A (the “*Series 2011A Bonds*”); (ii) its Senior Subordinate Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011B (the “*Series 2011B Bonds*”) and (iii) its Junior Subordinate Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011C (the “*Series 2011C Bonds*”) and to deliver such obligations to the record owners of the Series 1998A Bonds, the Series 1998B Bonds and the Series 1998C Bonds, respectively, in exchange for such Original Bonds as provided in the Plan and Confirmation Order; and

WHEREAS, the Series 2011A Bonds, the Series 2011B Bonds and the Series 2011C Bonds (together, the “*Series 2011 Bonds*”) will be issued by the Association pursuant to the terms of the Plan and this Master Indenture, the Series 2011 Bonds will be distributed to the owners of the Original Bonds in accordance with the terms of the Plan and the Confirmation Order and the Series 2011 Bonds will be payable and secured in the manner provided herein; and

WHEREAS, the Series 2011 Bonds continue to evidence the debt of the Association incurred for the construction and financing of the Southern Connector.

For and in consideration of the mutual covenants hereinafter contained and for other valuable consideration, the parties hereto agree as follows:

ARTICLE I.

DEFINITIONS AND INTERPRETATION

Section 101. Definitions. The following terms defined in the recitals to this Master Indenture are intended to have the meanings assigned in the recitals: “*Act*”, “*Association*”, “*Bankruptcy Code*”, “*Confirmation Order*”, “*Court*”, “*Developer*”, “*Development Agreement*”, “*Disclosure Statement*”, “*First Amendment to License Agreement*”, “*First Supplement*”, “*License Agreement*”, “*Master Indenture*”, “*Original Bonds*”, “*Original Trust Indenture*”, “*Original License Agreement*”, “*Original Master Indenture*”, “*Original Senior Bonds*”, “*Original Subordinate Bonds*”, “*Petition*”, “*Plan*”, “*Projects*”, “*RFP*”, “*SC 153 Extension*”, “*SC 153 Project*”, “*SCDOT*”, “*Second Supplemental Indenture*”, “*Series 1998A Bonds*”, “*Series 1998B Bonds*”, “*Series 1998C Bonds*”, “*Series 2011 Bonds*”, “*Series 2011A Bonds*”, “*Series 2011B Bonds*”, “*Series 2011C Bonds*”, “*Southern Connector*”, “*Southern Connector Project*”, “*Subordinate Bonds Trustee*”, “*State*”, “*Trustee*”.

For purposes of this Master Indenture, except as otherwise expressly provided or unless the context otherwise requires, other capitalized terms have the meanings assigned below:

“*Account*” or “*Accounts*” means any one or more of the accounts, including any subaccount, from time to time created in any of the Funds established hereby or by any Supplemental Indenture.

“*Accountant*” means any certified public accountant or firm of certified public accountants or accounting corporation of recognized experience and qualifications, selected by the Association, and may be the accountants or firm of accountants that regularly audits the books of the Association.

“*Accountant Certification*” means a certificate or opinion signed by the Accountant.

“*Accreted Value*” means, with respect to each \$100,000 of Maturity Value of a Capital Appreciation Bond:

(a) as of any Accretion Date, the amount set forth on **Appendix T** hereto as the Accreted Value of such \$100,000 Maturity Value as of such Accretion Date; and

(b) as of any date (for purposes of this paragraph (b), a “*Calculation Date*”) that is not an Accretion Date, the sum of (i) the Accreted Value determined under paragraph (a) above as of the most recent Accretion Date plus (ii) the amount determined pursuant to the following formula:

$$(A-B)(X/360),$$

where “A” is the Accreted Value determined under paragraph (a) above as of the Accretion Date immediately following such Calculation Date; “B” is the Accreted Value

determined under paragraph (a) above as of the Accretion Date immediately preceding such Calculation Date; and “X” is the number of days such Calculation Date follows the most recent Accretion Date, determined assuming that each month in such period contains 30 days, including such Calculation Date.

“*Accretion Date*” means, with respect to the Capital Appreciation Bonds, (i) the date on which the Capital Appreciation Bonds are first issued by the Association; and (ii) January 1 of each year, commencing January 1, 2012.

“*Additional Bonds*” means Bonds issued hereunder subsequent to the issuance of the Series 2011 Bonds pursuant to the authorization of Section 303 hereof.

“*Aggregate Debt Service*” means, for any Fiscal Year, as of the date of calculation, the sum of the amounts of Debt Service for such Fiscal Year.

“*Amortized Value*” means the value of an Investment Security calculated by adding the amount of the premium paid upon acquisition to the par value of the Investment Security or deducting the amount of the discount received upon acquisition from the par value of the Investment Security, as the case may be, after such premium or discount has been amortized according to Generally Accepted Accounting Principles for the number of days since the acquisition of the Investment Security.

“*Arrearages*” will have the meaning assigned in Section 505(1) hereof.

“*Association*” means Connector 2000 Association, Inc., a South Carolina non-profit corporation, its successors and permitted assigns.

“*Association Engineer*” means any Consultant with expertise in engineering.

“*Authenticating Agent*” means the Trustee or any other bank or trust company or national or state banking association designated by the Association to authenticate the Bonds of any Series on behalf of the Association or the Trustee, and its successor or successors.

“*Authorized Denomination*” of the Series 2011 Bonds means \$1.00 and integral multiples of \$1.00 in excess thereof.

“*Authorized SCDOT Representative*” means the South Carolina Secretary of Transportation, or any Person succeeding to the responsibilities of the South Carolina Secretary of Transportation, or a representative designated in a certificate signed by such Person and filed with the Trustee.

“*Authorized Association Representative*” means the Executive Vice President and General Manager, or any other person authorized by the Board to act as an Authorized Association Representative under this Master Indenture or otherwise with respect to the Bonds and whose name is stated in a certificate signed by the Chairman or Vice Chairman of the Board and filed with the Trustee.

“*Board*” means the board of directors of the Association, or any successor in function.

“**Bond**” or “**Bonds**” means the Series 2011 Bonds issued in connection with the Plan and Confirmation Order and any Additional Bonds as may be issued, authenticated and delivered under and pursuant to this Master Indenture. All Series of Bonds shall, at the time of issuance, thereof, be designated as either Senior Bonds, Senior Subordinate Bonds, or Junior Subordinate Bonds.

“**Bond Counsel**” means an attorney or firm of attorneys, selected by the Association and acceptable to the Trustee, whose experience in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized.

“**Bond Obligation**” means (a) with respect to any Capital Appreciation Bond, the Accreted Value of such Capital Appreciation Bond as of the date on which the Bond Obligation is being determined; (b) with respect to any Current Interest Bond, the principal amount of such Bond; (c) with respect to all the Bonds together, the sum of the amounts determined pursuant to clauses (a) and (b) of this definition; provided, however, that only Bonds that are Outstanding as of the date of determination shall be included in determining the Bond Obligation.

“**Bond Payment Date**” means the date on which principal or Accreted Value of, interest on or redemption price of a Bond is to be paid as provided herein or, in the case of Additional Bonds, as provided in any Supplemental Indenture; provided, however, that so long as any Series 2011 Bonds are Outstanding, the Bond Payment Date for any Additional Bonds to be issued will be January 1 beginning in the year after such Additional Bonds are issued. The Bond Payment Date for the Series 2011 Bonds is January 1 of each year, beginning January 1, 2012 and on July 22, 2051.

“**Bondowner**,” “**Owner of Bonds**” or “**Owner**” means, when used with respect to Bonds, the registered owner of any Bond.

“**Business Day**” means any day other than a Saturday, Sunday or other day on which The New York Stock Exchange or banks are authorized or required to close in New York, New York or in the city in which the corporate trust office of the Trustee is located.

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

“**Capital Appreciation Bond**” means any Bond on which interest is not due prior to maturity.

“**Consultant**” means any independent Person at the time retained by or on behalf of the Association (or, to the extent specifically provided herein or in any Supplemental Indenture, by or on behalf of the Trustee) to carry out the duties imposed by or pursuant to this Master Indenture or a Supplemental Indenture, which Person shall be experienced and have a favorable reputation in the matters for which such Person is so retained.

“**Current Interest Bond**” means a Bond which is not a Capital Appreciation Bond.

“Debt Service” means, with respect to any particular Fiscal Year or as of any Bond Payment Date, an amount equal to the sum of (a) all principal of, and interest on, all applicable Outstanding Bonds that is payable during such period or on such date; and (b) the Redemption Price of Outstanding Bonds payable during such period or on such date with respect to any applicable Outstanding Bonds that are to be redeemed during such period or on such date pursuant to mandatory redemption provisions.

For purposes of this definition:

(1) Debt Service shall not include the principal and Redemption Price of and interest on Outstanding Bonds to the extent the same is to be paid from proceeds of Bonds or other funds held by the Trustee or an escrow agent for the benefit of the Owners of Outstanding Bonds and investment earnings on such proceeds or other funds.

(2) Debt Service for any Series of Bonds which bears interest at variable rates or which will at some future date be subject to conversion to an interest rate or interest rate mode such that future interest payments cannot, as of the calculation date, be definitely ascertained shall be equal to (i) if such Bonds (or, if not, if other Bonds of the same Tier) bore interest at any interest rate determined in the same manner during the 36-month period preceding the calculation date, the average interest rate borne by such Bonds (or such other Bonds) during such 36-month period; or (ii) if clause (i) does not apply, the lesser of (A) 8% per annum or (B) 110% of the rate as of the calculation date (or most recent preceding date if such rate is not published for such date) under the Kenney Index (published by Kenney Information Systems, Inc.) applicable to comparable obligations. If there is no Kenney Index for comparable obligations, the calculation under clause (ii)(B) shall be based on an extrapolation from the Kenney Index or Indices for other obligations in the manner specified in a certificate of a Consultant. If the Kenney Index is no longer published, the calculations pursuant to clause (ii)(B) may be based on another index certified by a Consultant to be comparable to the Kenney Index.

“Debt Service Coverage Ratio” means as of any Bond Payment Date, the fraction resulting by dividing: (A) for Senior Bonds, (1) the Distributable Cash remaining on such Bond Payment Date after giving effect to the withdrawals in respect of Trustee Fees and Expenses and distributions contemplated by clauses First and Second of Section 505 hereof, by (2) the aggregate Debt Service owing on such date on such Senior Bonds; and (B) for Senior Subordinate Bonds, (1) the Distributable Cash remaining on such Bond Payment Date after giving effect to the withdrawals in respect of Trustee Fees and Expenses and distributions contemplated by clauses First, Second, Fourth and Fifth of Section 505 hereof, by (2) the aggregate Debt Service owing on such date on the Senior Bonds and the Senior Subordinate Bonds. **“Debt Service Fund”** means the Southern Connector Toll Road Revenue Bond Debt Service Fund established by Section 502 hereof.

“Debt Service Reserve Fund” means the Southern Connector Toll Road Revenue Bond Debt Service Reserve Fund established by Section 502 hereof.

“Debt Service Reserve Fund Requirement” means, for any subaccount in the Debt Service Reserve Fund, the amount required to be contained in such subaccount as set forth herein for the Series 2011 Bonds or, for any Additional Series of Bonds, as provided in the Supplemental Indenture for such Series. As of the date of issuance of the Series 2011 Bonds, the Debt Service Reserve Fund Requirement for the Series 2011 Bonds is the amount deposited on the date of issuance of the Series 2011 Bonds into the subaccounts in the Series 2011 Bonds Debt Service Reserve Account pursuant to Section 508 hereof.

“Defeasance Investment Securities” means any one or more of the following securities, if and to the extent the same are, at the time acquired, Investment Securities: (i) securities which are direct obligations of, or which are unconditionally guaranteed by, the United States, including obligations which represent principal only or interest only portions of such obligations which have been stripped by the United States Treasury; (ii) obligations of any of the following: Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), Farm Credit System (FCS), Federal Home Loan Bank System (FHLB), Student Loan Marketing Association (SLMA) and Financing Corporation (FICO); (iii) Resolution Funding Corporation interest strips; (iv) pre-refunded municipal bonds rated AAA or Aaa by a Rating Agency, and (v) any other security approved in writing by each Rating Agency.

“Distributable Cash” shall have the meaning assigned in Section 505(1) hereof.

“Effective Date of the Plan” means the date upon which all of the covenants and conditions contained in Article VII of the Plan have been satisfied, which shall occur on or before sixty (60) days from entry of the Confirmation Order or such other date as extended by order of the Court.

“EMMA” means the Electronic Municipal Market Access system established and operated by the Municipal Securities Rulemaking Board, and any successor created to perform substantially the same functions.

“Event of Default” means an Event of Default as such term is defined in Section 902 hereof.

“Extraordinary Fees and Expenses of the Trustee” means the reasonable fees and expenses of the Trustee and its legal representatives or other Consultants pursuant to and as may be otherwise provided herein or in a fee letter agreement between the Trustee and the Association, other than for Ordinary Fees and Expenses of the Trustee.

“Extraordinary Redemption Fund” means the Series 2011 Extraordinary Redemption Fund established by Section 502 hereof.

“Fair Market Value” means, as of any particular time: (a) as to Investment Securities the bid and asked prices of which are published on a regular basis in a financial journal or publication of general circulation in the United States of America, the bid price for such Investment Securities so published on or most recently prior to the date of valuation by the Trustee, or (b) as to Investment Securities the bid and asked prices of which are not published on a regular basis in a financial journal or publication of general circulation in the United

States of America, the average bid price for such Investment Securities at the date of valuation by the Trustee, as reported to the Trustee by any two nationally recognized dealers in such Investment Securities. The “*Fair Market Value*” of Investment Securities that are subject to a put exercisable by the Association or the Trustee shall be equal to the greater of the Fair Market Value of such Investment Securities as determined under clause (a) or (b) above and the price at which such Investment Securities may be put to a third party. The “*Fair Market Value*” of Investment Securities that are subject to a call exercisable by a third party shall be equal to the lesser of the Fair Market Value of such Investment Securities as determined under clause (a) or (b) above and the price at which such Investment Securities may be called such third party.

“*Fiduciary*” or “*Fiduciaries*” means the Trustee, the Registrar, the Paying Agent, and any escrow, authentication or other agent of the Association or of any other Fiduciary, or any or all of them, as the context may require.

“*Financial Transaction*” means any rate swap transaction, basis swap, cap transaction, floor transaction, hedge, collar transaction; any other “*Transaction*” as defined in the 1992 U.S. Municipal Counterparty Definitions published by the International Swap Dealers Association, Inc. or any amendments to or subsequent editions of such Definitions or any similar transaction (regardless of how defined) permitted under any such amendments to or more recent editions of such Definitions or of any similar publications of such association or any similar organization; any transactions similar to any of the foregoing; or any combination of any of the transactions described in this definition.

“*Fiscal Year*” means the fiscal year of the Association ending December 31 of each year.

“*Fitch*” means Fitch Investors Service, Inc., its successors and assigns, and if Fitch Investors Service, Inc., shall no longer perform the functions of a securities rating agency, “*Fitch*” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Association.

“*Fund*” or “*Funds*” means any one or more, as the case may be, of the separate special funds established hereby or by any Supplemental Indenture.

“*Generally Accepted Accounting Principles*” means such accepted accounting practice as, in the opinion of the Accountant, conforms at the time to a body of generally accepted accounting principles for use by the Association.

“*Highway Maintenance*” means the repair, maintenance, renewal, replacement, enhancement, resurfacing, and restoration of the Southern Connector highway, road surface, bridges and approaches thereto, including, without limitation, mowing, debris removal, landscaping, planting of shrubs and vegetation, repair and replacement of guardrails, signage, lighting, periodic resurfacing of the roadway, structural and other bridge repair, and bridge and roadway painting and repair. “*Highway Maintenance*” shall not include Toll Facilities Maintenance.

“Highway Maintenance Costs” means the costs and expenses of Highway Maintenance. Such costs shall not include any Toll Facilities Maintenance Costs.

“Improvement Bonds” means all Additional Bonds, whether issued in one or more Series, issued for the purpose of providing funds for the improvement, repair or modification of the Southern Connector.

“Investment Security” or **“Investment Securities”** means any one or more of the following securities:

(a) Direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States of America;

(b) Obligations, debentures, notes or other evidences of indebtedness issued or guaranteed, directly or indirectly, by any of the following: Bank of Cooperatives; Federal Intermediate Credit Banks; Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Land Banks; Federal National Mortgage Association; Federal Home Loan Mortgage Corporation; Farmers’ Home Administration; Tennessee Valley Authority; Federal Farm Credit System; Federal Financing Bank; the Government National Mortgage Association; the Student Loan Marketing Association; the International Bank for Reconstruction and Development (World Bank); the Agency for International Development; or any successor;

(c) Obligations issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States of America; or temporary notes, preliminary loan notes or project notes issued by public agencies or municipalities, in each case fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America;

(d) Direct and general obligations of or obligations guaranteed by the State, the payment of the principal of and interest on which is a general obligation of the State, provided that at the time of their purchase, such obligations are rated in one of the two highest rating categories by a Rating Agency;

(e) Demand deposits or interest-bearing time deposits, certificates of deposit or other similar banking arrangements, with the Trustee or a member of the Federal Deposit Insurance Corporation, or any such institution having (or whose parent holding company has) undivided capital and surplus of at least \$50,000,000, provided that such time deposits or certificates of deposit, to the extent not insured to the full amount thereof, must be fully secured by obligations of the type specified in (a), (b), (c) or (d) above or (g) below which have a Fair Market Value, including accrued interest, at least equal at all time to the amount of such deposits;

(f) Any agreement entered into with any bank which is a member of the Federal Deposit Insurance Corporation or with any member of the Association of Primary Dealers in United States Government Securities (or any successor thereof)

pursuant to which the Trustee, on behalf of the Association, purchases and such institution agrees to repurchase specified Investment Securities, provided that the repurchase price shall not be less than the purchase price (a “Repurchase Agreement”), the underlying securities of which are the type described in (a) and (b) above, which are held by a third party bank for safekeeping on behalf of the Association, and which are fully secured at all times by obligations of the same type which have a Fair Market Value, including accrued interest, at least equal to the amount of such Repurchase Agreement, provided that at the time such Repurchase Agreement is acquired, the third party bank holding such securities for safekeeping on behalf of the Association, is rated at least “investment grade” by a Rating Agency;

(g) Direct and general obligations of any state within the territorial United States of America, provided that at the time of their purchase, such obligations are rated in one of the two highest rating categories by a Rating Agency;

(h) Certificates of deposit of any bank, including the Trustee, with undivided capital and surplus of at least \$50,000,000, the unsecured debt of which is rated as of the date of acquisition in one of the two highest rating categories by a Rating Agency, with such certificates of deposit to be secured by any other Investment Securities or any security then acceptable to secure deposits of public funds of the State and having a Fair Market Value, including accrued interest, at least equal to the amount of the certificate of deposit;

(i) Investment agreements with any bank or other financial institution, including the Trustee, with undivided capital and surplus of at least \$50,000,000, the unsecured debt of which is rated as of the date of acquisition in one of the two highest rating categories by a Rating Agency, with such investment agreement to be secured by any other Investment Securities described herein or by any security then acceptable to secure deposits of public funds of the State and having a Fair Market Value, including accrued interest, at least equal to the amount of the investment agreement;

(j) Unsecured investment agreements with the Trustee or any bank or other financial institution the unsecured debt or counterparty rating of which is “investment grade” rated as of the date of acquisition;

(k) Investments in money market mutual funds rated “AAAm; “AAm”, “AAAmG” or better by a Rating Agency;

(l) Any other obligation which, at the time acquired, is rated, by a Rating Agency, in one of the two highest rating categories for long-term obligations or in the highest rating category for short-term obligations; and

(m) Any agreement that provides for the forward delivery of any securities described in (a), (b), (c), (d) or (e) above.

“Junior Subordinate Bonds” means a Series of Bonds that are designated herein or in a Supplemental Indenture as Junior Subordinate Bonds. The Series 2011C Bonds are a Series of Junior Subordinate Bonds.

“Junior Subordinate Bonds Debt Service Account” means the Junior Subordinate Bonds Debt Service Account of the Debt Service Fund established by Section 502 hereof.

“Letter of Instructions” means a written directive and authorization executed by an Authorized Association Representative.

“Letter of Representations” means the Letter of Representations between the Association and The Depository Trust Company, New York, New York, regarding the Bonds issued on the first date on which Bonds are issued under this Master Indenture, and, if necessary, any similar letter regarding any additional Bonds.

“License Agreement” means the Original License Agreement as amended by the First Amendment to License Agreement, as it may be further amended or supplemented from time to time.

“Master Indenture” means this Master Indenture, as it may be amended or supplemented from time to time by any Supplemental Indenture.

“Maturity Value” means with respect to a Capital Appreciation Bond, the amount payable to the Owner of such Capital Appreciation Bond on its maturity date.

“Moody’s” means Moody’s Investors Service, Inc., its successors and assigns, and, if Moody’s Investors Service, Inc., shall for any reason no longer perform the functions of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Association.

“Net Revenues” means, for any Fiscal Year preceding a Bond Payment Date, the Revenues received in such Fiscal Year less the Operating Costs paid in such Fiscal Year.

“Operating Agreement” means any contract among the Association, a third party contractor (including, without limitation, SCDOT) and the Trustee which obligates such contractor to operate or manage the operation of the toll collections for the Southern Connector, as such agreement or agreements may be amended or supplemented from time to time.

“Operating Costs” means the expenses of the Association incurred in connection with the operation of the Southern Connector. Such expenses shall include, but shall not be limited to, utilities, water, gas, sewer, electric, telephone, or other communications charges, waste disposal charges, salaries, wages, bonuses, and other benefits for toll collection and administrative personnel, insurance expenses, expenses for office equipment, furniture, fixtures, supplies, and materials, Toll Facilities Maintenance Costs, arbitrage rebate payable in respect of any Bonds pursuant to Section 148(f) of the Code, rents, vehicles, expenses for authorized travel and similar expenses related to the operation of the tolling facilities or any Association administrative facility, fees and expenses for data processing, policing, insurance, legal, accounting, engineering, Fiduciaries, letters of credit and credit facilities, consulting and banking services, and payments to pension, retirement, and health and hospitalization funds for Association employees. The Ordinary Fees and Expenses of the Trustee shall be an Operating Cost. After the occurrence and during the continuance of an Event of Default

hereunder, the Extraordinary Fees and Expenses of the Trustee shall also be an Operating Cost. The reasonable fees and expenses of Consultants engaged pursuant to Section 706 hereof shall be Operating Costs. Operating Costs shall not include any expense which is a Highway Maintenance Cost.

“*Optimum Rates*” will have the meaning provided in Section 6.4 of the License Agreement.

“*Ordinary Fees and Expenses of the Trustee*” means the annual fee of the Trustee, payable in advance, for ordinary administration of the Trust Estate plus reasonable out-of-pocket costs and fees (including attorney’s fees and costs and other specified items) for the administration of the Trust Estate, all in accordance with and as further set forth in the separate fee letter entered into from time to time between the Trustee and the Association.

“*Original Principal Amount*” means, with respect to a Capital Appreciation Bond, the amount set forth herein for the Series 2011 Bonds or in any Supplemental Indenture for any Additional Bonds as the Original Principal Amount for each Authorized Denomination in Maturity Value of such Capital Appreciation Bond.

“*Outstanding*” means, with respect to any Bonds as of any date, Bonds theretofore or thereupon being authenticated and delivered under this Master Indenture except:

- (a) Bonds canceled or delivered for cancellation at or prior to such date;
- (b) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to this Master Indenture;
- (c) Bonds deemed to have been paid, redeemed, purchased or defeased as provided in this Master Indenture, in any Supplemental Indenture, as applicable, or as provided by law; and
- (d) Bonds owned by the Association, unless all Bonds are so owned.

“*Paying Agent*” means the Trustee or any other bank or trust company or national or state banking association designated by the Association to make payment of the principal and Redemption Price of and interest on the Bonds of any Series, and its successor or successors, hereafter appointed and meeting the requirements of Article X hereof.

“*Person*” means any individual, public or private corporation, county, district, authority, municipality, political subdivision or other entity of the State or the United States of America, and any partnership, association, trust, estate or any other entity whatsoever.

“*Principal Installment*” means, as of any particular date of calculation and with respect to Bonds of a particular Series, an amount of money equal to the sum of (a) the principal amount or Maturity Value of Outstanding Bonds of such Series which mature on a single future date, reduced by the aggregate principal amount or Maturity Value, as appropriate, of such Bonds which before said future date would be retired as a result of Sinking Fund Installments applied in accordance with this Master Indenture or a Supplemental

Indenture and (b) the amount of any Sinking Fund Installment payable on said future date for the retirement of any Outstanding Bond of such Series.

“**Project Agreement**” means any of the agreements relating to the development of the Southern Connector.

“**Rating Agency**” means any one or more, as the context may require, of the following credit reporting agencies: Fitch, Moody’s and S&P; provided, however, that if as of the date of applying this definition, any one or more of such organizations maintains a rating on any Series of Bonds, such term shall mean each such organization or organizations which then maintain such a rating.

“**Rebate Analyst**” means a certified public accountant, financial analyst or bond counsel, or any firm of the foregoing, or financial institution (which may include the Trustee) experienced in making the arbitrage and rebate calculations required pursuant to Section 148 of the Code and retained by the Association to make the computations required under this Master Indenture or any Supplemental Indenture.

“**Rebate Fund**” means the Southern Connector Toll Road Revenue Bond Rebate Fund established by Section 502 hereof, and includes any separate accounts or subaccounts established by the terms of any Supplemental Indentures.

“**Record Date**” means, for any Series of Bonds, the fifteenth day next preceding the date on which a payment is to be made on such Bonds.

“**Redemption Date**” means the date upon which any Bonds are to be redeemed prior to their respective fixed maturities pursuant to the mandatory, extraordinary or optional redemption provisions of this Master Indenture or any Supplemental Indenture.

“**Redemption Price**” means, with respect to any Bond, the amount, including any applicable premium and accrued interest or Accreted Value (as applicable), payable upon the mandatory or optional redemption thereof, as provided herein or in any Supplemental Indenture.

“**Refunding Bonds**” means all Additional Bonds, whether issued in one or more Series, issued for the purpose of refunding a like or different principal amount of Bonds, and hereafter authenticated and delivered pursuant to this Master Indenture.

“**Register**” means the register maintained by the Registrar for each Series of Bonds which shows ownership of Bonds in accordance with Section 309 hereof.

“**Registrar**” means the Trustee or any other bank or trust company or national or state banking association designated by the Association to keep a Register of the Owners of the Bonds of any Series and its successor or successors, meeting the requirements of Article X hereof.

“**Related Financial Transaction**” means, with respect to any Series of Bonds, a Financial Transaction pursuant to which payments by the Association to the transaction

counter party are to be paid from or secured by revenues or funds pledged to the payment of or as security for such Series of Bonds and payments by the transaction counter party to the Association are pledged to the payment of or as security for such Series of Bonds.

“Renewal and Replacement Fund” means the Southern Connector Toll Road Revenue Bond Renewal and Replacement Fund established by Section 502 hereof.

“Revenue Fund” means the Southern Connector Toll Road Revenue Bond Revenue Fund established by Section 502 hereof.

“Revenues” means all amounts received by or on behalf of the Association from (i) Toll Revenues; (ii) all amounts payable to the Association as liquidated damages under any contracts, in each case, to the extent the same relate to the Southern Connector Project; (iii) all amounts derived from the sale or other disposition of the Association’s interest in the Southern Connector Project; (iv) all investment earnings that are transferred to or deposited into the Revenue Fund; (v) all moneys released from another Fund or Account and transferred to the Revenue Fund pursuant hereto; and (vi) all other amounts derived from or in respect of the operation of the Southern Connector which constitute revenues in accordance with Generally Accepted Accounting Principles.

“S&P” means Standard & Poor’s Ratings Group, a Division of McGraw-Hill, Inc., its successors and assigns, and, if Standard & Poor’s Ratings Group, a Division of McGraw-Hill, Inc., shall for any reason no longer perform the functions of a securities rating agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Association.

“Securities Depository” means The Depository Trust Company, a corporation organized and existing under the laws of the State of New York, and any successor Securities Depository appointed pursuant to Section 314.

“Senior Bonds” means Bonds of a Series that are designated herein or in a Supplemental Indenture as Senior Bonds, as well as any Subordinate Bonds that become Senior Bonds, as provided herein. The Series 2011A Bonds are a Series of Senior Bonds.

“Senior Bonds Debt Service Account” means the Senior Bonds Debt Service Account of the Debt Service Fund established by Section 502 hereof.

“Senior Bond Obligation” means the aggregate Bond Obligation for all Outstanding Senior Bonds.

“Senior Subordinate Bonds” means Bonds of a Series that are designated herein or in a Supplemental Indenture as Senior Subordinate Bonds. The Series 2011B Bonds are a Series of Senior Subordinate Bonds.

“Senior Subordinate Bonds Debt Service Account” means the Senior Subordinate Bonds Debt Service Account of the Debt Service Fund established by Section 502 hereof.

“**Series**” means Bonds identified as a separate series which are authenticated and delivered on original issuance and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to this Master Indenture or any Supplemental Indenture. All Bonds of a particular Series shall be of the same Tier.

“**Series 2011 Bonds**” means, collectively, the Series 2011A Bonds, the Series 2011B Bonds and the Series 2011C Bonds.

“**Series 2011 Bonds Debt Service Reserve Account**” means the Series 2011 Bonds Debt Service Reserve Account of the Debt Service Reserve Fund established by Section 502 hereof.

“**Sinking Fund Installment**” means, as of any particular date of calculation and with respect to any Series of Bonds, the amount of money to be applied as the Redemption Price of Bonds subject to mandatory sinking fund redemption in any Fiscal Year prior to maturity, as such Sinking Fund Installment shall have been previously reduced by the principal amount or applicable Accreted Value of any Bonds of such Series of the maturity in respect of which such Sinking Fund Installment is payable which are redeemed by the Trustee in accordance with the provisions of Section 401 or 507 hereof or of any Supplemental Indenture, other than by the prior payment of a Sinking Fund Installment.

“**Subaccount**” means any one or more of the subaccounts from time to time created in any of the Accounts established by Section 502 of this Master Indenture or by any Supplemental Indenture.

“**Subordinate**” means, when used with respect to particular Series of Bonds, all bonds with respect to which amounts in the Revenue Fund are to be applied to the Debt Service Account for such Bonds pursuant to subsection 1 of Section 505 hereof at a priority following the priority at which such amounts are to be applied to the Debt Service Account for other Bonds.

“**Subordinate Bonds**” means the Series 2011B and Series 2011C Bonds authorized and issued hereunder and any Additional Bonds that are designated as “Subordinate Bonds” by a Supplemental Indenture; provided, however, that if at any time there are no Senior Bonds Outstanding, then any Outstanding Senior Subordinate Bonds at such time shall be deemed to be Senior Bonds, and provided, further, that if at any time there are no Senior Bonds or Senior Subordinate Bonds Outstanding, then any Outstanding Junior Subordinate Bonds at such time shall be deemed to be Senior Bonds.

“**Supplemental Indenture**” means any Indenture supplemental to or amendatory of this Master Indenture, entered into by the Association and the Trustee in accordance with Article XI hereof.

“**Tax-Exempt Bonds**” means Bonds the interest on which is intended to be excludable from the gross income of the Owners thereof for federal income tax purposes.

“Term Capital Appreciation Bonds” shall mean any Capital Appreciation Bond subject to reduction by means of scheduled Sinking Fund Installments either hereunder or in the case of any Additional Bonds, as provided in a Supplemental Indenture.

“Tier” means all Bonds of one or more Series the principal and Redemption Price of and interest on which are payable from the same Debt Service Account. There are three Tiers of Bonds, namely the Senior Bonds are the Senior Tier, the Senior Subordinate Bonds are the Senior Subordinate Tier and the Junior Subordinate Bonds are the Junior Subordinate Tier.

“Toll Facilities” means the buildings, canopies, tolling equipment, tolling plazas and administrative facilities of the Association and the furniture, fixtures, and equipment of the Association located therein or thereon set forth on Exhibit 11 to the License Agreement.

“Toll Facilities Maintenance” means the repair, maintenance, renewal or replacement of the Toll Facilities.

“Toll Facilities Maintenance Costs” means the costs of Toll Facilities Maintenance.

“Toll Rate Study” shall have the meaning provided in Section 706(2) hereof.

“Toll Revenues” means all receipts, revenues, income and other money received by or on behalf of the Association or SCDOT in respect of the operation of the Southern Connector Project, including, but without limiting the generality of the foregoing, revenues derived from the collection of tolls or charges for the right to drive on or over the Southern Connector, insurance and condemnation proceeds with respect to the Association’s interest in the Southern Connector assets or any portion thereof, the proceeds of any receipts from advertisements appearing in the right of way for the Southern Connector, all amounts paid in respect of the use of any portion of the facilities or rights in the Southern Connector, including, without limitation, lease or royalty payments for the use of real, personal, intangible or intellectual property developed as a part of the Southern Connector Project (including computer software, operating systems or data transmission facilities), and all rights to receive the same, whether in the form of accounts, accounts receivable, chattel paper, contract rights or other rights, and the proceeds of such rights, and whether now owned or held or hereafter coming into existence; provided, however, that gifts, grants, bequests, donations and contributions heretofore or hereafter made and designated or specified by the granting authority, donor or maker thereof as being for specified purposes (other than payment of Debt Service on Bonds) and the income derived therefrom to the extent required by such designation or specification shall be excluded from Toll Revenues.

“Traffic Study” means the Traffic and Revenue Report for Southern Connector dated May 4, 2009 by Stantec Consulting Services Inc. as the same may be supplemented and amended from time to time.

“Trust Estate” means:

(a) All right, title and interest of the Association now owned or hereafter acquired in and to the Funds (except for the Rebate Fund and the Renewal and Replacement Fund) including amounts deposited therein (together with all investments

thereof and investment income earned thereon, including Investment Securities held therein), provided, that the Association may establish one or more separate accounts in the Funds and Accounts, which accounts and the amounts deposited therein (together with all investments thereof and investment income earned thereon) may be pledged exclusively to the payment of one or more designated Series of Bonds or portions thereof for any designated purpose, or otherwise, all as provided herein or in any Supplemental Indenture;

(b) All right, title and interest of the Association in and to (i) the Revenues, (ii) any proceeds from insurance or condemnation awards with respect to the Association's interest in the Southern Connector Project; and (iii) all amounts derived as loans or otherwise from the United States of America, the State or any other Person relating to the Southern Connector;

(c) All right, title and interest of the Association in and to the License Agreement, any Project Agreement or any Operating Agreement; and

(d) Any and all property of every kind and nature (including, without limitation, cash, obligations or securities) which may from time to time hereafter be assigned, hypothecated, endorsed, pledged, granted, or delivered to or deposited with the Trustee as additional security hereunder by the Association or anyone on its behalf (including without limitation all of the Association's rights with respect to any liquidated damages payable by the Developer under the Development Agreement), or which pursuant to any of the provisions hereof may come into the possession or control of the Trustee as security hereunder, or of a receiver lawfully appointed hereunder, all of which the Trustee is authorized to receive, hold and apply according to the terms hereof.

“*Trustee*” means U.S. Bank National Association, its legal successor, or any other commercial bank or trust company duly organized and existing under the laws of the State or the United States of America, which is authorized under such laws to exercise corporate trust powers and is subject to examination by federal authority, appointed pursuant to Article X hereof as its successor or its successors.

“*Trustee Fees and Expenses*” means the Ordinary Fees and Expenses of the Trustee and the Extraordinary Fees and Expenses of the Trustee.

Section 102. Table of Contents, Titles and Headings. The table of contents, titles and headings of the articles and sections of this Master Indenture have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Master Indenture or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 103. Interpretation and Construction. For purposes of this Master Indenture, except as otherwise expressly provided or unless the context otherwise requires:

1. All references in this Master Indenture to designated “Articles,” “Sections,” “subsections,” “paragraphs,” “clauses” and other subdivisions are to the designated Articles, Sections, subsections, paragraphs, clauses and other subdivisions of this Master Indenture. The words “herein,” “hereof,” “hereto,” “hereby,” “hereunder” and other words of similar import refer to this Master Indenture as a whole and not to any particular Article, Section or other subdivision.

2. The terms defined in Section 101 hereof have the meanings assigned to them in that Section and include the plural as well as the singular.

3. All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with Generally Accepted Accounting Principles as in effect from time to time.

4. As used herein and in any Supplemental Indenture with respect to Bonds which are Capital Appreciation Bonds, the terms “principal” and “Principal Installments” shall be deemed to include the Maturity Value of such Bonds unless otherwise expressly provided.

5. The term “money” includes any cash, check, deposit, Investment Security or other form in which any of the foregoing are held hereunder.

6. Every “request,” “order,” “demand,” “application,” “appointment,” “notice,” “statement,” “certificate,” “consent” or similar action hereunder by the Association, the Trustee, or any other Fiduciary shall, unless otherwise specifically provided, be in writing signed by an officer or other agent of such party authorized to sign the same.

7. In the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and each of the words “to” and “until” means “to but excluding.”

8. This Master Indenture and all terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Master Indenture.

[End of Article I]

ARTICLE II.

SECURITY FOR THE BONDS

Section 201. Pledge of Trust Estate.

1. In order to secure the payment of the Bonds, including the principal and Redemption Price of and interest on and Accreted Value of the Bonds as the same become due and payable (whether at maturity, by prior redemption, or otherwise), and the performance and observance of all of the covenants and conditions herein contained, and in consideration of the premises, the purchase of the Original Bonds by the Owners thereof, the exchange of the Original Bonds by the Owners for the Bonds pursuant to the Plan and Confirmation Order, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Association does hereby grant to the Trustee and its successors in trust hereunder a pledge of and lien on the Trust Estate, with all rights and privileges appurtenant thereto, subject, however, to the terms and provisions hereof. Any additional funds representing amounts originally contested in the Association's bankruptcy proceeding and not available as of the Effective Date but subsequently paid over to the Trustee pursuant to the Plan shall be deposited into the Senior Bonds Debt Service Reserve Subaccount of the Series 2011 Bonds Debt Service Reserve Account.

2. Such pledge and lien shall be for the equal and proportionate benefit and security of the Owners from time to time of the Bonds issued and to be issued hereunder, or any of them, without preference, priority or distinction as to lien or otherwise of any Bond over any other Bond, except that, as further provided herein and subject to the further terms hereof, (i) the Owners of the Bonds of each Tier shall have an exclusive lien on the Debt Service Account and the Debt Service Reserve Account with the designation as such Tier of Bonds, (ii) the lien on the Trust Estate of the Owners of the Senior Bonds is superior to the lien and right and priority of payment of the Senior Subordinate Bonds and Junior Subordinate Bonds, and the Senior Subordinate Bonds is superior to the lien and right and priority of payment of the Junior Subordinate Bonds, and (iii) there are various differences in the rights of, and priorities for the benefit of, the Owners of the Bonds of different Tiers with respect to various other matters, including but not limited to the exercise of remedies.

Section 202. Time of Pledge. The pledge of the Trust Estate pursuant to the Original Master Indenture shall remain in effect and secured pursuant thereto until the Effective Date and the exchange of the Original Bonds by the Owners for the Bonds pursuant to the Plan and Confirmation Order whereupon such lien shall (i) continue through the pledge of the Trust Estate under this Master Indenture and (ii) be effective to secure the Series 2011 Bonds and any Additional Bonds issued hereunder, and such pledge shall continue until all Bonds have been paid within the meaning of Article VIII hereof.

Section 203. Declaration. It is hereby expressly declared that the Trust Estate hereby pledged is to be applied, disbursed, dealt with and disposed of under, upon and subject to the terms, conditions, covenants, agreements, uses and purposes set forth in this Master Indenture.

Section 204. Special Limited Obligations; No Obligation of the State. Bonds issued hereunder shall be special, limited, non-recourse obligations of the Association payable solely from the Trust Estate in accordance with this Master Indenture and any applicable Supplemental Indenture. Except for SCDOT's obligations pursuant to the License Agreement or other applicable law, neither the State nor any of its political subdivisions or agencies (including, without limitation, SCDOT) shall have any obligation to pay any portion of the costs of the Southern Connector Project.

THE BONDS DO NOT NOW AND SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF THE STATE OR SCDOT WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL NEVER CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OR AN OBLIGATION (LEGAL, MORAL OR OTHERWISE) OF THE STATE, SCDOT OR ANY AGENCY, DEPARTMENT OR POLITICAL SUBDIVISION OF THE STATE (INCLUDING, WITHOUT LIMITATION, THE COUNTY OF GREENVILLE, SOUTH CAROLINA OR THE CITY OF GREENVILLE, SOUTH CAROLINA) OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE STATE, SCDOT OR ANY AGENCY, DEPARTMENT OR POLITICAL SUBDIVISION OF THE STATE (INCLUDING, WITHOUT LIMITATION, THE COUNTY OF GREENVILLE, SOUTH CAROLINA OR THE CITY OF GREENVILLE, SOUTH CAROLINA).

Section 205. Discharge of Lien. Upon payment of the Bonds or provision for the payment of the Bonds as provided in Article VIII hereof, and if the Association, its successor or assigns shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms hereof and in any Supplemental Indenture to be kept by it, this Indenture and the rights hereby granted shall cease, determine and be void.

[End of Article II]

ARTICLE III.

AUTHORIZATION AND ISSUANCE OF BONDS, GENERAL TERMS AND PROVISIONS OF THE BONDS

Section 301. Authorization of Bonds.

1. The Association hereby authorizes the issuance of Bonds, to be designated as its "Toll Road Revenue Bonds," for the purpose of financing and refinancing the Southern Connector Project. The aggregate principal amount of the Bonds which may be executed, authenticated and delivered under this Master Indenture is not limited except as may be provided herein or in any Supplemental Indenture.

2. There is hereby authorized to be issued and shall be issued under and secured by this Master Indenture three separate Series of Bonds designated as follows: (a) "Connector 2000 Association, Inc. Senior Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011A"; (b) "Connector 2000 Association, Inc. Senior Subordinate Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011B"; and (c) "Connector 2000 Association, Inc. Junior Subordinate Capital Appreciation Toll Road Revenue Bonds (Southern Connector Project, Greenville, South Carolina), Series 2011C."

3. The Series 2011 Bonds are issued hereunder pursuant to the Plan and Confirmation Order to complete the adjustment of the debts of the Association. Each Series 2011 Bond shall be issued only as a fully registered Bond, subject to Section 314 hereof. Each Series 2011A Bond shall be substantially in the form of **Exhibit "A"** attached hereto, each Series 2011B Bond shall be substantially in the form of **Exhibit "B"** hereto, and each Series 2011C Bond shall be substantially in the form of **Exhibit "C"** hereto, in each case, with such changes therein, not inconsistent with this Master Indenture, as are approved by the Authorized Association Representative executing the Series 2011 Bonds (whose manual or facsimile signature on such Bonds shall constitute conclusive evidence of his or her approval of any such changes appearing therein).

4. Details of the Series 2011A Bonds. The Series 2011A Bonds are designated Senior Bonds, dated the date of their original issuance and delivery, shall be issued in denominations of \$1.00 in Maturity Value and integral multiples of \$1.00 in excess thereof, shall be numbered 2011A-1 upwards and shall accrete in value from their dated date; provided that, any Series 2011A Bond issued upon transfer or exchange of another Series 2011A Bond, as provided in Article III of this Master Indenture, shall be dated as of the date of its authentication, but shall retain the same Accreted Value and Maturity Value as the Series 2011A Bond that was transferred or exchanged. The Series 2011A Bonds shall mature on January 1 of the years and in the Maturity Values, and shall be issued in the Original Principal Amounts with the approximate yields to Maturity (compounded annually), set forth below (it being understood that the approximate yields set forth are for illustration purposes only and that all amounts due on the Series 2011A Bonds are based on the terms of such Bonds and definitions of Maturity Value and Accreted Value set forth herein).

Series 2011A Bonds Debt Service Table

\$52,807,337 Maturity Value Senior Serial Capital Appreciation Bonds

| <u>Maturity Date</u> | <u>Maturity Value</u> | <u>Original Principal</u> | | <u>Yield</u> | <u>CUSIP</u> |
|----------------------|-----------------------|---------------------------|--|--------------|--------------|
| | | <u>Amount</u> | | | |
| 1/1/2012 | 1,678,097 | 1,638,323 | | 3.25% | |
| 1/1/2013 | 2,879,119 | 2,699,482 | | 3.75% | |
| 1/1/2014 | 3,011,495 | 2,703,588 | | 4.00% | |
| 1/1/2015 | 3,256,189 | 2,785,636 | | 4.25% | |
| 1/1/2016 | 3,629,576 | 2,911,550 | | 4.75% | |
| 1/1/2017 | 4,910,451 | 3,709,222 | | 5.00% | |
| 1/1/2018 | 5,426,707 | 3,780,787 | | 5.50% | |
| 1/1/2019 | 5,907,832 | 3,830,497 | | 5.75% | |
| 1/1/2020 | 6,425,927 | 3,939,876 | | 5.75% | |
| 1/1/2021 | 7,621,873 | 4,318,466 | | 6.00% | |
| 1/1/2022 | 8,060,071 | 4,308,249 | | 6.00% | |
| Total: | 52,807,337 | 36,625,682 | | | |

\$546,050,722 Maturity Value Senior Term Capital Appreciation Bonds

| <u>Maturity Date</u> | <u>Maturity Value</u> | <u>Original Principal</u> | | <u>Yield</u> | <u>CUSIP</u> |
|----------------------|-----------------------|---------------------------|--|--------------|--------------|
| | | <u>Amount</u> | | | |
| 1/1/2032 | 114,304,173 | 40,619,664 | | 6.50% | |
| 1/1/2042 | 186,694,704 | 31,463,667 | | 7.00% | |
| 7/22/2051 | 245,051,845 | 18,194,919 | | 7.50% | |
| Total: | 546,050,722 | 90,278,250 | | | |

5. Details of the Series 2011B Bonds. The Series 2011B Bonds are designated Senior Subordinate Bonds, dated the date of their original issuance and delivery, shall be issued in denominations of \$1.00 in Maturity Value and integral multiples of \$1.00 in excess thereof, shall be numbered 2011B-1 upwards and shall accrete in value from their dated date; provided that, any Series 2011B Bond issued upon transfer or exchange of another Series 2011B Bond, as provided in Article III of this Master Indenture, shall be dated as of the date of its authentication, but shall retain the same Accreted Value and Maturity Value as the Series 2011B Bond that was transferred or exchanged. The Series 2011B Bonds shall mature on January 1 of the years and in the Maturity Values, and shall be issued in the Original Principal Amounts with the approximate yields to Maturity, set forth below (it being understood that the approximate yields (compounded annually) set forth are for illustration purposes only and that all amounts due on the Series 2011B Bonds are based on the terms of such Bonds and the definitions of Maturity Value and Accreted Value set forth herein).

Series 2011B Bonds Debt Service Table

\$138,329,201 Maturity Value Senior Subordinated Term Capital Appreciation Bonds

| <u>Maturity Date</u> | <u>Maturity Value</u> | <u>Original Principal</u> | | <u>Yield</u> | <u>CUSIP</u> |
|----------------------|-----------------------|---------------------------|--|--------------|--------------|
| | | <u>Amount</u> | | | |
| 1/1/2032 | 38,600,797 | 14,027,690 | | 8.50% | |
| 7/22/2051 | 99,728,404 | 7,058,555 | | 9.00% | |
| Total: | 138,329,201 | 21,086,245 | | | |

6. Details of the Series 2011C Bonds. The Series 2011C Bonds shall be Junior Subordinate Bonds, dated the date of their original issuance and delivery, shall be issued in denominations of \$1.00 in Maturity Value and integral multiples of \$1.00 in excess thereof, shall be numbered 2011C-1 upwards and shall accrete in value from their dated date; provided that, any Series 2011C Bond issued upon transfer or exchange of another Series 2011C Bond, as provided in Article III of this Master Indenture, shall be dated as of the date of its authentication, but shall retain the same Accreted Value and Maturity Value as the Series 2011C Bond that was transferred or exchanged. The Series 2011C Bonds shall mature on January 1 of the years and in the Maturity Values, and shall be issued in the Original Principal Amounts with the approximate yields to Maturity, set forth below (it being understood that the approximate yields (compounded annually) set forth are for illustration purposes only and that all amounts due on the Series 2011C Bonds are based on the terms of such Bonds and the definitions of Maturity Value and Accreted Value set forth herein).

Series 2011C Bonds Debt Service Table

\$17,097,091 Maturity Value Junior Subordinated Term Capital Appreciation Bonds

| <u>Maturity Date</u> | <u>Maturity Value</u> | <u>Original Principal</u> | | <u>Yield</u> | <u>CUSIP</u> |
|----------------------|-----------------------|---------------------------|--|--------------|--------------|
| | | <u>Amount</u> | | | |
| 7/22/2051 | 17,097,091 | 2,160,479 | | 10.00% | |

7. Presentation for Payment. The Maturity Value and Redemption Price of the Series 2011 Bonds shall be payable by the Paying Agent to or upon the order of the Owner thereof upon presentation and surrender of such Bonds at the designated corporate trust office of the Paying Agent, provided, however, that so long as the Series 2011 Bonds are registered with a Securities Depository, the Bonds need to be presented for payment only upon final maturity of such Bonds.

Section 302. Redemption of Series 2011 Bonds. Series 2011 Bonds are subject to redemption, as provided in Article IV hereof.

Section 303. Provisions for Issuance of Bonds.

1. The Association is issuing the Series 2011 Bonds under this Master Indenture pursuant to the Plan and the Confirmation Order. The Association may issue Additional Bonds as Refunding Bonds or as Improvement Bonds. All (but not less than all) the Bonds of each Series shall be executed by the Association for issuance under this Master Indenture and delivered to the Trustee and thereupon shall be authenticated by the Trustee or Authenticating

Agent and by it delivered upon the order of the Association, but only upon the receipt by the Trustee of the documents, opinions and certifications set forth herein.

2. Delivery of the Series 2011 Bonds. Prior to the authentication and delivery of the Series 2011 Bonds, the Trustee shall receive:

(a) one executed counterpart of this Master Indenture and the Series 2011 Bonds for each maturity thereof, together with a letter, signed by an Authorized Association Representative, instructing the Trustee as to the delivery of such Bonds; and

(b) an opinion of Bond Counsel to the effect that, as of its date (i) this Master Indenture has been duly authorized, executed and delivered by the Association and constitutes the legal, valid and binding special, limited obligation of the Association; provided, however, that such opinion may include exceptions for limitations imposed by or resulting from bankruptcy, insolvency, moratorium, reorganization, or other laws affecting creditors' rights generally, matters relating to equitable principles and other customary exceptions or qualifications appropriate in the circumstances; (ii) this Master Indenture creates the valid pledge of and lien on the Trust Estate which it purports to create, subject only to the provisions of this Master Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in this Master Indenture; (iii) the Series 2011 Bonds are valid and binding special, limited obligations of the Association, payable solely from the sources provided therefor in this Master Indenture; provided, however, that such opinion may include exceptions for limitations imposed by or resulting from bankruptcy, insolvency, moratorium, reorganization, or other laws affecting creditors' rights generally, matters relating to equitable principles and other customary exceptions or qualifications appropriate in the circumstances; (iv) the Confirmation Order has been duly entered and is final and unappealable; (v) all conditions precedent in the Plan and Confirmation Order to the delivery of the Series 2011 Bonds in exchange for the Original Bonds have been accomplished or waived and (vi) interest on the Series 2011 Bonds will not be included in gross income of the Bondowners for federal income tax purposes; and

(c) a fully executed counterpart of the First Amendment to License Agreement; and

(d) evidence of filed UCC-1 financing statements relating to the pledge of the Trust Estate.

3. Delivery of Additional Bonds. Additional Bonds may be issued as Refunding Bonds or Improvement Bonds. Prior to the authentication and delivery of any Series of Additional Bonds, the Trustee shall receive a letter, signed by an Authorized Association Representative, instructing the Trustee as to the delivery of such Bonds together with an opinion of Bond Counsel to the effect that, as of its date (i) this Master Indenture and the Supplemental Indenture authorizing such Series of Additional Bonds have been duly authorized, executed and delivered by the Association and constitute the legal, valid and binding special, limited obligations of the Association; provided, however, that such opinion may include exceptions for limitations imposed by or resulting from bankruptcy, insolvency, moratorium, reorganization, or other laws affecting creditors' rights generally, matters relating

to equitable principles and other customary exceptions or qualifications appropriate in the circumstances; (ii) this Master Indenture and the Supplemental Indenture authorizing such Series of Additional Bonds create the valid pledge of and lien on the Trust Estate which they purport to create, subject only to the provisions of this Master Indenture and the Supplemental Indenture authorizing such Series of Additional Bonds permitting the application thereof for the purposes and on the terms and conditions set forth in this Master Indenture and the Supplemental Indenture authorizing such Series of Additional Bonds; and (iii) the Series of Additional Bonds are valid and binding special, limited obligations of the Association, payable solely from the sources provided therefor in this Master Indenture and the Supplemental Indenture authorizing such Series of Additional Bonds; provided, however, that such opinion may include exceptions for limitations imposed by or resulting from bankruptcy, insolvency, moratorium, reorganization, or other laws affecting creditors' rights generally, matters relating to equitable principles and other customary exceptions or qualifications appropriate in the circumstances; and (iv) the delivery of the Additional Bonds will not adversely affect the exclusion from gross income of the Owners of any prior Tax-Exempt Bonds then Outstanding for federal tax purposes.

In the case of each Series of Additional Bonds, the Association shall deliver to the Trustee prior to authentication and delivery of such Series of Additional Bonds an executed copy of the Supplemental Indenture authorizing such Additional Bonds and containing the form of the Additional Bonds which shall specify:

- (a) The authorized principal amount, designation, Tier and Series of such Bonds;
- (b) The maturity date or dates of the Bonds of such Series;
- (c) The interest rate or rates, if any, or the manner of determining such interest rate or rates, on the Bonds of such Series and the Bond Payment Date or Dates thereof;
- (d) The denominations of and the manner of dating, numbering and lettering the Bonds of such Series;
- (e) Any capitalized interest requirements (or the method of determining the same) for the Bonds of such Series;
- (f) Any reserve requirement for such Series of Bonds;
- (g) Any Paying Agent, Registrar, or other Fiduciary required in respect of the Bonds of such Series;
- (h) The Redemption Prices, if any, and the redemption or purchase terms, for the Bonds of such Series;
- (i) The amount and due date of each Sinking Fund Installment, if any, for Bonds of like maturity of such Series;

- (j) The form of the Bonds of such Series;
- (k) Any other provisions deemed advisable by the Association and not in conflict with the provisions of this Master Indenture; and
- (l) Such further opinions and instruments as are required by or pursuant to the provisions of this Master Indenture (including any required by the provisions of Article XI hereof) or any Supplemental Indenture.

4. Conditions Related to Delivery of Additional Bonds.

(a) Refunding Bonds. A Series of Refunding Bonds shall be the same Tier as the Series of Bonds being redeemed from the proceeds of such Series of Additional Bonds. No Additional Bonds shall be issued for the purpose of refunding Bonds Outstanding hereunder unless, after giving effect to such issuance and the redemption of the Series of Bonds being or to be redeemed, the Aggregate Debt Service of each Tier of Bonds in any Fiscal Year described in the immediately succeeding sentence shall not increase over the Aggregate Debt Service of that Tier of Bonds then Outstanding at the time of such calculation. Junior Subordinate Bonds may be redeemed from the proceeds of Additional Bonds only if the Senior Bonds and Senior Subordinate Bonds are being simultaneously redeemed in full. The Fiscal Years for which such comparisons are being made shall be for and from the Fiscal Year in which such Additional Bonds are proposed to be issued through and including the Fiscal Year in which the latest maturity of any then Outstanding Bonds is scheduled to occur. All Refunding Bonds of each Series shall be executed by the Association for issuance under this Master Indenture and the Supplemental Indenture authorizing such Series of Additional Bonds and delivered to the Trustee and thereupon shall be authenticated by the Trustee or any Authenticating Agent and by it delivered upon the order of the Association, but only upon the receipt by the Trustee of:

(1) If any Bonds or portions thereof to be refunded are to be called for redemption, a Letter of Instructions containing irrevocable instructions to the Trustee, satisfactory to it, requiring that due notice be given of the redemption of the Bonds or portions thereof to be refunded on a Redemption Date specified in such instructions;

(2) A Letter of Instructions containing irrevocable instruction to the Trustee, satisfactory to it, requiring that such other notice be given to the Owners of the Bonds being refunded as may be required by this Master Indenture and such Supplemental Indenture;

(3) Evidence satisfactory to the Trustee that the deposit of moneys or Investment Securities required by Section 802 hereof has been made; and

(4) Such further opinions and instruments as are required by the provisions of this Article or Article XI hereof or by the provisions of any Supplemental Indenture.

(b) Improvement Bonds. No Additional Bonds shall be issued as Improvement Bonds hereunder unless, after giving effect to such issuance of the Series of Additional Bonds, the Aggregate Debt Service of each Tier of Bonds in any Fiscal Year

described in the immediately succeeding sentence shall not increase over the Aggregate Debt Service of that Tier of Bonds then Outstanding at the time of such calculation. The Fiscal Years for which such comparisons are being made shall be for and from the Fiscal Year in which such Additional Bonds are proposed to be issued through and including the Fiscal Year in which the latest maturity of any then Outstanding Bonds is scheduled to occur.

Section 304. Delivery of Series 2011 Bonds and Application of Bond Proceeds for Additional Bonds.

1. The Series 2011 Bonds shall be delivered to the Owners of the Original Senior Bonds and the Original Subordinate Bonds in accordance with the Plan and Confirmation Order.

2. The proceeds, including accrued interest, if any, of any Series of Additional Bonds shall be applied simultaneously with the delivery of such Bonds to pay the Redemption Price of the Series of Bonds being refunded in accordance with the provisions of Section 401 herein in the case of the Series 2011 Bonds, or if different provisions have been made with respect to Additional Bonds, the manner provided in the Supplemental Indenture authorizing such Series of Additional Bonds or to establish an escrow pursuant to Section 802 hereof sufficient to cause such Bonds to be defeased.

Section 305. Medium of Payment; Date; Letter and Numbers.

1. The Bonds shall be payable, as to principal, Redemption Price, and interest in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest on any Series of Additional Bonds shall be computed as provided in the Supplemental Indenture authorizing such Series of Additional Bonds.

2. Each Bond shall be lettered and numbered as provided in this Master Indenture or the Supplemental Indenture authorizing any Series of Additional Bonds and so as to be distinguished from every other Bond.

3. Bonds of each Series shall be dated as of, and bear interest from, such date or dates as shall be provided in this Master Indenture or the Supplemental Indenture authorizing any Series of Additional Bonds.

4. Unless this Master Indenture or a Supplemental Indenture provides otherwise:

(a) Interest on Bonds of any Series other than interest payable (i) at maturity or (ii) on a Redemption Date for which presentation of such Bonds to the Paying Agent is a requirement for payments hereunder or under a Supplemental Indenture, shall be paid to the Person in whose name such Bond is registered on the Register at the close of business on the Record Date for such Bond Payment Date or other date on which interest is being paid on such Bond hereunder. Payment of interest on Bonds other than interest payable

at maturity or on a Redemption Date shall be made by check or draft of the Paying Agent mailed to the Owners thereof at their addresses set forth in the Register as of the Record Date;

(b) Payment of interest on Bonds at maturity or on a Redemption Date shall be paid upon presentation and surrender of such Bonds at the Paying Agent's principal operations office or such other office designated by the Paying Agent in accordance with the notice provisions of this Master Indenture;

(c) Payment of the principal or Redemption Price on Bonds shall be paid upon presentation and surrender of such Bonds at the Paying Agent's principal office or such other office designated by the Paying Agent in accordance with the notice provisions of this Master Indenture; and

(d) Payment of any principal portion of a Bond for which presentation to the Paying Agent of such Bond is not required as a condition to payment shall be paid to the Person in whose name such Bond is registered on the Register at the close of business on the Record Date for such Bond Payment Date or other date on which such Bond is being paid hereunder.

Section 306. Legends. The Bonds of each Series may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of this Master Indenture as may be necessary or desirable to comply with custom, the rules of any securities exchange or commission, brokerage board, municipal securities rulemaking board or otherwise.

Section 307. Execution, Authentication and Registration. The Bonds shall be signed in the name of the Association by the Chairman or by such other officer of the Association authorized to do so by resolution of the Board by his or her manual or facsimile signature, and the Association's corporate seal (or a facsimile thereof) shall be impressed, imprinted, engraved or otherwise reproduced thereon and attested by the Secretary or Assistant Secretary of the Association. In case any such officer of the Association shall have signed any of the Bonds shall cease to hold such office before the Bonds so signed shall have been authenticated and delivered by the Trustee or a duly authorized Authenticating Agent, such Bonds may, nevertheless, be authenticated and delivered as herein provided, and may be issued as if the persons who signed such Bonds had not ceased to hold such offices. Any Bond of a Series may be signed on behalf of the Association by such persons who at the time of the execution of such Bonds shall be duly authorized or holds the designated office of the Association, although at the date borne by the Bonds of such Series such persons may not have been so authorized or have held such office.

The Bonds of each Series shall bear thereon a certificate of authentication, in the form set forth in the form of Bonds attached hereto, dated as of the date of authentication, executed manually by an authorized signatory of the Trustee or by a duly authorized Authenticating Agent. Only such Bonds as shall bear thereon such certificate of authentication shall be entitled to any right or benefit under this Master Indenture and no Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed. Such certificate of authentication upon any Bond shall be conclusive evidence that

the Bond so authenticated has been duly authenticated and delivered under this Master Indenture and that the Owner thereof is entitled to the benefits of this Master Indenture.

Section 308. Exchange of Bonds. Unless otherwise provided in any Supplemental Indenture, Bonds, upon surrender thereof at the designated operations center of the Registrar, when surrendered with a written request satisfactory to the Registrar duly executed by the Owner or the Owner's duly authorized attorney, may, at the option of the registered Owner thereof, and upon payment by such registered Owner of any charges which the Registrar or the Association may make as provided in Section 310 hereof, be exchanged for an equal aggregate principal amount of Bonds of the same Series and maturity and in any Authorized Denomination.

Section 309. Negotiability, Transfer and Registry. Unless otherwise provided in any Supplemental Indenture, Bonds shall be transferable only upon the Register, which shall be kept for that purpose at the designated operations center of the Registrar for such Series of Bonds, by the Owner thereof, in person or by the Owner's attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed by the Owner or the Owner's duly authorized attorney.

The Registrar shall keep, or cause to be kept, on behalf of the Association at the designated operations center of the Registrar or such other location or locations as shall be provided in any Supplemental Indenture, the Register, in which, subject to such reasonable regulations as the Association, the Trustee, and the Registrar may prescribe, the Registrar shall cause Bonds to be registered and shall transfer Bonds as in this Article provided. Upon the transfer of any such Bond and payment of any required fees, the Registrar shall issue in the name of the transferee a new fully registered Bond or Bonds of the same aggregate principal amount and maturity as the surrendered Bond.

The Association, the Trustee, and any other Fiduciary may deem and treat the person in whose name any Bond shall be registered in the Register as the absolute Owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price of and interest on such Bond and for all other purposes, and all such payments so made to any such Owner or upon the Owner's order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and the Association, the Trustee, and any other Fiduciary shall not be affected by any notice to the contrary.

Section 310. Regulations with Respect to Exchanges and Transfers. Except as otherwise provided in any Supplemental Indenture, in all cases in which the privilege of exchanging or transferring Bonds is exercised, the Association shall execute and the Trustee or the duly authorized Authenticating Agent shall authenticate and deliver Bonds in accordance with the provisions of this Master Indenture. All registered Bonds surrendered in any exchange or transfer shall forthwith be canceled by the Trustee or the duly authorized Authentication Agent. For every such transfer of Bonds pursuant to Section 309 hereof, whether temporary or definitive, the Association, the Trustee, the Registrar, and any Authenticating Agent may make a charge sufficient to reimburse it or them for any expense, tax, fee or other governmental charge required to be paid with respect to such transfer. In

addition for every exchange of Bonds (other than the exchange of temporary Bonds for definitive Bonds), the Association, the Trustee, the Registrar, and any Authenticating Agent may make reasonable charges to cover the costs of printing Bonds including any Trustee's, Registrar's, or Authenticating Agent's charges in connection therewith. The payment of the sum or sums provided in this Section shall be made by the Owner requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The Registrar shall not be required to transfer or exchange Bonds for a period of 15 days next preceding the selection of Bonds for redemption or to transfer or exchange any Bonds called for redemption.

Section 311. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bonds shall become mutilated or be destroyed, stolen or lost, the Association shall execute, and thereupon the Trustee or duly authorized Authenticating Agent shall authenticate and deliver, a new Bond of like Series, maturity date, principal amount and interest rate as the Bond so mutilated, lost, stolen or destroyed, provided that (i) in the case of any mutilated Bond, such Bond is first surrendered to the Trustee or duly authorized Authenticating Agent, (ii) in the case of any lost, stolen or destroyed Bond, there is first furnished evidence of such loss, theft or destruction satisfactory to the Association and the Trustee or duly authorized Authenticating Agent together with indemnity satisfactory to the Association and the Trustee or duly authorized Authenticating Agent, (iii) all other reasonable requirements of the Association and the Trustee or duly authorized Authenticating Agent are complied with, and (iv) expenses in connection with such transaction are paid by the Owner. Except as provided in Section 310 hereof, all Bonds so surrendered to the Trustee shall be canceled by it. Any such new Bonds issued pursuant to this Section in substitution for Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the Association, whether or not the Bonds alleged to be destroyed, stolen or lost be at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits in the Trust Estate with all other Bonds issued under this Master Indenture, to the same extent provided herein.

Section 312. Temporary Bonds. Until the definitive Bonds of any Series are prepared, the Association may execute, in the same manner as is provided in Section 307 hereof, and, upon the request of the Association, the Trustee or any Authenticating Agent shall authenticate and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds except as to denomination, one or more temporary Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in Authorized Denominations, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The Association at its own expense shall prepare and execute and, upon the surrender of such temporary Bonds, the Trustee or any Authenticating Agent shall authenticate and, without charge to the Owner thereof, deliver in exchange therefor, definitive Bonds of the same aggregate principal amount and Series and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds authenticated and issued pursuant to this Master Indenture.

If the Association shall authorize the issuance of temporary Bonds in more than one denomination, the Owner of any temporary Bond or Bonds may, at said Owner's option,

surrender the same to the Trustee in exchange for another temporary Bond or Bonds of like aggregate principal amount and Series and maturity of any other Authorized Denomination or denominations, and thereupon the Association shall execute and the Trustee or Authenticating Agent shall authenticate and, in exchange for the temporary Bond or Bonds so surrendered and upon payment of the taxes, fees and charges as provided for in Section 310 hereof, shall deliver a temporary Bond or Bonds of like aggregate principal amount, Series and maturity in such other Authorized Denomination(s) as shall be requested by such Owner.

All temporary Bonds surrendered in exchange either for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith canceled by the Trustee.

Section 313. Cancellation and Destruction of Bonds. Except as otherwise provided in this Master Indenture or any Supplemental Indenture, all Bonds paid in full, either at or before maturity, shall be delivered to the Trustee when such payment is made, and such Bonds shall thereupon be promptly canceled. Bonds so canceled may at any time be destroyed by the Trustee, who shall execute a certificate of destruction in duplicate by the signature of one of its authorized signatories describing the Bonds so destroyed, and one executed certificate shall be filed with the Association and the other executed certificate shall be retained by the Trustee.

Section 314. Securities Depository Provisions. As set forth in the Letter of Representations, the Bonds are eligible for deposit with the Securities Depository. Initially, one Bond certificate for each maturity of each Series of the Bonds will be issued and registered to the Securities Depository, or its nominee and deposited with the Securities Depository or its custodian. The Securities Depository will maintain a book-entry system with respect to the Bonds.

In the event that (a) the Securities Depository determines not to continue to act as a securities depository for the Bonds by giving notice to the Trustee and the Association discharging its responsibilities hereunder, or (b) the Association in its sole discretion determines (i) that beneficial owners of the Bonds shall be able to obtain certificated Bonds or (ii) to select a new Securities Depository, then the Association shall attempt to locate another qualified securities depository to serve as Securities Depository and the Trustee shall authenticate and deliver certificated Bonds to the new Securities Depository or its nominee, or authenticate and deliver certificated Bonds to the beneficial owners or to the Securities Depository participants on behalf of beneficial owners substantially in the form provided for herein or in the Supplemental Indenture pursuant to which any Series of Additional Bonds are issued. In delivering certificated Bonds, the Trustee shall be entitled to rely on the instructions of the Securities Depository as to the names in which the certificated Bonds are to be registered. Such certificated Bonds will then be registrable, transferable and exchangeable as set forth herein.

So long as there is a Securities Depository for the Bonds (1) it or its nominee shall be the registered Owner of the Bonds, (2) notwithstanding anything to the contrary in this Master Indenture, determinations of persons entitled to payment of principal, premium, if any, and interest, transfers of ownership and exchanges and receipt of notices shall be the responsibility of the Securities Depository and shall be effected pursuant to rules and procedures established

by such Securities Depository, (3) the Association and the Trustee shall not be responsible or liable for maintaining, supervising or reviewing the records maintained by the Securities Depository, its participants or persons acting through such participants, (4) references in this Master Indenture to Owners of the Bonds shall mean such Securities Depository or its nominee and shall not mean the beneficial Owners of the Bonds and (5) in the event of any inconsistency between the provisions of this Master Indenture and the provisions of the Letter of Representations such provisions of the Letter of Representations, except to the extent set forth in this paragraph and the next preceding paragraph, shall control.

After the Bonds have been delivered to the Securities Depository as provided in this Section, beneficial owners of the Bonds so delivered shall not be entitled to receive Bonds in certificated form, except in the circumstances set forth in the second preceding paragraph.

[End of Article III]

ARTICLE IV.

REDEMPTION OF BONDS

Section 401. Privilege of Redemption and Redemption Price. Bonds subject to redemption prior to maturity shall be redeemable, upon notice, at such Redemption Dates, at such Redemption Prices and upon such terms as are contained in this Article or in the case of Additional Bonds, as may be specified in the Supplemental Indenture authorizing such Series of Additional Bonds.

1. Optional Redemption of Series 2011 Bonds. The Series 2011 Bonds shall be subject to redemption at the option of the Association, in whole or in part, at any time on or after April 1, 2026 at the Redemption Prices (equal to the sum of (x) the percentage of Accreted Value of the Bonds to be redeemed as of the Accretion Date immediately preceding or coinciding with the Redemption Date determined in accordance with the schedule set forth below, plus, if applicable, (y) an amount equal to the increase in the Accreted Value of the Bonds to be redeemed from the Accretion Date immediately preceding the Redemption Date through the Redemption Date):

| <u>Redemption Date:</u> | <u>Percentage of Accreted Value as of Preceding or Coinciding Accretion Date</u> |
|---|--|
| Before April 1, 2026 | Not Callable |
| On or after April 1, 2026 and on or before March 31, 2027 | 105% |
| On or after April 1, 2027 and on or before March 31, 2028 | 104% |
| On or after April 1, 2028 and on or before March 31, 2029 | 103% |
| On or after April 1, 2029 and on or before March 31, 2030 | 102% |
| On or after April 1, 2030 and on or before March 31, 2031 | 101% |
| On or after April 1, 2031 and thereafter | 100% |

Junior Subordinate Bonds may be optionally redeemed only if the Senior Bonds and Senior Subordinate Bonds are being simultaneously redeemed in full.

2. Extraordinary Mandatory Redemption of Series 2011 Bonds. If there is in excess of \$50,000 in the Extraordinary Redemption Fund, as of January 1 in any year, including as a result of the transfer of funds into the Extraordinary Redemption Fund pursuant to Section 508 or 717 hereof, then the Trustee shall apply any amounts on deposit in the Extraordinary

Redemption Fund to the mandatory redemption of the Outstanding Series 2011 Bonds on the immediately following February 15. Bonds which have been defeased as provided in Article VIII hereof are not subject to Extraordinary Mandatory Redemption hereunder. The Redemption Price of the Series 2011 Bonds under this clause (2) shall be 105% of the Accreted Value as of the Redemption Date of the Series 2011 Bonds to be redeemed.

3. Sinking Fund Installments. The Series 2011 Term Bonds are subject to mandatory redemption, at a Redemption Price equal to the Accreted Value as of the Redemption Date of the Series 2011 Bonds to be redeemed, pursuant to Sinking Fund Installments on January 1 in each of the years and Accreted Value set forth in the table below, except that the Sinking Fund Installments of Series 2011 Bonds shall be reduced as provided in Section 404 hereof:

(a) Series 2011A Bonds:

\$114,304,173 Maturity Value 6.5% Series 2011A
Capital Appreciation Bonds Maturing 1/1/2032

| Redemption Date | Redemption Amt (Accreted Value) | CUSIP |
|-----------------|------------------------------------|-------|
| 1/1/2023 | 8,521,446 | |
| 1/1/2024 | 9,007,353 | |
| 1/1/2025 | 10,334,439 | |
| 1/1/2026 | 10,779,136 | |
| 1/1/2027 | 11,103,068 | |
| 1/1/2028 | 11,421,190 | |
| 1/1/2029 | 12,763,078 | |
| 1/1/2030 | 13,129,336 | |
| 1/1/2031 | 13,506,660 | |
| 1/1/2032 | 13,738,467 | |

\$186,694,704 Maturity Value 7.0% Series 2011A
Capital Appreciation Bonds Maturing 1/1/2042

| Redemption Date | Redemption Amt (Accreted Value) | CUSIP |
|-----------------|------------------------------------|-------|
| 1/1/2033 | 15,762,512 | |
| 1/1/2034 | 16,038,108 | |
| 1/1/2035 | 16,316,506 | |
| 1/1/2036 | 16,600,454 | |
| 1/1/2037 | 18,824,837 | |
| 1/1/2038 | 19,155,274 | |
| 1/1/2039 | 19,491,631 | |
| 1/1/2040 | 19,833,069 | |
| 1/1/2041 | 22,275,946 | |
| 1/1/2042 | 22,396,367 | |

\$245,051,845 Maturity Value 7.5% Series 2011A
Capital Appreciation Bonds Maturing 7/22/2051

| Redemption Date | Redemption Amt (Accreted Value) | CUSIP |
|-----------------|------------------------------------|-------|
| 1/1/2043 | 22,515,048 | |
| 1/1/2044 | 22,631,851 | |
| 1/1/2045 | 24,926,721 | |
| 1/1/2046 | 25,061,491 | |
| 1/1/2047 | 25,193,944 | |
| 1/1/2048 | 25,323,211 | |
| 1/1/2049 | 27,719,965 | |
| 1/1/2050 | 27,868,099 | |
| 1/1/2051 | 28,013,267 | |
| 7/22/2051 | 15,798,248 | |

(b) Series 2011B Bonds.

Series 2011B Bonds

\$38,600,797 Maturity Value 8.5% Series 2011B

Capital Appreciation Bonds Maturing 1/1/2032

| Redemption Date | Redemption Amt (Accreted Value) | CUSIP |
|-----------------|------------------------------------|-------|
| 1/1/2012 | 387,620 | |
| 1/1/2013 | 665,042 | |
| 1/1/2014 | 695,620 | |
| 1/1/2015 | 752,141 | |
| 1/1/2016 | 838,389 | |
| 1/1/2017 | 1,134,256 | |
| 1/1/2018 | 1,253,505 | |
| 1/1/2019 | 1,364,640 | |
| 1/1/2020 | 1,484,314 | |
| 1/1/2021 | 1,760,563 | |
| 1/1/2022 | 1,861,782 | |
| 1/1/2023 | 1,968,354 | |
| 1/1/2024 | 2,080,593 | |
| 1/1/2025 | 2,387,134 | |
| 1/1/2026 | 2,489,854 | |
| 1/1/2027 | 2,564,679 | |
| 1/1/2028 | 2,638,161 | |
| 1/1/2029 | 2,948,122 | |
| 1/1/2030 | 3,032,723 | |
| 1/1/2031 | 3,119,880 | |
| 1/1/2032* | 3,173,425 | |

*Maturity

\$99,728,404 Maturity Value 9.0% Series 2011B
Capital Appreciation Bonds Maturing 7/22/2051

| Redemption Date | Redemption Amt (Accreted Value) | CUSIP |
|-----------------|------------------------------------|-------|
| 1/1/2033 | 3,640,956 | |
| 1/1/2034 | 3,704,615 | |
| 1/1/2035 | 3,768,922 | |
| 1/1/2036 | 3,834,511 | |
| 1/1/2037 | 4,348,317 | |
| 1/1/2038 | 4,424,644 | |
| 1/1/2039 | 4,502,339 | |
| 1/1/2040 | 4,581,207 | |
| 1/1/2041 | 5,145,483 | |
| 1/1/2042 | 5,173,299 | |
| 1/1/2043 | 5,200,713 | |
| 1/1/2044 | 5,227,693 | |
| 1/1/2045 | 5,757,781 | |
| 1/1/2046 | 5,788,911 | |
| 1/1/2047 | 5,819,506 | |
| 1/1/2048 | 5,849,366 | |
| 1/1/2049 | 6,402,988 | |
| 1/1/2050 | 6,437,205 | |
| 1/1/2051 | 6,470,737 | |
| 7/22/2051* | 3,649,211 | |

*Maturity

(c) Series 2011C Bonds.

\$17,097,091 Maturity Value 10.0% Series 2011C
Capital Appreciation Bonds Maturing 7/22/2051

| Redemption Date | Redemption Amt (Accreted Value) | Redemption Date | Redemption Amt (Accreted Value) |
|-----------------|------------------------------------|-----------------|------------------------------------|
| 1/1/2012 | 47,908 | 1/1/2033 | 450,012 |
| 1/1/2013 | 82,197 | 1/1/2034 | 457,880 |
| 1/1/2014 | 85,976 | 1/1/2035 | 465,828 |
| 1/1/2015 | 92,962 | 1/1/2036 | 473,935 |
| 1/1/2016 | 103,622 | 1/1/2037 | 537,440 |
| 1/1/2017 | 140,191 | 1/1/2038 | 546,873 |
| 1/1/2018 | 154,929 | 1/1/2039 | 556,476 |
| 1/1/2019 | 168,665 | 1/1/2040 | 566,224 |
| 1/1/2020 | 183,457 | 1/1/2041 | 635,967 |
| 1/1/2021 | 217,600 | 1/1/2042 | 639,405 |
| 1/1/2022 | 230,111 | 1/1/2043 | 642,793 |
| 1/1/2023 | 243,283 | 1/1/2044 | 646,128 |
| 1/1/2024 | 257,155 | 1/1/2045 | 711,646 |
| 1/1/2025 | 295,043 | 1/1/2046 | 715,493 |
| 1/1/2026 | 307,739 | 1/1/2047 | 719,275 |
| 1/1/2027 | 316,987 | 1/1/2048 | 722,965 |
| 1/1/2028 | 326,069 | 1/1/2049 | 791,391 |
| 1/1/2029 | 364,379 | 1/1/2050 | 795,620 |
| 1/1/2030 | 374,836 | 1/1/2051 | 799,765 |
| 1/1/2031 | 385,608 | 7/22/2051* | 451,032 |
| 1/1/2032 | 392,226 | | |

Section 402. Redemption at the Option of the Association. In the case of any redemption of Bonds at the option of the Association, an Authorized Association Representative shall give written notice to the Trustee and any Paying Agent of its election or direction so to redeem, of the Redemption Date, and of the principal amounts of Bonds to be redeemed (including the Series, maturities, and principal amounts thereof to be redeemed, subject to any limitations with respect thereto as are contained in Section 401 or 404 of this Master Indenture). In the event any Bonds to be redeemed are Term Series 2011 Bonds, the Association will deliver to the Trustee the revised Sinking Fund Redemption Schedule for such Bonds prepared as provided in Section 404 hereof. Such notice shall be given to the Trustee at least sixty (60) days prior to the date on which notice of redemption is required to be given to the Owners of the Bonds to be redeemed or within such shorter period as shall be acceptable to the Trustee. In the event notice of redemption shall have been given as provided in Section 405 hereof, and provided that any conditions to redemption stated in such notice have been satisfied, there shall be paid on or before the Redemption Date to the Trustee for transfer to the Paying Agent an amount which, in addition to other moneys, if any, available therefor held by the Trustee or Paying Agent, will be sufficient to redeem on the Redemption Date at the Redemption Price, all of the Bonds to be redeemed.

Section 403. Redemption Otherwise Than at the Option of the Association.

Whenever by the terms of this Master Indenture or any Supplemental Indenture the Trustee is required or authorized to redeem Bonds otherwise than at the option of the Association, the Trustee shall select the Bonds to be redeemed in the order specified herein, or in the case of Additional Bonds as specified in a Supplemental Indenture, give the notice of redemption and transfer, out of moneys available therefor, the Redemption Price thereof, plus interest accrued and unpaid to the Redemption Date, to the Paying Agent in accordance with the terms of this Master Indenture and any Supplemental Indenture.

Section 404. Selection of Bonds to be Redeemed. If any Bonds are to be redeemed pursuant to Section 401(1) hereof Junior Subordinate Bonds may be redeemed only if the Senior Bonds and Senior Subordinate Bonds are being simultaneously redeemed in full. If any Bonds are to be redeemed pursuant to Section 401(2) hereof, the Senior Bonds shall be redeemed first, and if there are no Senior Bonds then outstanding, then the Senior Subordinate Bonds shall be next redeemed, and if there are no other Bonds Outstanding, then the Junior Subordinate Bonds shall be redeemed. If less than all of the Bonds of a Tier are to be redeemed, then the redemption shall be in inverse order of maturity (which for this purpose shall include a sinking fund installment as a maturity) within that Tier. If less than all of the Outstanding amount of any Term Capital Appreciation Bonds are to be redeemed, the Sinking Fund Installments for such Term Capital Appreciation Bonds will be revised to reduce the latest remaining Sinking Fund Installments by an amount equal to the future value of (i) the Accreted Value of the Term Capital Appreciation Bond so redeemed (excluding any redemption premium paid in respect thereof) (ii) to the date of the latest remaining Sinking Fund Installments for such Term Capital Appreciation Bond, (iii) at the yield on the Term Capital Appreciation Bond so redeemed. If less than all of the Bonds of a single maturity within the same Series are to be redeemed for any reason under this Master Indenture,, the Bonds of such maturity to be redeemed will be selected pro-rata among all of the Owners of such maturity, such that the amounts which remain Outstanding after such redemption are in Authorized Denominations or in such other manner as provided in any Supplemental Indenture authorizing a Series of Additional Bonds; provided that the portion of any Bond to be redeemed shall be in an Authorized Denomination and, in selecting Bonds for redemption, each Bond shall be treated as representing the number of Bonds as is obtained by dividing the principal amount or Maturity Value of such Bonds by the minimum Authorized Denomination for such Series of Bonds.

Section 405. Notice of Redemption. Notice of redemption of Bonds shall be given in accordance with this Section. When the Trustee shall receive notice from the Association of its election or direction to redeem Bonds pursuant to Section 402 hereof, and when redemption of Bonds is authorized or required pursuant to Sections 403 and 508(1) hereof, the Trustee shall give notice, in the name of the Association, of the redemption of such Bonds, which notice shall specify the Tier, Series and maturities of the Bonds to be redeemed, the Redemption Date and the place or places where amounts due upon such Redemption Date will be payable and, if less than all of the Bonds of any like Series and maturity are to be redeemed, the letters and numbers or other distinguishing marks of such Bonds so to be redeemed, and, in the case of Bonds to be redeemed in part only, such notices shall also specify the respective portions thereof to be redeemed. Such notice shall further state that on such Redemption Date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof,

or the Redemption Price of the specified portions thereof, in the case of Bonds to be redeemed in part only, and that from and after such date interest thereon shall cease to accrue and the Accreted Value shall cease to accrete (as applicable). The Trustee shall mail a copy of such notice, first class mail postage prepaid, not less than 30 days nor more than 60 days before the Redemption Date (or such shorter period as shall be provided in any Supplemental Indenture), to the Owners of any Bonds, or portions of Bonds which are to be redeemed, at their last addresses, if any, appearing upon the Register. The Trustee's obligation to give notice required by this Section shall not be conditioned upon the prior payment to the Trustee of funds sufficient to pay the Redemption Price of the Bonds to which such notice relates and may be given in conditional form, specifying that the redemption is subject to receipt by the Trustee of moneys sufficient to pay the Redemption Price of the Bonds to be redeemed or to other conditions. The failure to give notice required by this Section to any Owner of any Bond or portion thereof to be redeemed shall not affect the validity of any proceedings for the redemption of any other Bond for which such notice has been duly given.

Section 406. Payment of Redeemed Bonds. Notice having been given in the manner provided in Section 405 hereof, the Bonds or portions thereof so called for redemption shall, provided that any conditions specified in such notice are satisfied, become due and payable on the Redemption Date so designated at the Redemption Price upon presentation and surrender thereof at the office specified in such notice. If there shall be called for redemption less than all of the principal of any Bond, the Association shall, if the Bonds are not then registered with a Securities Depository, execute and the Trustee or the Authenticating Agent shall authenticate, upon the surrender of such Bond, without charge to the Owner thereof, for the unredeemed balance of the principal amount of the Bond so surrendered, Bonds of like Series and maturity in any Authorized Denomination. If, on the Redemption Date, moneys equal to the Redemption Price of all the Bonds or portions thereof to be redeemed shall be held by the Trustee or Paying Agent so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the Redemption Date interest on the Current Interest Bonds or portions thereof of such Series and maturity so called for redemption shall cease to accrue and become payable and the Accreted Value of Capital Appreciation Bonds or portions thereof of such Series and maturity so called for redemption shall cease to accrete. If said moneys shall not be so available on the Redemption Date, such Bonds or portions thereof shall continue to bear interest or to accrete in value (as applicable) until paid at the same rate as if they had not been called for redemption.

Section 407. Modification by Supplemental Indenture. The provisions of this Article may be modified by any Supplemental Indenture in respect of any Series of Additional Bonds authorized thereby, and in the event of any conflict with the provisions hereof, the provisions of such Supplemental Indenture shall control in respect of any Series of Additional Bonds authorized thereby subject to any restrictions herein regarding the issuance of Additional Bonds.

[End of Article IV]

ARTICLE V.

ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

Section 501. Security for Bonds. The Bonds are payable from and secured by the Trust Estate in accordance with the terms hereof.

Section 502. Establishment of Funds and Accounts. The following Funds and Accounts are hereby established, all of which shall be held by the Trustee and, with the exception of the Rebate Fund and the Renewal and Replacement Fund, shall constitute a part of the Trust Estate:

1. "Southern Connector Toll Road Revenue Bond Revenue Fund";
2. "Southern Connector Toll Road Revenue Bond Debt Service Fund," and within such Fund the "Senior Bonds Debt Service Account," the "Senior Subordinate Bonds Debt Service Account" and the "Junior Subordinate Bonds Debt Service Account";
3. "Southern Connector Toll Road Revenue Bond Debt Service Reserve Fund," and within such Fund the "Series 2011 Bonds Debt Service Reserve Account" and within such Account, the "Senior Bonds Debt Service Reserve Subaccount," the "Senior Subordinate Bonds Debt Service Reserve Subaccount" and the "Junior Subordinate Bonds Debt Service Reserve Subaccount";
4. "Southern Connector Toll Road Revenue Bond Renewal and Replacement Fund";
5. "Southern Connector Toll Road Revenue Bond Rebate Fund"; and
6. "Southern Connector Toll Road Extraordinary Redemption Fund".

The Trustee may open such other accounts or funds it finds useful to administer the Trust Estate or to further the rights of the Owners of the Bonds.

Section 503. [Reserved].

Section 504. Revenue Fund. All Revenues shall be delivered to the Trustee immediately upon receipt by or on behalf of the Association and shall be deposited by the Trustee in the Revenue Fund immediately upon receipt by the Trustee and amounts in the Revenue Fund shall be used for the purposes and in the order of priority set forth in Section 505 hereof. The Association shall deliver a certificate to the Trustee in connection with the delivery of its annual budget in which the Association certifies to the Trustee that all Revenues collected by the Association for the previous Fiscal Year have been deposited with the Trustee. The Trustee is entitled to rely on such certificate and has no duty to, but may, at the Trustee's option, require an accounting of such Revenues for any period covered by such certification. The Trustee may withdraw the Trustee's Fees and Expenses from the Revenue Fund from time to time and shall deliver prompt notice to the Association of the amount so withdrawn.

Section 505. Flow of Funds.

1. Whether an Event of Default has occurred and is then continuing or otherwise, in each Fiscal Year amounts in the Revenue Fund shall be withdrawn by the Trustee from time to time to pay or reimburse the Trustee's Fees and Expenses and thereafter applied for the following purposes in the priority in which listed:

First, on or before the last day of each month, to the extent not paid from other sources, Operating Costs budgeted by the Association for the next succeeding month shall be distributed to, or to the order of, the Association.

All amounts remaining in the Revenue Fund as of any calculation date and after distribution of amounts in respect of Operating Costs and payment or reimbursement of Trustee Fees and Expenses, as described above, shall constitute and shall be referred to herein as "***Distributable Cash***"; provided, however, that Distributable Cash shall exclude (i) any proceeds from liability or casualty insurance or condemnation awards with respect to the Association's interest in the Southern Connector Project which shall be disbursed as provided in Section 717 hereof, and (ii) all amounts derived as loans or otherwise from the United States of America, the State or any other Person relating to the Southern Connector. The Trustee shall transfer the Distributable Cash on the Business Day prior to each Bond Payment Date as provided in items *Second* through *Ninth*, below.

Second, the Trustee will deposit into the Renewal and Replacement Fund (i) for Bond Payment Dates on or before January 1, 2016, an amount equal to 5.0% of the amount of Distributable Cash, and (ii) for Bond Payment Dates after January 1, 2016, an amount equal to 2.5% of the amount of Distributable Cash;

Third, the Trustee shall transfer to the Senior Bonds Debt Service Account amounts which, when added to other amounts then in the Senior Bonds Debt Service Account, and available for such purposes, shall equal the Debt Service on the Senior Bonds required to be paid on such Bond Payment Date, including any amounts representing Arrearages on the Senior Bonds from earlier Bond Payment Dates;

Fourth, the Trustee shall deposit into the Renewal and Replacement Fund (i) for Bond Payment Dates on or before the January 1, 2016, an amount equal to 0.0% of the amount of Distributable Cash, and (ii) for Bond Payment Dates after January 1, 2016, an amount not to exceed 2.5% of the amount of Distributable Cash;

Fifth, if any subaccount in the Debt Service Reserve Fund contains less than the Debt Service Reserve Fund Requirement for such subaccount, the Trustee shall transfer into such subaccount an amount equal to the amount needed to restore the balance in such subaccount to the Debt Service Reserve Fund Requirement for such subaccount;

Sixth, the Trustee shall transfer to the Senior Subordinate Bonds Debt Service Account amounts which, when added to other amounts then in the Senior Subordinate Bonds Debt Service Account, and available for such purposes, shall equal the Debt Service on the Senior

Subordinate Bonds required to be paid on such Bond Payment Date, including any amounts representing Arrearages on the Senior Subordinate Bonds from earlier Bond Payment Dates;

Seventh, the Trustee shall deposit into the Renewal and Replacement Fund an amount not to exceed 2.5% of the amount of Distributable Cash;

Eighth, the Trustee shall transfer to the Junior Subordinate Bonds Debt Service Account amounts which, when added to other amounts then in the Junior Subordinate Bonds Debt Service Account, and available for such purposes, shall equal the Debt Service on the Junior Subordinate Bonds required to be paid on such Bond Payment Date, including any amounts representing Arrearages on the Junior Subordinate Bonds from earlier Bond Payment Dates; and

Ninth, the Trustee will deposit into the Renewal and Replacement Fund an amount not to exceed 2.5% of the amount of Distributable Cash.

Any Distributable Cash remaining after the above listed distributions (“*Excess Net Revenues*”) will be deposited to the Extraordinary Redemption Fund to be used (if the amount on deposit therein exceeds a minimum amount of \$50,000) to effect the early redemption of the Senior Bonds in Authorized Denominations pursuant to Sections 401(2) and 404 hereof. Amounts owing on the Bonds and unpaid due to insufficient Distributable Cash shall be deferred and bear interest from the date of non-payment at a rate equal to the interest rate or yield on the Bond to which such unpaid amount relates, compounded annually (such unpaid amounts plus interest being the “*Arrearages*”) to be added to amounts payable on future Bond Payment Dates. The above percentage distributions to the Renewal and Replacement Fund will be used to compute the amount of Distributable Cash to be deposited into the Renewal and Replacement Fund for each Bond Payment Date. Non-payment of amounts to the Renewal and Replacement Fund due to the insufficiency of Distributable Cash will not result in a default under the License Agreement or this Master Indenture, and shall not be added to the Renewal and Replacement Fund deposits for future Bond Payment Dates.

In the event on any Bond Payment Date any Debt Service payment is not made on any Tier of Bonds due to insufficiency of Distributable Cash, distributions of Distributable Cash in respect of the Debt Service on such Tier of Bonds on later Bond Payment Dates shall be applied, *First*, to any Arrearages and if the amount available is not sufficient to pay all of the Arrearages on such Tier of Bonds in full such Distributable Cash will be applied to the oldest unpaid Arrearages in the direct order of their due dates and within any due date ratably, and, *Second*, to the current Debt Service owing on such Tier of Bonds on such Bond Payment Date and if the amount available is not sufficient to pay all of the current Debt Service in full such remaining Distributable Cash will be applied ratably.

The Trustee will promptly notify the Association of the annual application of Distributable Cash under this Section 505.

2. If, on any Bond Payment Date, no Bonds remain Outstanding in any Tier, the remaining Bonds of subordinate Tiers will accede to the next higher Tier in the hierarchy of

the Flow of Funds. For example, if no Series 2011A Bonds are Outstanding on any Bond Payment Date, any Series 2011B Bonds Outstanding will be treated as Senior Bonds payable from the Senior Bonds Debt Service Account in item “*Third*” above and any Series 2011C Bonds Outstanding will be treated as Senior Subordinate Bonds payable from the Senior Subordinate Bonds Debt Service Account in item “*Sixth*” above.

Section 506. Other Transfers to Debt Service Fund.

1. If on any Business Day there are not sufficient moneys in the Revenue Fund to make the transfers required by Section 505 hereof to the Senior Bonds Debt Service Account on such date, moneys shall be transferred to the Senior Bonds Debt Service Account from the Senior Bonds Debt Service Reserve Account in an amount which, together with the amount to be transferred thereto from the Revenue Fund on such date, will result in the Senior Bonds Debt Service Account having the balance required to be on deposit therein pursuant to Section 505 hereof.

2. If on any Business Day prior to a Bond Payment Date, there are not sufficient moneys in the Revenue Fund to make the transfers required by Section 505 hereof to the Senior Subordinate Bonds Debt Service Account on such date and on such Business Day no Senior Bonds are then Outstanding, moneys shall be transferred to the Senior Subordinate Bonds Debt Service Account from the Senior Subordinate Bonds Debt Service Reserve Account in an amount which, together with the amount to be transferred thereto from the Revenue Fund on such date, will result in the Senior Subordinate Bonds Debt Service Account having the balance required to be on deposit therein pursuant to Section 505 hereof. No transfer will be made from the Senior Subordinate Debt Service Reserve Account to the Senior Subordinate Bonds Debt Service Account if any Senior Bonds are Outstanding on such subject transfer date.

3. If on any Business Day prior to a Bond Payment Date there are not sufficient moneys in the Revenue Fund to make the transfers required by Section 505 hereof to the Junior Subordinate Bonds Debt Service Account on such date, and on such Business Day no Senior Bonds and no Senior Subordinate Bonds are then Outstanding, moneys shall be transferred to the Junior Subordinate Bonds Debt Service Account from the Junior Subordinate Bonds Debt Service Reserve Account in an amount which, together with the amount to be transferred thereto from the Revenue Fund on such date, will result in the Junior Subordinate Bonds Debt Service Account having the balance required to be on deposit therein pursuant to Section 505 hereof. No transfer will be made from the Junior Subordinate Bonds Debt Service Reserve Account to the Junior Subordinate Bonds Debt Service Account if any Senior Bonds or Senior Subordinate Bonds are Outstanding on such subject transfer date.

4. Moneys transferred into a particular subaccount of the Debt Service Account pursuant to Section 508(1) hereof shall be applied to redeem the respective Tier of bonds on the earliest date on which the Bonds can be redeemed consistent with the requirements of Section 405 hereof.

Section 507. Debt Service Fund.

1. There shall be paid out of the Debt Service Fund on or before each Bond Payment Date for any of the Bonds, the amount required for the interest payment on such date, and there shall be paid out of the Debt Service Fund on or before each Principal Installment due date, the amount required for the Principal Installment payable on such due date; provided, however, that if any special fund, account or subaccount has been created for the payment of capitalized interest on the Bonds or any Series thereof, any amounts transferred to the Debt Service Fund from such special fund, account or subaccount shall be used to pay such interest prior to the use of any amounts in the Debt Service Fund for such purpose. On or before any Redemption Date for Bonds to be redeemed, there shall also be paid out of the Debt Service Fund, from available amounts deposited therein from time to time, the Redemption Price of and interest on the Bonds then to be redeemed.

2. Amounts in the Debt Service Fund with respect to any Sinking Fund Installment (together with amounts in the Debt Service Fund with respect to interest on the Bonds for which such Sinking Fund Installment was established) shall be applied to the redemption of Bonds of the Series and maturity for which such Sinking Fund Installment was established in an amount not exceeding that necessary to complete the retirement of such Sinking Fund Installment in accordance with the provisions hereof or of the Supplemental Indenture governing the redemption of any Additional Bonds and the applicable provisions of Article IV hereof.

3. Reserved.

4. Reserved.

5. Notwithstanding any other provision of this Section or any other provision of this Master Indenture, amounts in the Senior Bonds Debt Service Account, the Senior Subordinate Bonds Debt Service Account and the Junior Subordinate Bonds Debt Service Account of the Debt Service Fund shall be applied only to the payment of Debt Service on the Bonds of the same Tier, in each case in the manner and at the times provided in subsections 1 and 2 of this Section.

Section 508. Debt Service Reserve Fund.

1. When the amount in a subaccount in the Debt Service Reserve Fund, together with the amounts in the Debt Service Fund for the Tier of Bonds with respect to which such subaccount applies, is sufficient to fully pay all Outstanding Bonds of such Tier in accordance with their terms (including principal or Redemption Price and interest), the funds on deposit in that subaccount in the Debt Service Reserve Fund shall be transferred to the Debt Service Fund for such Tier and applied, at the time provided in Section 506(4) hereof, to pay the principal and Redemption Price of and interest on all Outstanding Bonds of such Tier.

2. The Debt Service Reserve Fund Requirement for the Senior Bonds, the Senior Subordinate Bonds, and the Junior Subordinate Bonds is initially \$ _____, \$0 and \$0, respectively. The Debt Service Reserve Fund Requirement for the Senior Bonds set forth

above was the amount previously held in the revenue fund, the debt service fund and/or the debt service reserve fund for the Original Bonds and transferred to the Debt Service Reserve Fund for the Senior Bonds prior to or as of the Effective Date of the Plan, as further provided in the Plan and Confirmation Order. The Debt Service Reserve Requirement for the Senior Bonds shall be increased on a dollar for dollar basis by the amounts, if any, transferred pursuant to the last sentence Section 201(1) hereof. Whenever the amount in a subaccount in the Debt Service Reserve Fund exceeds the amount required to be maintained therein, the Trustee shall transfer such excess to the Extraordinary Redemption Fund to be applied to the redemption of Bonds as provided in Sections 401(2) and 404 hereof. When there are no longer Outstanding any Senior Bonds (after the application of Section 508(1) hereof), then any amounts in the subaccount in the Debt Service Reserve Fund for the Senior Bonds shall be transferred to the subaccount in the Debt Service Reserve Fund for the Senior Subordinate Bonds and if there are no Senior Bonds or Senior Subordinate Bonds Outstanding (after the application of Section 508(1) hereof), then any balances in the subaccounts in the Debt Service Reserve Fund for the Senior Bonds or Senior Subordinate Bonds shall be transferred to the subaccount in the Debt Service Reserve Fund for the Junior Subordinate Bonds. At the point in time, if any, at which amounts in a subaccount in the Debt Service Reserve Fund for a Tier of Bonds are to be transferred pursuant to this section to a subaccount of the Debt Service Reserve Fund for a Tier of Subordinate Bonds, then the Debt Service Reserve Fund Requirement for such Tier of Subordinate Bonds shall become the amount of the Debt Service Reserve Fund Requirement for the Tier of Bonds from which such moneys are to be transferred.

3. Notwithstanding any other provision of this Section or any other provision of this Master Indenture, the Series 2011 Bonds Debt Service Reserve Account and any reserve account created under a Supplemental Indenture in connection with the issuance of any Series of Additional Bonds shall be maintained and administered as separate accounts for the purposes of securing, and shall be applied only to the payment of, the principal and Redemption Price of and interest on the Series 2011 Bonds in accordance with this Master Indenture and any such Additional Bonds, respectively.

Section 509. Renewal and Replacement Fund. The Trustee shall transfer amounts from the Revenue Fund to the Renewal and Replacement Fund on or before each Bond Payment Date as provided in Section 505 hereof. Moneys held in the Renewal and Replacement Fund, if any, shall be distributed to, or to the order of, the Association at the written request of an Authorized Association Representative in the form set forth in **Exhibit "D"** attached hereto, to be used to reimburse SCDOT to the extent of available funds for Highway Maintenance Costs of the Southern Connector, as provided in the License Agreement. The Renewal and Replacement Fund and any amounts credited thereto are not a part of the Trust Estate and the Trustee shall have no obligation to account for the monies distributed to the Association from the Renewal and Replacement Fund.

Section 510. Extraordinary Redemption Fund. The Trustee shall transfer amounts from the Revenue Fund to the Extraordinary Redemption Fund as provided in Section 505(1) and 508(2) hereof. Such amounts shall be applied on each Bond Payment Date to the extraordinary mandatory redemption of the Series 2011 Bonds in accordance with Section

401(2) hereof and the extraordinary mandatory redemption of any Additional Bonds of any Series in accordance with the terms of the Supplemental Indenture authorizing such Series.

Section 511. Rebate Fund. The Association shall deliver moneys to the Trustee for deposit into the Rebate Fund in the amount certified by an Authorized Association Representative to be required pursuant to the tax compliance certificate delivered by the Association in connection with the issuance of the Series 2011 Bonds and pursuant to any similar instrument or certificate delivered by the Association in connection with the issuance of any Additional Bonds (each, a “**Tax Compliance Certificate**,” and collectively, the “**Tax Compliance Certificates**”). Notwithstanding any other provision hereof or of any other instrument, moneys on deposit in the Rebate Fund shall not be part of the Trust Estate and, except as otherwise provided in this Section, moneys on deposit in the Rebate Fund shall be used solely for the purpose of paying amounts due to the United States of America with respect to the Bonds pursuant to Section 148(f) of the Code. Moneys on deposit in the Rebate Fund shall be forwarded to the United States Treasury at the times and in the amounts set forth in a requisition signed by an Authorized Association Representative. If the moneys on deposit in the Rebate Fund are insufficient for the purpose thereof, the Association shall transfer moneys in the amount of the insufficiency to the Rebate Fund from any and all sources available to it. Upon receipt by the Trustee of an opinion of Bond Counsel or a certificate of a Rebate Analyst to the effect that the amount in the Rebate Fund is in excess of the amount required to be contained therein, such excess shall be transferred to the Revenue Fund. The Trustee shall not be obligated to compute the amount of rebatable arbitrage but shall be required to retain records pursuant to Section 603(3) hereof and deliver such records promptly to or upon the order of the Association.

Section 512. Form of Requisition. Whenever any provision of this Master Indenture or any Supplemental Indenture requires a payment to be made or transfer to be made from the Renewal and Replacement Fund, such payment or transfer may be authorized by a requisition in the form of **Exhibit “D”** hereto, signed by an Authorized Association Representative. The form of requisition may be modified for all funds or for particular Funds or Accounts by a Supplemental Indenture.

[End of Article V]

ARTICLE VI.

MONEYS HELD IN TRUST, SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

Section 601. Moneys Held in Trust. All moneys held by the Trustee under the provisions of this Master Indenture shall be deposited with the Trustee, and held in the name of the Trustee, in such capacity hereunder. All moneys deposited under the provisions of this Master Indenture with the Trustee shall be held in trust and applied only in accordance with the provisions of this Master Indenture and each of the Funds and Accounts established by this Master Indenture shall be a trust fund for the purpose of this Master Indenture.

Section 602. Deposits and Transfers.

1. All moneys held by the Trustee under this Master Indenture may be placed on demand or time deposit, if and as directed by the Association, provided that such deposits shall permit the moneys so held to be available for use at the time when needed.

2. All moneys held under this Master Indenture by the Trustee shall be continuously and fully secured for the benefit of the Association and the Owners of the Bonds by lodging with a Federal Reserve Bank, the Trustee, or other Fiduciary as custodian, as collateral security, direct obligations of or obligations guaranteed by the United States of America having a Fair Market Value (exclusive of accrued interest) not less than the amount of such moneys, which securities may be substituted for one another from time to time, provided, however, that it shall not be necessary for the Trustee to give security for any moneys (i) to the extent that such moneys are insured by or through the Federal Deposit Insurance Corporation or (ii) which are represented by Investment Securities purchased as an investment of such moneys.

3. All moneys deposited with the Trustee shall be credited to the particular Fund or Account to which such moneys belong.

4. Except as otherwise provided by any Supplemental Indenture, any transfer required to be made from one Fund or Account to another Fund or Account held by the same Person may be made by book transfer of any moneys or investments or portions of investments without liquidating any investments in order to make such transfer unless the funds required to be transferred are needed to make payments out of the Fund or Account to which such funds were transferred at the time of transfer. Investments may also be exchanged between Funds and Accounts if the Association and the Trustee determine such transfer to be the best way to preserve the Trust Estate.

Section 603. Investment of Funds.

1. Moneys held in any Fund or Account to be held by the Trustee shall be invested and reinvested by the Trustee as promptly as practicable, in accordance with a Letter of Instructions and, to the fullest extent practicable, in Investment Securities. Notwithstanding anything herein to the contrary, Investment Securities in all Funds and Accounts shall mature, or the principal of and accrued interest on such Investment Securities shall be available for

withdrawal without penalty, not later than such times as shall be necessary to provide moneys when needed for payment to be made from such Funds and Accounts.

2. Except as otherwise provided in this subsection or by any Supplemental Indenture, interest earned or profits realized from investing any moneys deposited in the Funds and Accounts or any Subaccount thereof shall be transferred into the Revenue Fund and applied pursuant to subsection 1 of Section 505 hereof. Any losses suffered on investment of any moneys in the Funds and Accounts or any Subaccount thereof shall be charged against such Fund, Account or Subaccount. Notwithstanding the foregoing:

(a) interest and profits from the Rebate Fund and the Renewal and Replacement Fund and any Account or Subaccount of any of such Funds, Accounts or Subaccounts shall be retained in such Fund, Account or Subaccount.

(b) interest and profits in any subaccount in the Debt Service Reserve Fund shall be retained in that subaccount if and to the extent the amount on deposit in that subaccount is not equal to the Debt Service Reserve Fund Requirement for that subaccount and to the extent the amount on deposit in any subaccount Series 2011 Bonds Debt Service Reserve Account exceeds the Debt Service Reserve Fund Requirement for this subaccount, that excess shall be transferred to the Extraordinary Redemption Fund to be applied as provided in Section 401(2) hereof to the redemption of the Tier of Bonds for which such subaccount is established.

3. For each investment of amounts held in the Funds and Accounts hereunder, the Trustee shall record the purchase date of such investment, its purchase price, accrued interest due on its purchase date, its face amount, its coupon rate, the frequency of its interest payment, its disposition price, accrued interest due on its disposition date and its disposition date. Such records shall be delivered to the Association monthly and shall be retained by the Trustee continuously until the Bonds are discharged.

Section 604. Valuation and Sale of Investments.

1. Investment Securities acquired as an investment of moneys in any Fund or Account created under the provisions of this Master Indenture, unless otherwise expressly provided herein or in any Supplemental Indenture, shall be at all times a part of such Fund or Account and any profit or loss realized from the liquidation of such investment shall be applied as provided in subsection 2 of Section 603 hereof.

2. In computing the balance credited to any Account of the Debt Service Reserve Fund, the Trustee shall value Investment Securities on the date of deposit therein and not less than every twelve months thereafter at their Amortized Value plus accrued interest (and shall retain the previously determined value until such value is required to be redetermined); provided that (i) any Investment Security maturing more than five years after the date of deposit in the Debt Service Reserve Fund shall be valued on the date of deposit therein and not less than every twelve months thereafter at the Fair Market Value thereof on the date of such computation, and (ii) time deposits shall be valued at cost plus accrued interest.

3. Except as otherwise provided in this Master Indenture, the Trustee shall sell, or present for redemption, any Investment Security so purchased as an investment whenever it shall be requested in writing by an Authorized Association Representative to do so or whenever it shall be necessary in order to provide moneys to meet any payment or transfer from any Fund or Account held by it. The Trustee shall not be liable or responsible for any loss resulting from any such investment.

[End of Article VI]

ARTICLE VII.

PARTICULAR COVENANTS OF THE ASSOCIATION

Section 701. Payment of Bonds. The Association shall duly and punctually pay or cause to be paid, but solely from the Trust Estate pledged therefor by this Master Indenture, the principal and Redemption Price of and interest on the Bonds, at the date and places and in the manner mentioned in the Bonds, according to the true intent and meaning thereof.

Section 702. Related Financial Transactions.

1. The Association shall not enter into any Related Financial Transaction.

Section 703. Money for Bond Payments to be Held in Trust.

1. Except as otherwise provided by any Supplemental Indenture, on or before each payment date of the principal and Redemption Price of or interest on any Bonds, the Association shall deposit with or cause the Trustee to make available to each Paying Agent, solely from the Revenues required to be delivered pursuant to Section 504 hereof or from the proceeds of the sale of any Additional Bonds, a sum sufficient to pay the principal and Redemption Price of or interest on the Bonds so becoming due, such sum to be held in trust for the benefit of the Owners of the Bonds entitled to such principal, Redemption Price or interest.

2. The Association will cause each Paying Agent other than the Trustee to execute and deliver an instrument in which such Paying Agent shall agree with the Association, subject to the provisions of this Section, that such Paying Agent will:

- (a) hold all sums held by it for the payment of principal and Redemption Price, or interest on, Bonds in trust for the benefit of the Owners of the Bonds entitled thereto until such sums shall be paid to such Owners of the Bonds or otherwise disposed of as herein provided;

- (b) give the Trustee notice of any default in the making of any such payment of principal, Redemption Price, or interest; and

- (c) at any time during the continuance of any such default, upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such Paying Agent.

3. The Association may at any time, for the purpose of obtaining the satisfaction and discharge of this Master Indenture or for any other purpose, pay, or direct any Paying Agent to pay, to the Trustee or an escrow agent all sums held in trust by the Association or such Paying Agent, such sums to be held by the Trustee or an escrow agent upon the same trusts as those upon which such sums were held by the Association or such Paying Agent; and upon such payment by any Paying Agent to the Trustee or an escrow agent, such Paying Agent shall be released from all further liabilities with respect to such money.

Section 704. Power to Enter Into Master Indenture, Issue Bonds and Pledge Trust Estate. The Association is duly authorized under all applicable laws to create and issue the Bonds, to enter into this Master Indenture, and to pledge the Trust Estate pledged by this Master Indenture in the manner and to the extent provided in this Master Indenture and no other authorization or consent is required thereof. The Trust Estate so pledged is and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto except the pledge granted by this Master Indenture to the extent provided in this Master Indenture and all action on the part of the Association to that end has been and will be duly and validly taken. This Master Indenture has been duly and lawfully entered into by the Association, is in full force and effect and is valid and binding upon the Association and enforceable in accordance with its terms. The Bonds and the provisions of this Master Indenture are and will be the valid and legally enforceable special obligations of the Association enforceable against the Trust Estate in accordance with their terms and the terms of this Master Indenture subject only to the laws relating to bankruptcy, creditors' rights and principles of governmental law and equity. The Association shall at all times, to the extent permitted by law, defend, preserve and protect its title to the Trust Estate, the pledge of the Trust Estate under this Master Indenture and all the rights of the Bondowners under this Master Indenture against all claims and demands of all persons whomsoever.

Section 705. Construction Contracts. The Association covenants and agrees that before it enters into any construction contract it will secure the recommendation of the Association Engineer, and that it will require any person who enters into a construction contract with the Association regarding the Southern Connector Project to furnish a performance bond and a payment bond, and to carry worker's compensation or employer's liability insurance as may be required by law. The Association further covenants and agrees that the proceeds of any such performance bond will forthwith, upon receipt of such proceeds, be applied toward the completion of the contract in connection with which such performance bond shall have been furnished. Notwithstanding any other provisions of this Master Indenture or any Supplemental Indenture, all contracts of the Association for the Southern Connector Project shall be made, awarded and entered into in accordance with applicable law and the License Agreement.

Section 706. Toll Rate Covenant.

1. The Plan was based upon a forecast of Revenues contained in the Traffic Study, and the exchange of the Series 2011 Bonds for the Original Senior Bonds and the Original Subordinate Bonds anticipated that the Revenues from operation of the Southern Connector received by the Association would equal or exceed the Revenues forecast in Figure 4.4.2 of the Traffic Study. The License Agreement incorporates the revised toll rates upon which the Traffic Study was based which are in effect on the date the Series 2011 Bonds are issued and the toll rates will be modified periodically and automatically in the future as provided in the License Agreement. Except pursuant to a Toll Rate Study that is not objected to pursuant to Section 706(3), the Association shall not decrease the toll rate schedule contained in the License Agreement.

2. As set forth below, the Association will retain, from time to time, an independent traffic and revenue Consultant of recognized expertise in the area of toll road

traffic and revenue forecasting at such times as it is required to deliver a Toll Rate Study to the Trustee to study the operations of the Southern Connector and to recommend in a written report (each a “*Toll Rate Study*”) the optimum toll rates for the Southern Connector, and shall deliver to the Trustee and to the Authorized SCDOT Representative the name of such Consultant with a summary of such Consultant’s credentials. If SCDOT timely objects to the Consultant in accordance with the License Agreement, the Association shall nominate another Person as Consultant. The Association shall cause the Consultant to study the past and projected future traffic, growth, employment and other relevant factors and to determine the toll rates for the use of the Southern Connector which, in the opinion of the Consultant to be delivered to the Association and the Trustee, would maximize the Toll Revenues estimated by the Association Consultant to be earned by the Association (the “*Optimum Rates*”) over a projected period of not less than five (5) years. The Optimum Rates may include different rates charged on the Southern Connector at different times of day.

3. The Association shall provide a Toll Rate Study to the Trustee on or before April 30, 2016 and once every five years thereafter. In addition, if on a Bond Payment Date (a) the Association fails to make any Debt Service payment required to be made on the Senior Bonds and/or the Senior Subordinate Bonds, or (b) the Debt Service Coverage Ratio for the Senior Bonds is less than (i) 1.20 for periods ending on or before January 1, 2016 and (ii) 1.25 for periods ending after January 1, 2016, or (c) the Debt Service Coverage Ratio for the Senior Subordinate Bonds is less than 1.00 for any period, then the Association will retain a Consultant and promptly cause a Toll Rate Study to be undertaken and the toll rates to be revised to the Optimum Rates as provided in Section 6.4 of the License Agreement. The Association will deliver to the Trustee copies of any documents, reports or studies of the Consultant delivered to SCDOT, and any requests of the Association and responses thereto by SCDOT, under Section 6.4 of the License Agreement. The Trustee will cause any Toll Rate Study promptly to be delivered to the Owners of the Bonds. Unless the Owners of 25% or more of the aggregate Senior Bond Obligation deliver a written objection to the Association and the Trustee to the implementation of the revised tolls set forth in such Toll Rate Study not later than 30 days after delivery of such Toll Rate Study to the Owners, the toll rates on the Southern Connector shall be set at the Optimum Rates as determined by such Consultant. If the Owners of 25% or more of the aggregate Senior Bond Obligation timely object in writing to the recommendations of such Consultant (and no contrary written direction from a greater percentage of ownership of the aggregate Senior Bond Obligation has been delivered to the Trustee) then the toll rates shall remain unaltered. Notwithstanding the foregoing provisions of this Section 706, the Association shall not be required to retain a Consultant or undertake a Toll Rate Study more frequently than once every two years.

Section 707. Tax Covenant.

1. The Association covenants for the benefit of the Owners of the Tax-Exempt Bonds that it will not take any action or omit to take any action with respect to the Tax-Exempt Bonds, the proceeds thereof, any other funds of the Association or any facilities financed or refinanced with the proceeds of the Tax-Exempt Bonds if such action or omission (i) would cause the interest on the Tax-Exempt Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Code; or (ii) would cause interest on the Tax-Exempt Bonds to lose its exclusion from alternative minimum taxable income as

defined in Section 55(b)(2) of the Code, except to the extent such interest is required to be included in the adjusted current earnings adjustment applicable to corporations under Section 56 of the Code in calculating corporate alternative minimum taxable income. In furtherance of this covenant, the Association agrees to comply with the procedures set forth in the Tax Compliance Certificate delivered by the Association in connection with the issuance of any Tax-Exempt Bonds issued under this Master Indenture and the provisions of any similar certificate or instrument delivered by the Association in connection with the issuance of additional Tax-Exempt Bonds. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the Tax-Exempt Bonds until the date on which all obligations of the Association in fulfilling the above covenant under the Code have been met.

2. The Association covenants for the benefit of the Owners of the Tax-Exempt Bonds that it will not take any action or omit to take any action with respect to the Tax-Exempt Bonds, the proceeds thereof or any facilities financed or refinanced with the proceeds of the Tax-Exempt Bonds that would cause the original proceeds and investment proceeds of the Tax-Exempt Bonds to be deemed not to have been used to provide tangible real or tangible personal property. For purposes of this subsection, original proceeds are amounts (after payment of all expenses of issuing the Tax-Exempt Bonds) received at any time as a result of the sale of the Tax-Exempt Bonds and investment proceeds are amounts (net of administrative costs) that result from the investment of any proceeds of the Tax-Exempt Bonds excluding amounts earned after the date that the construction, reconstruction or acquisition of the Southern Connector Project was completed, or all of the proceeds (less amounts used to fund any reasonably required reserve fund) have been spent on the construction, reconstruction or acquisition of the Southern Connector Project, whichever occurs later. Proceeds shall be deemed to have been used to provide tangible property only if the proceeds are (a) used to finance costs that a taxpayer must charge to the property's capital account, may elect to charge to the property's capital account instead of deducting, or may elect to deduct instead of charging to the property's capital account, or (b) used to fund a reasonably required reserve fund within the meaning of Section 148(d) of the Code. The Association further covenants for the benefit of the Owners of the Tax-Exempt Bonds that the proceeds of fire or other casualty insurance policies received by or on behalf of the Association in connection with damage to or destruction to the Southern Connector Project or any portion thereof financed with Tax-Exempt Bonds, including any additions to the Southern Connector Project, shall, be used as provided in Section 717 hereof. The Association covenants for the benefit of the Owners of the Tax-Exempt Bonds that it will convey to SCDOT unencumbered fee title and exclusive possession and use of any portion of the Southern Connector Project financed by the Tax-Exempt Bonds, including any additions to the Southern Connector Project, without demand or further action by SCDOT upon discharge of the Bonds. Thus, for example, all leases, management contracts, and other similar encumbrances must terminate upon discharge of the Tax-Exempt Bonds. Encumbrances that do not significantly interfere with the enjoyment of the Southern Connector Project, such as most easements granted to utility companies, are not considered encumbrances for purposes of this subsection.

Section 708. General.

1. The Association will at all times maintain its corporate existence and will use its best efforts to maintain, preserve and renew all the rights and powers provided to it under applicable law.

2. The Association shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Association under the provisions of this Master Indenture and any other law or regulation applicable to the Association, including, without limitation, the Act.

3. The Association will not modify or amend its Articles of Incorporation unless it shall deliver to the Trustee an opinion of Bond Counsel that such modification or amendment will not adversely affect the interests of the Owners of the Bonds then Outstanding and will not violate its covenant contained in Section 707(1) hereof.

Section 709. Further Assurances. At any and all times the Association shall, so far as it may be authorized by law, 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, granting, pledging, assigning and confirming the Trust Estate, Revenues, Funds, Accounts, Investment Securities held in any Fund or Account hereunder, and the Association's right, title and interest in and to the foregoing, and all other moneys, securities and funds hereby pledged or assigned, or intended so to be, or which the Association may become bound to pledge or assign.

Section 710. Sale or Encumbrance of Project; License Agreement.

1 The Association covenants that, as long as there are any Outstanding Bonds, and except as this Master Indenture otherwise permits, it will not sell or otherwise dispose of or encumber the Association's interest in the Southern Connector Project or any part thereof unless it determines, in its sole judgment, that such sale or other disposal or encumbrance is in the best interest of the Southern Connector Project and not materially adverse to the rights of the Owners of the Bonds. Nothing in this Section, however, shall limit the ability of the Association to dispose of surplus property or to enter into contracts with respect to the operation of all or any part of the Southern Connector Project. The Association covenants that as long as there are any Outstanding Bonds, it will not terminate the License Agreement or take any action that would have a material adverse effect on its ability to impose and collect Toll Revenues thereunder.

2. The Association shall promptly perform all of its obligations, and shall in a commercially reasonable manner exercise its rights and remedies, under the License Agreement, and in a commercially reasonable manner, diligently and promptly enforce the obligations of SCDOT under the License Agreement and applicable law with respect to the Southern Connector. Without limiting the foregoing, the Association shall (x) utilize the Association Engineer for the purposes set forth herein and in the License Agreement, and (y) use its commercially reasonable efforts to promptly and diligently enforce SCDOT's obligations to perform Highway Maintenance and pay Highway Maintenance Costs.

3. The Trustee shall have the right to enforce any rights hereunder or under the License Agreement by an action in the Circuit Court for Richland County, South Carolina, along with any other venue or jurisdiction determined to be available for enforcement of such rights.

Section 711. Association Engineer's Reports on Southern Connector Project. The Association will cause the Association Engineer to make an inspection of the Southern Connector Project and to submit annually, not later than 180 days after the end of each Fiscal Year, to the Association a report setting forth the Association Engineer's findings as to whether the Southern Connector Project has been maintained by SCDOT in good repair, working order and condition and any deficiencies in the condition of the Southern Connector. The Association Engineer's report shall (i) identify any Highway Maintenance needs of the Southern Connector and (ii) contain the Association Engineer's assessment of both the materiality of the noted Highway Maintenance needs and an estimate of Highway Maintenance Cost associated therewith; and the appropriate timing of identified Highway Maintenance needs. Within 30 days of receipt of the Association Engineer's report, the Association shall submit a copy of the foregoing Association Engineer's report to the Trustee, the Authorized SCDOT Representative, and any other SCDOT parties specified under the License Agreement, and shall undertake the consultation procedure with SCDOT set forth in Section 6.7(e) of the License Agreement.

Section 712. Annual Budget. Prior to the end of each Fiscal Year, the Association shall file with the Trustee and with the Authorized SCDOT Representative an annual budget for the Southern Connector Project for the following Fiscal Year. Each such annual budget shall include the estimated Operating Costs for such Fiscal Year; provided, however, such budget will not include the Fees and Expenses of the Trustee, which shall be paid or reimbursed with amounts withdrawn by the Trustee from the Revenue Fund from time to time. Each such annual budget may set forth such additional material as the Association may determine. The Association may, at any time, adopt an amended annual budget for the remainder of the then current Fiscal Year and any such amended budget will be filed with the Trustee and SCDOT. Until a new annual budget is adopted, the prior Fiscal Year's annual budget shall be deemed to be the annual budget for that Fiscal Year.

Section 713. Accounts and Reports.

1. The Association shall maintain or cause to be maintained proper books of records and accounts in which complete and correct entries shall be made of its transactions in accordance with Generally Accepted Accounting Principles. The Funds and Accounts established by this Master Indenture, such books, and all other books and papers relating to the Southern Connector Project, shall, to the extent permitted by law, at all times be subject to the inspection of the Trustee and any single representatives of the Owners of an aggregate of not less than 25% in principal amount of the Senior Bonds Obligation or their representatives duly authorized in writing. The Association will permit the Trustee, such Bondowners, and their agents, auditors, attorneys and counsel, at all reasonable times, to take copies and extracts from the books of record and account, and will from time to time furnish, or cause to be furnished, to the Trustee, such information and statements as the Trustee may reasonably request, all as may be reasonably necessary for the purpose of determining performance or

observance by the Association of the covenants, conditions and obligations contained in this Master Indenture and in the License Agreement.

2. The Trustee shall advise the Association within 15 days after the end of each month of its transactions during such month relating to the Funds and Accounts held by it under this Master Indenture.

3. The Association shall create accounts within any Fund or Account created by this Master Indenture or any Supplemental Indenture when in the judgment of the Association the creation of such account will enable the Association to administer the Southern Connector Project or regulate investments or limit returns on such investments.

4. The Association shall have its financial statements reviewed annually by an independent certified public accountant or firm of accountants which will express an opinion whether such financial statements were prepared in accordance with Generally Accepted Accounting Principles and fairly present the results of operations for and the financial condition of the Association as of the end of its Fiscal Year. The Association shall file the examination report and opinion of the independent certified public accountant or firm of accountants with the Trustee not later than 180 days after the end of each Fiscal Year together with a copy of such financial statements.

5. The Association shall cause the Authorized Association Representative to certify to the Trustee the actual Debt Service Coverage Ratios as of the applicable Bond Payment Date compared to the threshold ratios thereof set forth in Section 706(3), and such certification shall be accompanied by back-up calculations. Such certification shall be provided to the Trustee not later than 30 days after delivery to the Association by the Trustee of the information contemplated by Section 505(1).

6. The Association shall promptly deliver to the Trustee all material notices, reports, documents, statements and information that it receives from SCDOT or otherwise under the License Agreement.

Section 714. Rules and Regulations; Maintenance of Southern Connector Project.

The Association covenants that, subject to the terms of the License Agreement, and subject to the availability of Revenues for such purposes under Section 505 hereof, (i) it will establish and enforce reasonable rules and regulations governing the use of the Southern Connector Project and the operation thereof, (ii) it will operate the Southern Connector Project in an efficient and economical manner, (iii) it will at all times maintain the Association's operating assets in good repair and in sound operating condition and will make all necessary repairs, renewals and replacements thereto, and (iv) it will comply with all valid acts, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to the Southern Connector Project. The Association will demand SCDOT perform and pay for Highway Maintenance Costs as provided under the License Agreement.

Section 715. Payment of Lawful Claims. The Association covenants that, from the Trust Estate, it will pay or cause to be discharged, or will make adequate provision to satisfy

and discharge, all lawful claims and demands for labor, materials, supplies or other objects which, if unpaid, might by law become a lien upon the Trust Estate; provided, however, that nothing in this Section contained shall require the Association to pay or cause to be discharged, or make provision for, any such lien or charge so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings.

Section 716. Association Engineers. The Association covenants that, as long as there are any Outstanding Bonds, one or more Association Engineers selected or approved by the Association shall be employed as necessary to comply with this Master Indenture and the License Agreement.

Section 717. Insurance.

1. The Association covenants that it will maintain insurance for the Southern Connector Project or cause such insurance to be maintained as required by the License Agreement. The Trustee has no obligation to monitor the compliance of the Association with the requirements of this Section 717. The Association covenants that it will deliver to the Trustee a certificate of a nationally recognized insurance Consultant prior to the beginning of each Fiscal Year that all insurance required to be maintained by the Association under the License Agreement is in full force and effect and in compliance with the terms of such section.

2. The proceeds of any business interruption insurance maintained by the Association shall promptly be delivered to the Trustee as received and deposited into the Revenue Fund. The proceeds of any liability insurance maintained by the Association shall be applied by the Association's insurance carrier to satisfy the claim to which such proceeds relate. Amounts received by the Association as proceeds with respect to any casualty loss or as condemnation awards (or the proceeds received in connection with any sale under a threat of condemnation) shall be paid to the Trustee and in turn paid by the Trustee to the Association upon submission of its requisition in the form attached hereto as Exhibit E (an "Insurance Requisition") to be applied to promptly replace, repair, rebuild or restore the property damaged, destroyed or lost so that the applicable portion of the Southern Connector Project shall be substantially the same as before such damage, destruction or loss, with such alterations and additions as the Association may reasonably determine and as will not impair the capacity or character of the Southern Connector Project for the purposes for which it is then being used or is intended to be used; provided, however, that any net proceeds so received which may not be used to restore the Southern Connector Project or in excess of the amount necessary to restore the Southern Connector Project (i) if any Bonds remain Outstanding hereunder, shall be delivered to the Trustee for deposit into the Extraordinary Redemption Fund, and (ii) if no Bonds are then Outstanding hereunder, shall be delivered to the SCDOT. Provided, however, if the Association receives proceeds of less than \$50,000 as full payment thereon for a casualty or condemnation claim or event ("De Minims Claims"), the Association need not deposit any such proceeds with the Trustee nor submit an Insurance Requisition under the above procedure, but instead may directly apply such proceeds related to De Minims Claims as set forth above in this Section 717.

Section 718. Contracts With Other Persons. The Association reserves the right to enter into contracts with any Person providing for the acquisition, design, construction, operation and maintenance of the Southern Connector Project or any part thereof. Any contract entered into by the Association pursuant to the provisions of this Section may contain such provisions and be upon such terms and conditions consistent with the License Agreement as the Association deems advisable.

[End of Article VII]