

**FORM OF
FIRST SUPPLEMENTAL AGREEMENT***

BY AND BETWEEN

AUSTIN TRANSIT PARTNERSHIP LOCAL GOVERNMENT CORPORATION

AND

_____, AS TRUSTEE

SECURING

ONE OR MORE SERIES OF

SENIOR LIEN CONTRACT REVENUE BONDS,
SERIES 2024

Dated as of _____, _____

* The First Supplemental Agreement and related exhibits will be completed and finalized in accordance with the final pricing, sale and delivery of Bonds. The series designation of the Series 2024 Bonds may be changed as needed to reflect the year of issuance.
ATP: 1stSuppAgrmnt

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FIRST SUPPLEMENTAL AGREEMENT

THIS FIRST SUPPLEMENTAL AGREEMENT (this "First Supplemental Agreement"), dated as of _____, 2024, is made by and between the Austin Transit Partnership Local Government Corporation, created under the laws of the State of Texas, including particularly Chapter 431, Transportation Code, Chapter 22, Texas Business Organization Code, and Chapter 394, Texas Local Government Code (the "Corporation"), and _____, a national banking association duly organized and existing under the laws of the United States which is authorized under such laws to exercise corporate trust powers, as trustee (the "Trustee"):

WITNESSETH:

WHEREAS, terms used and not otherwise defined in this Preamble shall have the meanings given in Section 101 to this First Supplemental Agreement; and

WHEREAS, the Corporation and the Trustee have entered into a Trust Agreement, dated as of even date herewith (as more fully described and defined herein, the "Master Trust Agreement"), and, in addition to this First Supplemental Agreement, a supplemental trust agreement related to the issuance of certain obligations in connection with Project Connect; and

WHEREAS, pursuant to the Master Trust Agreement, the Corporation is authorized to issue the Initial Obligations for the Light Rail Components of Project Connect pursuant to the Master Trust Agreement and this First Supplemental Agreement; and

WHEREAS, the Trustee has accepted the trusts created by this First Supplemental Agreement and in evidence thereof has joined in the execution hereof; and

WHEREAS, the Corporation and the Trustee hereby agree as follows:

ARTICLE I

DEFINITIONS

SECTION 101. MEANING OF WORDS AND TERMS. Except as otherwise defined in this First Supplemental Agreement (other than in the Form of Bond set forth in Exhibit "B" hereto), the capitalized terms used in this First Supplemental Agreement and not otherwise defined shall have the meanings given such terms in Exhibit "A" to this First Supplemental Agreement and in Section 101 of the Master Trust Agreement unless the context clearly indicates otherwise.

SECTION 102. MISCELLANEOUS DEFINITIONS. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neutral genders (and vice versa). Words of the singular number shall be construed to include correlative words of the plural number and vice versa. References to any named person means that party and its successor and assigns. Unless the context shall otherwise require, the words "hereto," "herein," "hereof," "hereunder" and other words of similar import refer to this First Supplemental Agreement as a whole. Unless the context shall otherwise require, all references to any resolution, contract,

agreement, or other document shall be deemed to include any appendices, exhibits, annexes or schedules thereto and any amendments to, or modifications or restatements of, such documents that are approved in accordance with the terms thereof and hereof.

SECTION 103. SIGNING OF CERTIFICATES AND OPINIONS. Certificates and opinions to be signed by any consultant of the Corporation, Bond Counsel, Counsel to the Corporation, general counsel to the Corporation or other partnerships, firms or corporations, may be signed by any partner or officer of, or any representative designated by, the organization making the certificate or opinion.

SECTION 104. REFERENCES. All references in this First Supplemental Agreement to designated "Articles," "Sections," and other subdivisions are to the designated Articles, Sections, and other subdivisions of this First Supplemental Agreement. All references in this First Supplemental Agreement to "Exhibits" are to the designated Exhibits to this First Supplemental Agreement.

ARTICLE II

AUTHORIZATION AND DESIGNATION OF OBLIGATIONS

SECTION 201. AUTHORIZATION AND DESIGNATION OF OBLIGATIONS. (a) The Initial Obligations of the Corporation are hereby authorized to be issued and delivered in one or more Series of Bonds in the maximum aggregate principal amount not to exceed \$150,000,000, not including any premiums, to provide funds for: (i) paying or reimbursing Costs of the Light Rail Components including planning, designing and engineering costs and (ii) the costs of issuance of the Bonds.

(b) Each Series of Bonds shall be designated as provided in each Award Certificate designated by the year in which it is awarded pursuant to Section 202 below, and if there is more than one Series of Bonds, each Series of Bonds may have a letter designation following the year as designated by a Pricing Officer pursuant to Section 202(b) hereof in order to differentiate one Series from another; provided if the initial Series of Bonds awarded pursuant to Section 202 is in calendar year 2024 such initial Series may be designated as 2024 and if more than one Series is issued such Series of Bonds may contain any letter or other designation. The term "Bonds" as used herein shall mean and include collectively all bonds initially issued hereunder and all substitute bonds exchanged therefor, as well as all other substitute bonds and replacement bonds issued pursuant hereto, and the term "Bond" shall mean any of the Bonds (and within each Series, as appropriate). Any Bonds issued as Taxable Bonds may include a designation as such, if necessary or convenient. Additionally, portions of the Bonds may be issued in various subseries bearing different terms, CUSIP numbers and may bear such additional designations, if any, as may be set forth in each Award Certificate. The authority for a Pricing Officer to deliver each Award Certificate for a Series of Bonds shall expire at 5:00 p.m. Central Time on February 16, 2025. Bonds priced on or before February 16, 2025, may be delivered to the initial purchaser after such date. The Bonds are authorized pursuant to authority conferred by and in conformity with State law, particularly the provisions of the Acts.

SECTION 202. TERMS OF BONDS; AWARD CERTIFICATES; AND SALE OF BONDS. (a) Terms of Bonds. For each Series of Bonds, there shall initially be issued, sold, and delivered hereunder fully registered Bonds, without interest coupons. The Bonds will be Senior Lien Obligations as described in the Master Trust Agreement, may be in the form of Taxable Bonds, Tax-Exempt Bonds, Fixed Rate Bonds (as Current Interest Bonds) or Bonds which contain such other terms, rates, provisions or any combination thereof, as provided in each Award Certificate in substantially the form as set forth in Exhibit "B" attached hereto. Each Bond shall be numbered consecutively for each Series of Bonds from R-1 upward (except Initial Bond which shall be numbered T-1), payable to the respective initial Owners thereof, or to the registered assignee or assignees of said Bonds or any portion or portions thereof (in each case with respect to Bonds issued under this First Supplemental Agreement, the "Owner" or the "Owner of the Bonds"), in Authorized Denominations maturing not later than 40 years after the Issue Date, serially or otherwise on the dates, in the years, and in the principal amounts and dated, all as set forth in each Award Certificate relating to each Series of Bonds.

(b) Award Certificate(s). As authorized by the Acts, a Pricing Officer is hereby authorized, appointed, and designated to act on behalf of the Corporation in selling and delivering the Bonds of each Series and carrying out the other procedures specified in this First Supplemental Agreement, including determining and fixing the date of the Bonds of each Series, any additional or different designation or title by which the Bonds of each Series shall be known, the price at which the Bonds of each Series will be sold, the years in which the Bonds of each Series will mature, the principal amount to mature in each of such years, the aggregate principal amount of Taxable Bonds, Tax-Exempt Bonds, Fixed Rate Bonds, the rate or rates of interest to be borne by each maturity, the interest payment periods, the dates, price, and terms upon and at which the Bonds of each Series shall be subject to redemption prior to maturity at the option of the Corporation, as well as any mandatory sinking fund redemption provisions, provisions for defeasance including modification of the definition of Government Obligations and other provisions to accommodate Taxable Bonds, and all other matters relating to the issuance, sale, and delivery of the Bonds of each Series, including procuring municipal bond insurance with a Bond Insurer, if any, all of which shall be specified in each Award Certificate; provided that (i) the price to be paid for the Bonds of each Series shall not be less than 90% of the aggregate original principal amount thereof plus accrued interest thereon, if any, (ii) none of the Bonds shall bear interest at a rate greater than the Highest Lawful Rate and (iii) each Series of Bonds is rated by a Rating Agency in one of the four highest rating categories for long-term debt instruments. Each Award Certificate is hereby incorporated into and made a part of this First Supplemental Agreement. No reserve fund shall be established for any Series of the Bonds and no capitalized interest is being funded from proceeds of any Series of the Bonds.

In satisfaction of Section 1201.022(a)(3), Texas Government Code, the Corporation hereby determines that the delegation of the authority to a Pricing Officer to approve the final terms and conditions of each Series of the Bonds as set forth in this First Supplemental Agreement, and the decisions made by a Pricing Officer pursuant to such delegated authority and incorporated in each Award Certificate will be, in the best interests and shall have the same force and effect, as if such determination were made by the Board of Directors of the Corporation and a Pricing Officer is hereby authorized to make and include in each Award Certificate an appropriate finding to that effect.

Pursuant to the provisions of the Acts, the Articles and Bylaws, and this subsection (b), the Corporation delegates to each Pricing Officer the continuing authority, under the terms of this First Supplemental Agreement, to establish, alter, or consent to changes in interest rates, and pursuant to Chapter 1201, Government Code, each Pricing Officer is authorized to execute and enter into any other certificate, document, or other instrument, or to take any other action, including the making of any finding or determination, that a Pricing Officer determines is necessary or appropriate to carry out the provisions of this First Supplemental Agreement or to take all such action or perform such functions as contemplated by this First Supplemental Agreement or in an Award Certificate.

(c) Sale of the Bonds. To achieve advantageous borrowing costs for the Corporation, each Series of Bonds shall be sold by a negotiated sale and a Pricing Officer shall designate the Underwriters as such Pricing Officer deems appropriate to assure that each Series of the Bonds are sold on the most advantageous terms to the Corporation. Each Pricing Officer, acting for and on behalf of the Corporation, is authorized to enter into and carry out one or more Purchase Contracts or other agreements for each Series of the Bonds to be sold by negotiated sale, with the Underwriters at such price, with and subject to such terms as determined by a Pricing Officer pursuant to this Section 202 with any provisions determined to be necessary by such Pricing Officer and Bond Counsel in the event that such Series of Bonds is being sold in a forward delivery transaction.

(d) In General. Each Series of Bonds (i) may be subject to prepayment or redemption, (ii) may be assigned and transferred, (iii) may be exchanged for other Bonds of the same Series, (iv) shall have the characteristics, (v) shall be signed and sealed, (vi) may be subject to optional and mandatory redemption or tender, (vii) shall be Tax-Exempt Bonds or Taxable Bonds, (viii) shall be Senior Lien Obligations under the Master Trust Agreement, (ix) shall be issued for such purposes and (x) the principal of and interest on each Series of the Bonds shall be payable, all as provided, and in the manner required or indicated, in the Award Certificate and Form of Bond set forth in Exhibit "B" to this First Supplemental Agreement for such Series, with such changes and additions as are required to meet the terms of each Award Certificate for such Series and the respective Purchase Contract or other agreement.

SECTION 203. INTEREST. (a) Interest. The Current Interest Bonds shall accrue interest calculated on the basis of a 360-day year composed of twelve 30-day months from the dates specified in the Form of Bond set forth in Exhibit "B" to this First Supplemental Agreement to their respective Maturity Dates or redemption at the rates per annum set forth in each Award Certificate.

(b) Payment of Principal and Interest. The Corporation hereby appoints the Trustee to act as the paying agent for paying the principal of and interest on the Bonds, and to act as its agent to convert and exchange or replace Bonds. The Trustee shall keep proper records of all payments made by the Trustee with respect to the Bonds, and of all conversions, exchanges, and replacements of Bonds, as provided in this First Supplemental Agreement.

SECTION 204. ADDITIONAL CHARACTERISTICS OF THE OBLIGATIONS. (a)

Registration Books. The Corporation shall keep or cause to be kept at a corporate trust office of the Trustee in the State books or records for the registration and transfer of the Bonds (the "Registration Books"), and the Corporation hereby appoints the Trustee as its registrar and transfer agent to keep such books or records and make such transfers and registrations under such reasonable regulations as the Corporation and the Trustee may prescribe; and the Trustee shall make such transfers and registrations as herein provided. The Trustee shall obtain and record in the Registration Books the address of the Owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each Owner to notify the Trustee in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The Corporation shall have the right to inspect the Registration Books during regular business hours of the Trustee, but otherwise the Trustee shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity or person.

(b) Ownership of Bonds. The entity or person in whose name any Bond shall be registered in the Registration Books at any time shall be deemed and treated as the absolute owner thereof for all purposes of the Master Trust Agreement, whether or not such Bond shall be overdue, and the Corporation and the Trustee shall not be affected by any notice to the contrary; and payment of, or on account of, the principal of, premium, if any, and interest on any such Bond shall be made only to such Owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(c) Authentication. An authorized representative of the Trustee shall, before the delivery of any Bond initially issued and delivered pursuant to this First Supplemental Agreement or issued in exchange for any Bond or Bonds issued under this First Supplemental Agreement, date and manually sign the Trustee's Authentication Certificate, and no such Bond shall be deemed to be issued or outstanding under this First Supplemental Agreement unless such certificate is so authenticated. The Authentication Certificate shall be in the form set forth in the Form of Bond.

(d) Transfer, Exchange, or Replacement. Each Bond issued and delivered pursuant to this First Supplemental Agreement, to the extent of the unpaid or unredeemed principal amount or maturity amount thereof, may, upon surrender of such Bond at a corporate trust office of the Trustee, together with a written request therefor duly executed by the Owner or its duly authorized attorney or representative, with guarantee of signatures satisfactory to the Trustee, at the option of the Owner, be exchanged for fully registered Bonds, without interest coupons, in the form prescribed in the Form of Bond set forth in this First Supplemental Agreement, in Authorized Denominations (subject to the requirement hereinafter stated that each substitute Bond shall have a single stated Maturity Date), as requested in writing by such Owner, in an aggregate principal amount or maturity amount equal to the unpaid or unredeemed principal amount or maturity amount of any Bond or Bonds so surrendered, and payable to the appropriate Owner, assignee, or assignees, as the case may be. If a portion of any Bond shall be redeemed prior to the scheduled maturity as provided herein, a substitute Bond or Bonds having the same Series designation and Maturity Date, bearing interest at the same rate and payable in the same names, in Authorized Denominations at the request of the Owner, and in aggregate principal amount or maturity amount equal to the unredeemed portion thereof will be issued to the Owner upon surrender for

cancellation. If any Bond or portion thereof is assigned and transferred, each Bond issued in exchange therefor shall have the same Maturity Date and bear interest at the same rate as the Bond for which it is being exchanged. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond. The Trustee shall exchange or replace Bonds as provided herein, and each fully registered Bond delivered in exchange for or replacement of any Bond or portion thereof as permitted or required by any provision of this First Supplemental Agreement shall constitute one of the Bonds for all purposes of this First Supplemental Agreement, and may again be exchanged or replaced. The Trustee promptly shall cancel all Bonds surrendered for conversion and exchange or replacement. No additional orders or resolutions need be passed or adopted by the Corporation or any other body or person so as to accomplish the foregoing conversion and exchange or replacement of any Bond or portion thereof, and the Trustee shall provide for the preparation, execution, and delivery of the substitute Bonds in the manner prescribed herein. Pursuant to Chapter 1203, Texas Government Code, as amended, the duty of exchange or replacement of Bonds as aforesaid is hereby imposed upon the Trustee, and, upon the execution of the above Trustee's Authentication Certificate, the exchanged or replaced Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds originally issued pursuant to this First Supplemental Agreement. The Corporation shall pay the Trustee's standard or customary fees and charges for transferring and exchanging any Bond or any portion thereof, but the one requesting any such transfer or exchange shall pay any taxes or governmental charges required to be paid with respect thereto as a condition precedent to the exercise of such privilege of transfer or exchange. The Trustee shall not be required to make transfers of registration of any Bond or any portion thereof during the period commencing with the closing of business on any Record Date and ending with the opening of business on the next following Interest Payment Date.

(e) Payment of Fees and Charges. The Corporation hereby covenants with the Owners of the Bonds that it will (i) pay the standard or customary fees and charges of the Trustee for its services with respect to the payment of the principal of and interest on the Bonds, when due, and (ii) pay the fees and charges of the Trustee for services with respect to the transfer of registration of the Bonds, and with respect to the exchange of the Bonds, solely to the extent above provided in this First Supplemental Agreement.

(f) Replacement Bonds.

(i) In the event any outstanding Bond is damaged, mutilated, lost, stolen, or destroyed, the Trustee shall cause to be printed, executed, and delivered, a new Bond of the same Series designation, principal amount or maturity amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(ii) Application for replacement of damaged, mutilated, lost, stolen, or destroyed Bonds shall be made by the Owner thereof to the Trustee. In every case of loss, theft, or destruction of a Bond, the Owner applying for a replacement Bond shall furnish to the Corporation and to the Trustee such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Bond, the Owner shall furnish to the Corporation and

to the Trustee evidence to their satisfaction of the loss, theft, or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the Owner shall surrender to the Trustee for cancellation of the Bond so damaged or mutilated.

(iii) Notwithstanding the foregoing provisions of this Section, in the event any such Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal or maturity amount of, redemption premium, if any, or interest on the Bond, the Corporation may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(iv) Prior to the issuance of any replacement Bond, the Trustee shall charge the Owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement Bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, stolen, or destroyed shall constitute a contractual obligation of the Corporation whether or not the lost, stolen, or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this First Supplemental Agreement equally and proportionately with any and all other Bonds duly issued under the Master Trust Agreement. The Corporation hereby consents to the Trustee's use of the Trustee's blanket surety bond to effect the replacement of lost, stolen, or destroyed bonds.

(v) In accordance with Chapter 1206, Texas Government Code, as amended, this Section to this First Supplemental Agreement shall constitute authority for the issuance of any such replacement Bond without necessity of further action by the governing body of the Corporation or any other body or person, and the duty of the replacement of such Bonds is hereby authorized and imposed upon the Trustee, and the Trustee shall authenticate and deliver such Bonds in the form and manner and with the effect, as provided above in this First Supplemental Agreement for Bonds issued in conversion and exchange for other Bonds.

(g) Notices of Optional Redemption and Defeasance; Conditional Notice of Optional Redemption.

(i) In addition to the notice of redemption set forth in the Form of Bond in Exhibit "B," the Corporation shall give notice of optional redemption or defeasance to the Trustee and a Nationally Recognized Rating Agency (1) in the case of an optional redemption as set forth in the Form of Bond or the appropriate Award Certificate and (2) on the defeasance date in the case of a defeasance, and the Trustee shall give such notice of optional redemption or of defeasance of Bonds by mail, first-class postage prepaid at least thirty (30) days prior to an optional redemption date in the case of Fixed Rate Bonds and within ten (10) Business Days after a defeasance date to the MSRB. The Trustee shall also send a notice of optional redemption to the Owner of any Bond who has not sent the Bonds in for optional redemption sixty (60) days after the optional redemption date.

(ii) Each notice of optional redemption or defeasance, whether required in the Form of Bond or in this Section, shall contain a description of the Bonds to be redeemed or defeased including the complete name of the Bonds, the Series, the date of issue, the interest rate, the Maturity Date, the CUSIP number, the certificate numbers, the amounts called of each certificate, mailing date for the notice, the date of optional redemption or defeasance, the redemption price, if any, the name of the Trustee and the address at which the Bonds may be redeemed or paid, including a contact person and telephone number.

(iii) All optional redemption payments made by the Trustee to the Owners of the Bonds shall include a CUSIP number relating to each amount paid to such Owner.

(iv) The notice for optional redemption may state (1) that it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the optional redemption, with the Trustee no later than the redemption date or (2) that the Corporation retains the right to rescind such notice at any time prior to the scheduled redemption date if the Corporation delivers a certificate of a Pricing Officer to the Trustee instructing the Trustee to rescind the redemption notice (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described in subsection (v) of this Section.

(v) Any conditional redemption pursuant to clause (iv) above may be rescinded in whole or in part at any time prior to the optional redemption date if the Corporation delivers a certificate of a Pricing Officer to the Trustee instructing the Trustee to rescind the optional redemption notice. Any Bonds subject to conditional optional redemption where redemption has been rescinded or funds to effect the optional redemption have not been deposited shall remain Outstanding, and the rescission or failure to deposit funds shall not constitute an Event of Default under the Master Trust Agreement or this First Supplemental Agreement. The Trustee shall give prompt notice of such rescission or failure to deposit funds to the affected Owners of the Bonds.

(vi) Notice of mandatory redemption is not required unless otherwise provided in an Award Certificate.

SECTION 205. BOOK-ENTRY-ONLY SYSTEM. (a) Book-Entry-Only System. The Bonds of each Series issued in exchange for the Bonds of each Series initially issued and delivered under this First Supplemental Agreement shall be issued in the form of a separate single fully registered Bond for each of the maturities thereof registered in the name of Cede & Co., and except as provided in subsection (b) of Section 206 of the Master Trust Agreement, all of the Bonds shall be registered in the name of Cede & Co., as nominee of DTC and be subject to the book-entry-only provisions in Section 206 of the Master Trust Agreement.

(b) Owners. The Trustee may conclusively rely upon a certification by any Person to the effect that such Person is a beneficial owner of a specified principal amount of any Series of Bonds in determining whether the Owners of a specified percentage of the principal amount of such Series of Bonds has consented, approved, waived, directed or otherwise taken any action under this First Supplemental Agreement.

(c) Letter of Representations. A Pricing Officer is authorized to execute a Letter of Representations with DTC establishing the Book-Entry-Only System which will be utilized with respect to the Bonds.

SECTION 206. FORM OF BOND. The form of all Bonds, including any Bonds issued in conversion and exchange or replacement of any other Bond or portion thereof, including the form of the Trustee's Authentication Certificate and the Form of Assignment, shall be, respectively, substantially as set forth in Exhibit "B" to this First Supplemental Agreement, with such appropriate variations, omissions, and insertions as are permitted or required by this First Supplemental Agreement, the Master Trust Agreement, each Award Certificate, and each Purchase Contract. It is specifically provided that the provisions of the Bonds to be provided in each Award Certificate shall be incorporated into the form of the executed Bonds in the manner determined by the Trustee. Each Award Certificate shall have attached to it a Form of Bond incorporating the respective provisions of this First Supplemental Agreement and each Award Certificate. If initial Bonds are utilized pursuant to Section 207 hereof, each Award Certificate for a Series of Bonds shall include the form of initial Bond.

SECTION 207. INITIAL BONDS. Each Award Certificate may provide for the use of an initial Bond or Bonds for a Series. In such event, on the Issue Date, one initial Bond representing the entire principal amount of Bonds of a Series, payable in stated installments to the order of the initial purchaser of the Bonds or its designee, executed by manual or facsimile signature of the Chair of the Corporation and Secretary of the Corporation, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to such purchaser or its designee. Upon payment for the initial Bonds, the Trustee shall cancel each of the initial Bonds and deliver to the DTC on behalf of such purchaser one registered definitive Bond for each year of maturity of the Bonds, in the aggregate principal amount of all of the Bonds for such maturity.

ARTICLE III

SECURITY FOR BONDS; MASTER TRUST AGREEMENT APPLICABLE

SECTION 301. PRINCIPAL AMOUNT. The Bonds issued pursuant to this First Supplemental Agreement in the aggregate shall not exceed the principal amount authorized in Section 201 of this First Supplemental Agreement.

SECTION 302. PLEDGE. The Corporation has pledged and assigned to the Trustee all moneys held by the Trustee in the various funds and accounts created under the Master Trust Agreement, to the extent provided in the Master Trust Agreement, as security for the payment of all "Obligations" as defined in the Master Trust Agreement, and the interest thereon, for the benefit and security of all and singular the present and future owners of all such "Obligations" issued pursuant to the Master Trust Agreement and with such priority and distinction as is set forth in the Master Trust Agreement. Such pledge and assignment are hereby confirmed and specifically made applicable and extended to each Series of the Bonds.

SECTION 303. PAYMENT OF BONDS. The principal of, premium, if any, and interest on the Bonds shall be paid from the Senior Lien Debt Service Funds, including the Senior Lien Interest Account and Senior Lien Principal/Redemption Account, in accordance with Sections 503 through 512 of the Master Trust Agreement.

SECTION 304. MASTER TRUST AGREEMENT APPLICABLE. Except as modified and supplemented by this First Supplemental Agreement, the provisions of the Master Trust Agreement shall be applicable to each Series of the Bonds for all pertinent purposes.

SECTION 305. HIGHEST LAWFUL RATE. Notwithstanding anything in this First Supplemental Agreement to the contrary, the interest rate on any Bonds shall never exceed the Highest Lawful Rate.

SECTION 306. ACCOUNTS. Pursuant to Section 401 of the Master Trust Agreement, a Corporation Representative shall designate in each Award Certificate any accounts created within the Project Fund for the deposit of proceeds of each Series of the Bonds.

ARTICLE IV

PARTICULAR COVENANTS

The Corporation covenants that it will promptly pay the principal of and the interest on every Bond at the place, on the dates, and in the manner provided herein and in said Bonds and any premium required for the retirement of said Bonds by redemption, according to the provisions in the Master Trust Agreement and this First Supplemental Agreement.

ARTICLE V

TAX COVENANTS FOR THE TAX-EXEMPT BONDS

SECTION 501. COVENANTS REGARDING TAX-EXEMPTION OF TAX-EXEMPT BONDS. The Corporation covenants to refrain from taking any action which would adversely affect, and to take any action required to ensure, the treatment of the Tax-Exempt Bonds as obligations described in section 103 of the Code, the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the Corporation covenants as follows:

(a) to take any action to assure that no more than 10 percent of the proceeds of the Tax-Exempt Bonds or the portion of the Light Rail Components of Project Connect financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the portion of the Light Rail Components financed therewith are so used, such amounts, whether or not received by the Corporation, with respect to such private business use, do not, under the terms of this First Supplemental Agreement or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Tax-Exempt Bonds, in contravention of section 141(b)(2) of the Code;

(b) to take any action to assure that in the event that the "private business use" described in subsection (a) hereof exceeds 5 percent of the proceeds of the Tax-Exempt Bonds or the portion of the Light Rail Components financed with the Tax-Exempt Bonds (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(c) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Tax-Exempt Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(d) to refrain from taking any action which would otherwise result in the Tax-Exempt Bonds being treated as "specified private activity bonds" within the meaning of section 141(b) of the Code;

(e) to refrain from taking any action that would result in the Tax-Exempt Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(f) to refrain from using the proceeds of the Tax-Exempt Bonds or proceeds of any prior Tax-Exempt Bonds to pay debt service on another issue more than 90 days after the date of issue of the Tax-Exempt Bonds in contravention of the requirements of section 149(d) of the Code (relating to advance refundings);

(g) to refrain from using any portion of the proceeds of the Tax-Exempt Bonds (or transferred proceeds), directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Tax-Exempt Bonds, other than investment property acquired with --

(1) proceeds of the Tax-Exempt Bonds invested for a reasonable temporary period until such proceeds are needed for the purpose for which the Tax-Exempt Bonds are issued,

(2) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(3) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Tax-Exempt Bonds;

(h) to otherwise restrict the use of the proceeds of the Tax-Exempt Bonds or amounts treated as proceeds of the Tax-Exempt Bonds, as may be necessary, so that the Tax-Exempt Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage); and

(i) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Tax-Exempt Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings", within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Tax-Exempt Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

The Corporation understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations. It is the understanding of the Corporation that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Tax-Exempt Bonds, the Corporation will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally-recognized Bond Counsel, will not adversely affect the exemption from federal income taxation of interest on the Tax-Exempt Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Tax-Exempt Bonds, the Corporation agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized Bond Counsel, to preserve the exemption from federal income taxation of interest on the Tax-Exempt Bonds under section 103 of the Code. In furtherance of such intention, the Corporation hereby authorizes and directs a Pricing Officer to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the Corporation, which may be permitted by the Code as are consistent with the purpose for the issuance of the Tax-Exempt Bonds.

SECTION 502. REBATE FUND. In order to facilitate compliance with Section 501(h), for any Tax-Exempt Bonds, a subaccount for each Series of the Tax-Exempt Bonds within the Rebate Fund is hereby established with the Trustee for the sole benefit of the United States of America, and each such subaccount shall not be subject to the claim of any other person, including without limitation the Owners of any Bonds. Each such subaccount within the Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

SECTION 503. DISPOSITION OF THE LIGHT RAIL COMPONENTS. The Corporation covenants that the property constituting the Light Rail Components financed or refinanced by the Tax-Exempt Bonds will not be sold or otherwise disposed of in a transaction resulting in the receipt by the Corporation of cash or other compensation, unless the Corporation obtains an opinion of nationally recognized Bond Counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Tax-Exempt Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed of in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the Corporation shall not be obligated to comply with this covenant if it obtains an opinion of nationally recognized Bond Counsel that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

SECTION 504. ALLOCATION OF, AND LIMITATION ON, THE EXPENDITURES FOR THE LIGHT RAIL COMPONENTS. The Corporation covenants to account for the expenditure of sale proceeds and investment earnings to be used for the acquisition and construction of property financed or refinanced by the Tax-Exempt Bonds on its books and records in accordance with the requirements of the Code. The Corporation recognizes that in order for the proceeds of the Tax-Exempt Bonds to be considered used for the reimbursement of Costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Light Rail Components are completed; but in no event later than three (3) years after the date on which the original expenditure is paid unless the Corporation receives an engineering certificate that such projects will require five (5) years to be completed. The foregoing notwithstanding, the Corporation recognizes that in order for proceeds of the Tax-Exempt Bonds to be expended under the Internal Revenue Code, the sale proceeds or investment earnings must be expended no more than sixty (60) days after the earlier of (1) the sixth (6th) anniversary of the delivery of the Tax-Exempt Bonds, or (2) the date the Tax-Exempt Bonds are retired. The Corporation agrees to obtain the advice of nationally recognized Bond Counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Tax-Exempt Bonds. For purposes hereof, the Corporation shall not be obligated to comply with this covenant if it obtains an opinion of nationally recognized Bond Counsel that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest on the Tax-Exempt Bonds.

SECTION 505. TAXABLE BONDS. (a) To the extent required by the Code and the regulations, it shall be the duty of the Trustee to report to the Owners of the Taxable Bonds and the Internal Revenue Service (i) the amount of "reportable payments," if any, subject to back up withholding during each year and the amount of tax withheld, if any, with respect to the payments on the Taxable Bonds and (ii) the amount of interest or amount treated as interest, such as original issue discount, on the Taxable Bonds required to be included in the gross income of the owners thereof for federal income tax purposes.

(b) It is the intention of the Corporation that the Taxable Bonds not be obligations described in section 103 of the Internal Revenue Code of 1986 interest on which is excludable from the gross income of the holders and in that regard the Corporation agrees not to file a form 8038-G, or any comparable information return relating to tax-exempt Bonds, with the Internal Revenue Service.

ARTICLE VI

AMENDING SUPPLEMENTS

SECTION 601. AMENDING SUPPLEMENTS WITHOUT OWNERS' CONSENT. Subject to the Master Trust Agreement (including Section 1101 thereof) and as otherwise provided in this First Supplemental Agreement, the Corporation and the Trustee may from time to time and at any time enter into Amending Supplements, without the consent of or notice to any Owner of the Bonds, to effect any one or more of the following:

(a) cure any ambiguity, defect or omission or correct any provision in this First Supplemental Agreement;

(b) grant to or confer upon the Trustee for the benefit of the Owners of the Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Owners of the Bonds or the Trustee which are not contrary to or inconsistent with the Master Trust Agreement and this First Supplemental Agreement as then in effect or to subject to the pledge and lien of this First Supplemental Agreement additional revenues, properties or collateral;

(c) add to the covenants and agreements of the Corporation in this First Supplemental Agreement other covenants and agreements thereafter to be observed by the Corporation or to surrender any right or power herein reserved to or conferred upon the Corporation which are not contrary to or inconsistent with the Master Trust Agreement and this First Supplemental Agreement as then in effect;

(d) modify, alter, supplement or amend this First Supplemental Agreement in such manner as shall permit the qualification of this First Supplemental Agreement, if required, under the Trust Agreement Act of 1939, the Securities Act of 1933 or any similar federal statute hereafter in effect which changes or amendments do not, in the judgment of the Corporation, materially adversely affect the interest of the Owners of the Bonds or any Bond Insurer of record;

(e) make any other change herein that is determined by the Corporation not to be materially adverse to the interests of the Owners of the Bonds, including changes or amendments requested by any Nationally Recognized Rating Agency as a condition to the issuance or maintenance of a rating or requested by the Texas Attorney General's office as a condition to the approval of any Bonds which changes or amendments do not, in the judgment of the Corporation, materially adversely affect the interest of the Owners of the Bonds or any Bond Insurer of record; or

(f) if all the Bonds are Book-Entry Obligations, amend, modify, alter or replace any Letter of Representations as provided in Section 206 of the Master Trust Agreement or other provisions relating to Book-Entry Bonds.

The Trustee shall not be obligated to enter into any such Amending Supplements that materially adversely affects the Trustee's own rights, duties or immunities under this First Supplemental Agreement.

Notice of any amendment pursuant to this Section 601 shall be sent to each Nationally Recognized Rating Agency then maintaining a rating on the affected Bonds and any Bond Insurer of record.

SECTION 602. AMENDING SUPPLEMENTS REQUIRING OWNERS' CONSENT. Subject to the Master Trust Agreement (including Section 1102 thereof), the Corporation and the Trustee, at any time and from time to time, may execute and deliver Amending Supplements for the purpose of making any modification or amendment to this First Supplemental

Agreement, but only with the written consent, given as provided in Section 603, of the Owners of at least a majority in aggregate principal amount of the Bonds Outstanding at the time such consent is given, and in case less than all of the Bonds then Outstanding are affected by the modification or amendment, of the Owners of at least a majority in aggregate principal amount of the Bonds so affected and Outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds so affected remain Outstanding, the consent of the Owners of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section. Notwithstanding the foregoing, no modification or amendment contained in any such Amending Supplement shall permit any of the following, without the consent of each Owner of the Bonds whose rights are affected thereby:

- (a) a change in the terms of stated maturity or redemption of any Bond or of any installment of interest thereon;
- (b) a reduction in the principal amount of or redemption premium on any Bond or in the rate of interest thereon or a change in the coin or currency in which such Bond is payable;
- (c) the creation of a lien on or a pledge of any part of the Trust Estate which has priority over or parity with (to the extent not permitted hereunder) the lien or pledge granted to the Owners of the Bonds hereunder (but this provision shall not apply to the release of any part of the Trust Estate as opposed to the creation of a prior or parity lien or pledge);
- (d) the granting of a preference or priority of any Bond over any other Bond, except to the extent permitted herein;
- (e) a reduction in the aggregate principal amount of Bonds of which the consent of the Owners is required to effect any such modification or amendment; or
- (f) any provision which requires the consent of each Owner of the Bonds.

Notwithstanding the foregoing, the Owner of any Bond may extend the time for payment of the principal of or interest on such Bond; provided, however, that upon the occurrence of an Event of Default, funds available hereunder for the payment of the principal of and interest on such Bonds shall not be applied to any payment so extended until all principal and interest payments which have not been extended have first been paid in full. Notice of any Supplemental Agreement executed pursuant to this Section shall be given to the Owners of the Bonds promptly following the execution thereof.

Notice of any amendment pursuant to this Section 602 shall be sent to each Nationally Recognized Rating Agency then maintaining a rating on the Bonds and any Bond Insurer of record.

SECTION 603. CONSENTS OF OWNERS OF THE BONDS AND OPINIONS.

Each Amending Supplement executed and delivered pursuant to the provisions of Section 602 shall take effect only when and as provided in this Section 603. A copy of such Supplemental Agreement (or brief summary thereof or reference thereto in form approved by the Trustee),

together with a request to Owners of the Obligations for their consent thereto in form satisfactory to the Trustee, shall be sent by the Trustee to Owners of the Obligations, at the expense of the Corporation, by first class mail, postage prepaid, provided that a failure to mail such request shall not affect the validity of the Supplemental Trust Agreement when consented to as provided hereinafter. Such Supplemental Agreement shall not be effective unless and until there shall have been filed with the Trustee the written consents of Owners of the Obligations of the percentage of Obligations specified in Section 602 given as provided in Section 1001 of the Master Trust Agreement. Any such consent shall be binding upon the Owner giving such consent and upon any subsequent Owner of such Obligations and of any Obligations issued in exchange therefor or in lieu thereof (whether or not such subsequent Owner has notice thereof), unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner of such Obligations by filing such revocation with the Trustee prior to the date the Trustee receives the material required in subsections (a) and (b) of this Section.

SECTION 604. EXCLUSION OF CERTAIN OBLIGATIONS FOR THE PURPOSE OF CONSENT, ETC. Obligations that are to be disregarded under the last sentence of the definition of "Outstanding" in the Master Trust Agreement shall not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Obligations provided for in this Article. At the time of any consent or other action taken under this Article or elsewhere in this First Supplemental Agreement, the Corporation shall furnish the Trustee a certificate of a Pricing Officer, upon which the Trustee may rely, describing all Obligations so to be excluded.

SECTION 605. EFFECT OF AMENDING SUPPLEMENTS. Upon the execution and delivery of any Amending Supplement under this Article, this First Supplemental Agreement shall be modified in accordance therewith, and such Amending Supplement shall form a part of this First Supplemental Agreement for all purposes; and every Owner of any Bond theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

SECTION 606. SUPPLEMENTAL AGREEMENTS FOR ADDITIONAL OBLIGATIONS. For the avoidance of doubt, no consent of the Owners of the Bonds is needed in connection with issuing Additional Obligations or any other amendment authorized in a Supplemental Agreement in accordance with Section 1101 of the Master Trust Agreement.

ARTICLE VII

MISCELLANEOUS PROVISIONS

SECTION 701. SUCCESSORSHIP OF TRUSTEES. Any commercial bank, national banking association or trust company with or into which any Trustee may be merged or consolidated, or to which the assets and business of such Trustee may be sold, shall be deemed the successor of such Trustee for the purposes of this First Supplemental Agreement. If the position of any Trustee shall become vacant for any reason, the Corporation shall, within thirty (30) days thereafter, appoint a commercial bank, national banking association or trust company as Trustee to fill such vacancy; provided, however, that if the Corporation shall fail to appoint such Trustee within said period, the Trustee shall make such appointment.

SECTION 702. NOTICES. Except as otherwise provided herein, all notices, certificates or other communications hereunder shall be in writing and shall be deemed given as required by the Master Trust Agreement.

SECTION 703. NON-BUSINESS DAYS. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this First Supplemental Agreement, is not a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this First Supplemental Agreement and no interest shall accrue on the payment so deferred during the intervening period.

SECTION 704. COUNTERPARTS. This First Supplemental Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall constitute an original, but all of which, when taken together, shall constitute but one and the same instrument, and shall become effective when copies hereof shall be delivered to each of the parties hereto, which copies, when taken together, bear the signatures of each of the parties hereto.

SECTION 705. LIMITATION OF LIABILITY OF OFFICIALS OF THE CORPORATION. No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, agent or employee of the Corporation in his individual capacity, and neither the members of the Corporation nor any official executing the Bonds shall be liable personally on such Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. Notwithstanding anything to the contrary contained herein, the Trustee, the Owners of the Bonds and any other party entitled to seek payment from the Corporation under or to enforce this First Supplemental Agreement and the Bonds will be entitled to look solely to the Trust Estate, and such collateral, if any, as may now or hereafter be given to secure the payment of the obligations of the Corporation under this First Supplemental Agreement and the Bonds and no other property or assets of the Corporation or any officer or director of the Corporation shall be subject to levy, execution or other enforcement procedure for the satisfaction of the remedies hereunder, or for any payment required to be made under this First Supplemental Agreement and the Bonds or for the performance of any of the covenants or warranties contained herein.

SECTION 706. SUCCESSORS AND ASSIGNS. All the covenants, promises and agreements in this First Supplemental Agreement contained by or on behalf of the Corporation, or by or on behalf of the Trustee, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

SECTION 707. FORM OF DOCUMENTS DELIVERED TO TRUSTEE. In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents. Any certificate of a Corporation Representative or a Pricing Officer may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by,

Counsel to the Corporation, unless such official or officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his or her certificate or opinion is based are erroneous. Any opinion of Counsel to the Corporation may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, a Corporation Representative, or a Pricing Officer stating that the information with respect to such factual matters is in the possession of the Corporation, unless such Counsel of the Corporation knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this First Supplemental Agreement, they may, but need not, be consolidated and form one instrument.

SECTION 708. CONSENT OF OWNERS. Any consent, request, direction, approval, objection or other instrument required by this First Supplemental Agreement to be signed and executed by the Owners of the Bonds may be in any number of concurrent writings of similar tenor and must be signed or executed by such Owners of the Bonds in person or by an agent duly appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this First Supplemental Agreement, and shall be conclusive in favor of the Trustee with regard to any action taken by it under such request or other instrument, namely:

(a) The fact and date of the execution by any Person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the Person signing such writing acknowledged the execution thereof, or by an affidavit of any witness to such execution.

(b) The Trustee may establish a record date for the purpose of identifying Owners of the Bonds entitled to issue any such consent, request, direction, approval or instrument.

SECTION 709. PAYMENT OF ATTORNEY GENERAL FEE. The Corporation hereby authorizes the disbursement of a fee equal to the lesser of (i) one-tenth of one percent of the principal amount of a Series of the Bonds or (ii) \$9,500 per Series of Bonds provided that such fee shall not be less than \$750, to the Attorney General of Texas Public Finance Division for payment of the examination fee charged by the State of Texas for the Attorney General's review and approval of public securities and credit agreements, as required by Section 1202.004 of the Texas Government Code. A Pricing Officer is hereby instructed to take the necessary measures to make this payment. The Corporation is also authorized to reimburse the appropriate Corporation funds for such payment from proceeds of the Bonds.

ARTICLE VIII

GENERAL PROVISIONS

SECTION 801. CUSTODY, APPROVAL, AND REGISTRATION OF BONDS; BOND COUNSEL'S OPINION, CUSIP NUMBERS, AND INSURANCE. A Pricing Officer is hereby authorized to have control of each series of the Bonds issued hereunder and all necessary records and proceedings pertaining to the Bonds pending delivery and the investigation, examination, and approval by the Attorney General of the State. The approving legal opinion of the Corporation's Bond Counsel, a copy of any municipal bond insurance policy, and the assigned CUSIP numbers may, at the option of the Corporation, be printed on the Bonds, but neither shall have any legal effect, and shall be solely for the convenience and information of the Owners of the Bonds.

SECTION 802. FURTHER PROCEDURES. Each Pricing Officer shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the seal (if any) and on behalf of the Corporation all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this First Supplemental Agreement, the Purchase Contract, each Official Statement, the Letter of Representations, and any other necessary agreements. The Corporation's Financial Consultant is specifically authorized to engage consultants necessary to comply with the issuance of Additional Obligations pursuant to the Master Trust Agreement. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery. Prior to the initial delivery of the Bonds, a Pricing Officer and Bond Counsel are hereby authorized and directed to approve any technical changes or corrections to this First Supplemental Agreement or to any of the instruments authorized and approved by this First Supplemental Agreement necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this First Supplemental Agreement, (ii) obtain a rating from any of the Nationally Recognized Rating Agencies, (iii) make changes to this First Supplemental Agreement deemed reasonable and necessary by a Pricing Officer, with the advice of Bond Counsel, to conform this First Supplemental Agreement to the requirements set forth in the commitment from a Bond Insurer or (iv) obtain the approval of a Series of the Bonds by the Texas Attorney General's office. In addition, the statements, findings, representations, and determinations set forth in the recitals to this First Supplemental Agreement are hereby incorporated into and made a part of this First Supplemental Agreement for all purposes.

In addition, unless otherwise specifically stated, each time this First Supplemental Agreement provides for action to be taken or an election to be made by the Corporation, such action shall be taken by a Pricing Officer upon behalf of the Corporation.

SECTION 803. PRELIMINARY AND FINAL OFFICIAL STATEMENT. A Preliminary Official Statement relating to a Series of Bonds is authorized for use, and a Pricing Officer is authorized to prepare and finalize the Preliminary Official Statement, deem it final under the Rule, approve any addenda, supplements or amendments to said document, and the distribution

by the Underwriters to prospective purchasers of such Bonds is ratified and approved. The Pricing Officer is further authorized, for and on behalf of the Corporation, to prepare, finalize and approve one or more final Official Statements, as necessary, and any addenda, supplements or amendments thereto, relating to such Bonds and referred to in the Purchase Contracts for such Bonds.

SECTION 804. BOND INSURANCE POLICIES. In connection with the sale of a Series of Bonds, a Pricing Officer may obtain one or more municipal bond insurance policies from one or more recognized municipal bond insurance organizations (each a "Bond Insurer") to guarantee the full and complete payment required to be made by or on behalf of the Corporation on those Bonds so designated in the Award Certificate if a Pricing Officer finds that the acquisition of such policy or policies will result in such Bonds being sold on more favorable terms to the Corporation. A Pricing Officer is hereby authorized to sign a commitment letter or insurance agreement with a Bond Insurer and to pay the premium for the bond insurance policies at the time of the delivery of the affected Series of the Bonds to the Underwriters out of the proceeds of sale of such Bonds or from other available funds and to execute such other documents and certificates as necessary in connection with the bond insurance policies as they may deem appropriate. If insurance is obtained on any of the Bonds, the Bonds shall bear an appropriate legend concerning insurance as provided by the Bond Insurer.

SECTION 805. ADDITIONAL AGREEMENTS. A Pricing Officer is hereby authorized and directed to execute any supplemental document with the Trustee, DTC or other parties as may be necessary to consummate the transactions contemplated by this First Supplemental Agreement, any such document to be subject to the approval of the applicable foregoing parties.

SECTION 806. PARTIAL INVALIDITY. If any one or more of the covenants or agreements or portions thereof provided in this First Supplemental Agreement on the part of the Corporation should be determined by a court of competent jurisdiction to be contrary to law, then such covenant or covenants, or such agreement or agreements, or such portions thereof, shall be deemed severable from the remaining covenants and agreements or portions thereof provided in this First Supplemental Agreement and the invalidity thereof shall in no way affect the validity of the other provisions of this First Supplemental Agreement or of the Bonds, but the Owners shall retain all the rights and benefits accorded to them hereunder and under any applicable provisions of law.

SECTION 807. LAW AND PLACE OF ENFORCEMENT OF THIS FIRST SUPPLEMENTAL AGREEMENT. This First Supplemental Agreement shall be construed and interpreted in accordance with the laws of the State. All suits and actions arising out of this First Supplemental Agreement shall be instituted in a court of competent jurisdiction in the State except to the extent necessary for enforcement by any Trustee, appointed pursuant to the provisions of the Master Trust Agreement, of remedies under the Master Trust Agreement.

SECTION 808. NOTICES TO NATIONALLY RECOGNIZED RATING AGENCIES AND BOND INSURER. The Trustee, or the Corporation in the event of the resignation of the Trustee, shall send to the Nationally Recognized Rating Agency then rating any of the Bonds, if any, notice of (i) a change of the Trustee, (ii) material changes to this First

Supplemental Agreement, the Master Trust Agreement or a Credit Agreement, (iii) expiration, termination, substitution, or extension of a Credit Agreement, (iv) redemption or defeasance of the Bonds and (v) amendments under Sections 1101 and 1102 and (vi) Events of Default under the Master Trust Agreement or a Credit Agreement. The Trustee shall also provide to the Nationally Recognized Rating Agency then rating any of the Bonds any other information that they may reasonably request to maintain a rating on a Series of the Bonds. The Bond Insurer, if any, shall receive such notices as required by their commitment or other agreement.

SECTION 809. GOVERNMENTAL IMMUNITY. THE CORPORATION HAS NOT WAIVED GOVERNMENTAL IMMUNITY FROM SUIT FOR THE PURPOSE OF ADJUDICATING A CLAIM TO ENFORCE THE BONDS OR FOR DAMAGES FOR BREACH OF THE BONDS.

SECTION 810. GUARANTEED INVESTMENT CONTRACTS. In accordance with the Public Funds Investment Act or other applicable laws, the moneys deposited in the Project Fund or any account created therein pursuant to this First Supplemental Agreement may be invested in one or more guaranteed investment contracts meeting the requirements as authorized by law. In the event that the Corporation Representative determines that it would be in the best interests of the Corporation to invest part or all of the amounts in the Project Fund or any account created therein pursuant to this First Supplemental Agreement in a guaranteed investment contract, the Corporation Representative shall ensure that the Corporation complies with the requirements of such law.

SECTION 811. VERIFICATION OF STATUTORY REPRESENTATIONS AND COVENANTS. The Trustee makes the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the "Government Code"), in entering into this First Supplemental Agreement. As used in such verifications, "affiliate" means an entity that controls, is controlled by, or is under common control with the Trustee within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this First Supplemental Agreement shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this First Supplemental Agreement, notwithstanding anything in this First Supplemental Agreement to the contrary.

(a) Not a Sanctioned Company. The Trustee represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the Trustee and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

(b) No Boycott of Israel. The Trustee hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this First Supplemental Agreement. As used in the foregoing verification, "boycott Israel" has the meaning provided in Section 2271.001, Government Code.

(c) No Discrimination Against Firearm Entities. The Trustee hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this First Supplemental Agreement. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" has the meaning provided in Section 2274.001(3), Government Code.

(d) No Boycott of Energy Companies. The Trustee hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this First Supplemental Agreement. As used in the foregoing verification, "boycott energy companies" has the meaning provided in Section 2276.001(1), Government Code.

(e) Texas Ethics Commission Form 1295 Certificate of Interested Parties. The Trustee hereby verifies that it has submitted a disclosure of interested parties to the Corporation pursuant to the requirements of Section 2252.908, Texas Government Code and Chapter 46 of the rules of the Texas Ethics Commission.

SECTION 812. DEFEASANCE OF BONDS. The benefits of this First Supplemental Agreement, and the covenants of the Corporation contained herein in support of any Bond, shall be deemed redeemed and discharged with respect to such Bond (a "Defeased Debt") when the following requirements have been satisfied:

(a) The payment of the Principal of, redemption premium, if any, on such Defeased Debt, plus interest thereon to the due date thereof (whether such due date be by reason of maturity, upon redemption, mandatory or optional tender, or otherwise), either (i) shall have been made in accordance with the terms thereof, or (ii) shall have been provided by irrevocably depositing with the Trustee, in trust, but not as part of the Trust Estate, or an escrow agent pursuant to an escrow agreement, and irrevocably set aside exclusively for such payment, (1) money sufficient to make such payment or (2) Government Obligations certified by an independent public accounting firm or verification firm of national reputation, respectively, to mature as to Principal and interest in such amount and at such times as will ensure the availability, without reinvestment, of sufficient money to make such payment, and all necessary and proper fees, compensation, and expenses of the Trustee pertaining to such Defeased Debt with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. At such time as a Defeased Debt shall be deemed to be paid hereunder, it shall no longer be secured by or entitled to the benefits of this First Supplemental Agreement or the Master Trust Agreement except for the purposes of any such payment from such money or Government Obligations.

(b) Any moneys so deposited with the Trustee may at the direction of the Corporation also be invested in Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Government Obligations in the hands of the Trustee pursuant to this Section which is not required for the payment of the Bonds, the redemption premium, if any, and interest thereon, with respect to which such money has been so deposited, shall be turned over to the Corporation.

(c) The Corporation hereby covenants that it will not instruct the Trustee to deposit any funds under clause (a)(ii) of this Section or direct the use of any such deposit which would cause any Tax-Exempt Bonds to be treated as "arbitrage bonds" within the meaning of Section 148 of the Code.

(d) Any determination not to redeem Defeased Debt that is made in conjunction with the payment arrangements specified above in (a)(i) or (ii) shall not be irrevocable, provided that: (1) in the proceedings providing for such defeasance, the Corporation expressly reserves the right to call the Defeased Debt for redemption; (2) the Corporation gives notice of the reservation of that right to the Owners of the Defeased Debt immediately following the defeasance; (3) the Corporation directs that notice of the reservation be included in any defeasance or redemption notices that it authorizes; and (4) at or prior to the time of the redemption, the Corporation satisfies the conditions of subsection (a) with respect to such Defeased Debt as though it was being defeased at the time of the exercise of the option to redeem the Defeased Debt, after taking the redemption into account in determining the sufficiency of the provisions made for the payment of the Defeased Debt.

ARTICLE IX

CONTINUING DISCLOSURE UNDERTAKING

SECTION 901. CONTINUING DISCLOSURE UNDERTAKING. (a) Annual Reports. The Corporation shall provide annually to the MSRB, in an electronic format as prescribed by the MSRB (1) within six months after the end of any fiscal year, financial information and operating data as determined by a Pricing Officer at the time each Series of Bonds are sold including financial statements of the Corporation if audited financial statements are then available and (2) if not provided as part of such financial information and operating data, audited financial statements of the Corporation, when an if available. Any financial statements to be so provided shall be (1) prepared in accordance with the generally accepted accounting principles or such other accounting principles as the Corporation may be required to employ from time to time pursuant to the State law or regulation and (2) audited, if the Corporation commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within 12 months after the fiscal year end, then the Corporation shall provide unaudited financial statements within such 12-month period, and audited financial statements for the applicable fiscal year to the MSRB, when and if the audit report on such statements become available.

If the Corporation changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the Corporation otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document that is available to the public on the MSRB's internet web site or filed with the SEC. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

(b) Event Notices. The Corporation shall notify the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten Business Days after the occurrence of the event, of any of the following events with respect to the Bonds:

- A. Principal and interest payment delinquencies;
- B. Non-payment related defaults, if material within the meaning of the federal securities laws;
- C. Unscheduled draws on debt service reserves reflecting financial difficulties;
- D. Unscheduled draws on credit enhancements reflecting financial difficulties;
- E. Substitution of credit or liquidity providers, or their failure to perform;
- F. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Tax-Exempt Bonds, or other events affecting the tax-exempt status of the Tax-Exempt Bonds;
- G. Modifications to rights of holders of the Bonds, if material within the meaning of the federal securities laws;
- H. Bond calls, if material within the meaning of the federal securities laws and tender offers;
- I. Defeasances;
- J. Release, substitution, or sale of property securing repayment of the Bonds, if material within the meaning of the federal securities laws;
- K. Rating changes;
- L. Bankruptcy, insolvency, receivership or similar event of the Corporation;
- M. The consummation of a merger, consolidation, or acquisition involving the Corporation or the sale of all or substantially all of the assets of the Corporation, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material within the meaning of the federal securities laws;
- N. Appointment of a successor or additional trustee or the change of name of a trustee, if material within the meaning of the federal securities laws;

- O. Incurrence of a Financial Obligation of the Corporation, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Corporation, any of which affect holders of the Bonds, if material; and
- P. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Corporation, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding paragraph (L) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Corporation in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Corporation, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers of the Corporation in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Corporation, and (b) the Corporation intends the words used in the immediately preceding paragraphs (O) and (P) and the definition of Financial Obligation to have the meanings ascribed to them in SEC Release No. 34-83885, dated August 20, 2018.

The Corporation shall notify the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner, of any failure by the Corporation to provide financial information or operating data in accordance with subsection (a) of this Section by the time required by such subsection. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

(c) Limitations, Disclaimers, and Amendments. The Corporation shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the Corporation remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the Corporation in any event will give notice of any defeasance deposit that causes the Bonds no longer to be outstanding.

The provisions of this Section are for the sole benefit of the holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other Person. The Corporation undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Corporation's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided

herein. The Corporation does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CORPORATION BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CORPORATION, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR SPECIFIC PERFORMANCE.

No default by the Corporation in observing or performing its obligations under this Section shall comprise a breach of or default under this First Supplemental Agreement for purposes of any other provision of this First Supplemental Agreement.

Should the Rule be amended to obligate the Corporation to make filings with or provide notices to entities other than the MSRB, the Corporation hereby agrees to undertake such obligation with respect to the Bonds in accordance with the Rule as amended.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Corporation under federal and state securities laws.

The provisions of this Section may be amended by the Corporation from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Corporation, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this First Supplemental Agreement that authorizes such an amendment) of the outstanding Bonds consents to such amendment or (b) a Person that is unaffiliated with the Corporation (such as nationally recognized Bond Counsel) determines that such amendment will not materially impair the interest of the holders and beneficial owners of the Bonds. If the Corporation so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with paragraph (a) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The Corporation may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

(d) Format, Identifying Information, and Incorporation by Reference. All financial information, operating data, financial statements, and notices required by this Section to be provided to the MSRB shall be provided in an electronic format and be accompanied by identifying information prescribed by the MSRB.

Financial information and operating data to be provided pursuant to Subsection (a) of this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document) available to the public on the MSRB's internet web site or filed with the SEC.

[Signature Page Follows]

IN WITNESS WHEREOF, the Austin Transit Partnership Local Government Corporation has caused this First Supplemental Agreement to be executed by a Pricing Officer and _____, as Trustee, has caused this First Supplemental Agreement to be executed on its behalf by its authorized representative, all as of the day and year first above written.

**AUSTIN TRANSIT PARTNERSHIP LOCAL
GOVERNMENT CORPORATION**

By: _____
Executive Director

[Signature Page]

_____,
as Trustee

By: _____
Title: _____

EXHIBIT "A"

DEFINITIONS

"Amending Supplements" – Means any amendment to this First Supplemental Agreement in accordance with Article VI hereof.

"Authorized Denominations" – Unless otherwise specified in an Award Certificate, with respect to Fixed Rate Bonds as Current Interest Bonds, \$5,000 or any integral multiple thereof.

"Award Certificate" – Each Certificate by a Pricing Officer in connection to be executed and delivered pursuant to Sections 201 and 202 of this First Supplemental Agreement in connection with each Series of Bonds.

"Beneficial Owner," "Beneficial owner" or "beneficial owner" – Any Person who acquires a beneficial ownership interest in a Bond held by DTC. In determining the Beneficial Owner of any, the Trustee and the Corporation may rely conclusively upon representations made and written information given to the Trustee or the Corporation by DTC or a DTC Participant with respect to any Bond held by DTC in which a beneficial interest is claimed.

"Bond," and "Bonds" – One or more Series of the "Austin Transit Partnership Local Government Corporation Contract Revenue Bonds" as further designated in Section 201 to this First Supplemental Agreement and each Award Certificate.

"Bond Counsel" – A firm of attorneys of nationally recognized standing in the field of law relating to municipal bond law and the exemption from federal income taxation of interest on state or local bonds, selected by the Corporation.

"Bond Insurer" – The municipal bond insurance company or companies, if any, which have issued a municipal bond insurance policy or policies insuring the scheduled payment of principal and interest of a Series of Bonds.

"Bond Resolution" – The Resolution approved by the Board of Directors of the Corporation on February 16, 2024, authorizing the Bonds.

"Bonds" – Each Series of the Bonds authorized by this First Supplemental Agreement and the related Award Certificate.

"Book-Entry-Only System" – The book-entry registration system authorized in Section 205 to this First Supplemental Agreement.

"Business Day" – Any day other than a Saturday or a Sunday or a day on which banking institutions are required or authorized by law or executive order to remain closed in the State or the City of New York or in the city in which the designated office of the Trustee or the Securities Depository is located.

"Bylaws" – The Bylaws of the Austin Transit Partnership Local Government Corporation as amended from time to time.

"Capital Metro" – the Capital Metropolitan Transportation Authority, a transportation authority and political subdivision for the State organized under Chapter 451, Texas Transportation Code.

"Chair" – The Chair of the Board of Directors of the Corporation.

"City" – The City of Austin, Texas, a home-rule municipality existing under the Constitution and laws of the State and operating under its home rule charter.

"Code" – The Internal Revenue Code of 1986, as amended.

"Corporation" – The Austin Transit Partnership Local Government Corporation and its successors and assigns.

"Corporation Representative" – Each of the Chair of the Board, the Chief Financial Officer and the Executive Director.

"Current Interest Bonds" – Each Series of Bonds that pays current interest and matures in each of the years and in the aggregate principal amounts set forth in each Award Certificate.

"Delivery" or "deliver" – When used with respect to a Series of Bonds held in the Book-Entry-Only System, shall mean the making of or the irrevocable authorization to make appropriate entries on the books of DTC or any DTC Participant or any securities broker or dealer, bank or trust company that clears through or maintains a custodial relationship with a DTC Participant.

"DTC" – The Depository Trust Company, New York, New York, and its successors and assigns.

"DTC Participant" – (i) any Person for which, from time to time, DTC effectuates book-entry transfers and pledges of securities pursuant to the Book-Entry-Only System referred to in Section 205 hereof or (ii) any securities broker or dealer, bank, trust company, or other Person that clears through or maintains a custodial relationship with a Person referred to in (i).

"Financial Obligation" – (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial Obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with Rule.

"First Supplemental Agreement" – This First Supplemental Agreement, which was adopted pursuant to authority reserved by the Corporation under the Master Trust Agreement and adopted by the Bond Resolution, as may be amended or supplemented from time to time.

"Fitch" – Fitch, Inc. or any successor thereto maintaining a rating on the Bonds.

"Fixed Rate Bonds" – The Bonds of a Series bearing interest at fixed, non-variable rate(s) as established in accordance with Sections 201 and 202 of this First Supplemental Agreement.

"Government Obligations" – Unless modified pursuant to an Award Certificate, government obligations means (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of the purchase thereof are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the Board of Directors of the Corporation adopts or approves the proceedings authorizing the financial arrangements are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent and (iv) any other then authorized securities or obligations under applicable State law that may be used to defease obligations such as the Bonds.

"Highest Lawful Rate" – The maximum net effective interest rate permitted by law to be paid on obligations issued or incurred by the Corporation in the exercise of its borrowing powers (prescribed by Chapter 1204, Texas Government Code, or any successor provisions).

"Interest Payment Date" – The date or dates designated as the interest payment dates for a Series of Bonds in each Award Certificate.

"Issue Date" – The date on which a Series of the Bonds are first authenticated and delivered to the initial purchaser(s) against payment therefor.

"Master Trust Agreement" – The Master Trust Agreement, dated as of _____, 2024, between the Corporation and _____, as trustee.

"Maturity Date" – The date or dates designated as the scheduled maturity in connection with a Series of Bonds in each Award Certificate.

"Moody's" – Moody's Investors Service, Inc. or any successor thereto maintaining a rating on the Bonds.

"MSRB" – The Municipal Securities Rulemaking Board or its successor or assignee.

"Official Statement" – The final official statement of the Corporation used to market the Initial Bonds.

"Owners" – The Owners as defined in Section 202(a) to this First Supplemental Agreement.

"Preliminary Official Statement" – The preliminary official statement of the Corporation used to market the Initial Bonds.

"Pricing Officer" – The Chair of the Board of Directors, the Executive Director of the Corporation, the Chief Financial Officer of the Corporation or such other individual so designated by the Corporation to perform the duties of Pricing Officer under this First Supplemental Agreement.

"Principal Payment Date" – Any date upon which a principal amount of the Bonds is due hereunder at the Maturity Date.

"Purchase Contract" – Collectively, the purchase contract or contracts between the Corporation and the Underwriters providing for the purchase of a Series of Bonds.

"Rebate Fund Subaccount" – Each special "Rebate Fund Subaccount" established pursuant to Section 503.

"Record Date" – The date as determined in the respective Award Certificate.

"Rule" – SEC Rule 15c2-12, as amended from time to time.

"S&P" – Standard & Poor's Rating Services, a division of S&P Global Ratings or any successor thereto.

"SEC" – The United States Securities and Exchange Corporation and any successor and assigns.

"Secretary" – The Secretary of the Corporation.

"Section" – Unless the context clearly requires otherwise, refers to a Section to this First Supplemental Agreement.

"Series" – A separate series of Bonds as specified by or pursuant to the terms of this First Supplemental Agreement and the related Award Certificate.

"Special Record Date" – The date designated as such by the Trustee as provided in the Form of Bond in connection with the payment of defaulted interest on the Bonds.

"State" – The State of Texas.

"Taxable Bonds" – A Bond which is not an obligation described in section 103(a) of the Code.

"Tax-Exempt Bonds" – Any Bond issued as obligations as described in Section 103 of the Code.

"Trustee" – _____, or its permitted successors and assigns under the Master Trust Agreement.

"Underwriters" – For each Series of Bonds, the Underwriters designated by a Pricing Officer pursuant to Section 202(b) to this First Supplemental Agreement.

EXHIBIT "B"

PRICING OFFICER'S AWARD CERTIFICATE ("Series 2024 Bonds")*

I, the undersigned, Chief Financial Officer of the Austin Transit Partnership Local Government Corporation, created under the laws of the State of Texas, including particularly Chapter 431, Transportation Code, Chapter 394, Texas Local Government Code and Chapter 22, Texas Business Organizations Code (the "Corporation"), a Corporation Representative as defined and designated pursuant to the Master Trust Agreement, dated as of _____, 2024, between the Corporation and _____, as Trustee (the "Master Trust Agreement") and as a Pricing Officer as defined in the First Supplemental Agreement, dated as of _____, 2024, between the Corporation and the Trustee (the "First Supplemental Agreement" together with the Master Trust Agreement, the "Trust Agreement") authorizing the issuance of the bonds designated as "Austin Transit Partnership Local Government Corporation Senior Lien Contract Revenue Bonds, Series 2024" (the "Series 2024 Bonds"), hereby certify as follows:

1. This certificate (this "Certificate") is executed for and on behalf of the Corporation and for the benefit of the Attorney General of the State of Texas and the Underwriters, as defined below, in connection with the Series 2024 Bonds authorized by the Trust Agreement.

2. This Certificate is a Pricing Officer's Award Certificate pursuant to Section 202(b) and (c) of the First Supplemental Agreement.

3. Any capitalized terms not otherwise defined herein have the same meanings as those used and defined in the Trust Agreement and the Purchase Contract dated _____, 2024 (the "Purchase Contract"), executed with respect to the sale of the Series 2024 Bonds, between the Corporation and _____, acting for and on behalf of itself and the syndicate of underwriters named on Schedule I of the Purchase Contract (collectively, the "Underwriters").

4. I have determined that it is in the best interest of the Corporation that the Series 2024 Bonds be sold by a negotiated sale. The terms and provisions of the Purchase Contract have been approved by the Chief Financial Officer as a Pricing Officer in accordance with Sections 202(b) and (c) of the First Supplemental Agreement.

5. The Series 2024 Bonds shall (i) be designated as set forth in the introductory paragraph of this Certificate, (ii) be sold to the Underwriters pursuant to the Purchase Contract and at the price specified therein, (iii) be issued as Fixed Rate Bonds Current Interest Bonds (iv) be dated and accrue interest from the Issue Date of the Series 2024 Bonds and pay interest on the dates set forth in Exhibit "I," (v) be in the aggregate principal amount set forth in Exhibit "I", (vi) mature in the years and in the principal amounts set forth in Exhibit "I", (vii) be subject to redemption as provided in Exhibit "I", the First Supplemental Agreement and the Official Statement, (viii) be Tax-Exempt Bonds, (ix) be Senior Lien Obligations under the Master Trust

* The Series designation of the Series 2024 Bonds may be changed as needed to reflect the year of issuance.
ATP: 1stSuppAgrmnt

Agreement and (x) have the other terms and provisions all as provided in Exhibit "I", the First Supplemental Agreement, the Purchase Contract and the Official Statement.

6. That (i) the price to be paid by the Underwriters for the Series 2024 Bonds is in excess of 90% of the aggregate original principal amount thereof, (ii) none of the Series 2024 Bonds bear interest at an interest rate in excess of the Highest Lawful Rate, (iii) the aggregate principal amount of the Series 2024 Bonds does not exceed the amount specified in Section 201(a) of the First Supplemental Agreement and (iv) the final maturity of the Series 2024 Bonds is within 40 years from their date of issuance.

7. The Preliminary Official Statement, dated _____, 2024, has been received and reviewed by the undersigned and is hereby approved and deemed final as of its date (subject to the permissible omissions described in the Rule) within the meaning of the provisions of 17 C.F.R. §250.15c2-12(b)(1). Based upon this review, the Underwriters were authorized to distribute the Preliminary Official Statement in their offering and sale of the Series 2024 Bonds.

8. The Series 2024 Bonds are in amounts sufficient to pay or reimburse Costs of the Light Rail Components including planning, design and engineering costs and costs of issuance of the Series 2024 Bonds.

9. The financial information and operating data and the annual financial statements to be provided by the Corporation annually in accordance with Section 901(a) of the First Supplemental Agreement shall include all quantitative financial information and operating data with respect to the Corporation of the general type included in the Official Statement under the heading "Continuing Disclosure of Information – Annual Reports."

10. Pursuant to Section 306 of the First Supplemental Agreement, the Series 2024 Tax-Exempt Account of the Project Fund is hereby created. Pursuant to Section 202 of the First Supplemental Agreement, immediately after the delivery of the Series 2024 Bonds, all of the net proceeds received from the Underwriters shall be deposited with the Trustee, which shall in turn deposit the proceeds to the credit of the Series 2024 Tax-Exempt Account of the Project Fund to be disbursed to pay Costs of the Light Rail Components and costs of issuance of the Series 2024 Bonds.

11. In connection with the issuance of the Series 2024 Bonds, the Corporation has received an investment grade rating from each Rating Agency rating the Series 2024 Bonds.

12. The Corporation is not in default under the Trust Agreement and, upon issuance of the Series 2024 Bonds, the funds held under the Trust Agreement will contain the amounts required to be on deposit therein.

13. In consultation with, and reliance upon the advice of the financial advisors for the Corporation, I hereby find that the terms of sale are the most advantageous reasonably available on the date and time of the pricing of the Series 2024 Bonds given the then existing market conditions and the stated terms of sale on such date and time.

14. The form of the Series 2024 Bonds shall be as set forth in Exhibit "II" attached hereto. The Initial Series 2024 Bond delivered to the Attorney General of Texas for approval shall be numbered T-1.

EXECUTED this _____, 2024.

Title: Chief Financial Officer
Austin Transit Partnership Local Government
Corporation

EXHIBIT I

TERMS OF THE SERIES 2024 BONDS

**AUSTIN TRANSIT PARTNERSHIP LOCAL GOVERNMENT CORPORATION
SENIOR LIEN CONTRACT REVENUE BONDS, SERIES 2024**

PRINCIPAL AMOUNT

\$ _____

GENERAL DESCRIPTION OF THE SERIES 2024 BONDS

Current Interest Series 2024 Bonds

<u>Due Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Initial Yield</u>	<u>Initial Price</u>
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Series 2024 Term Bonds

CHARACTERISTICS OF THE SERIES 2024 BONDS

The Series 2024 Bonds shall be dated _____, 2024, shall be issued as fixed rate Bonds, current interest Bonds, as Tax-Exempt Bonds and as Current Interest Bonds and shall be numbered from R-1 upwards (except for the initial Bond which is numbered T-1). The Series 2024 Bonds shall mature on _____, 20__ and _____, 20__ in the amounts shown above. The Series 2024 Bonds shall bear interest from the date of initial delivery, anticipated to be _____, 20__, and be payable _____ and _____ of each year, commencing _____, 20__, until maturity or prior redemption as set forth herein.

The Record Date for the payment of interest on the Series 2024 Bonds shall be the close of business on the _____ of each year.

The Series 2024 Bonds shall be initially issued as one initial bond pursuant to Section 207 of the First Supplemental Agreement and registered in the name of _____. The initial Bond registered in the name of _____ shall, immediately following delivery of the Series 2024 Bonds, be exchanged for initial Series 2024 Bonds registered in the name of Cede & Co., as nominee of The Depository Trust Company, pursuant to the Book-Entry-Only System described in the First Supplemental Agreement. Beneficial ownership of the Series 2024 Bonds may be acquired in denominations of \$5,000 or integral multiples thereof.

REDEMPTION PROVISIONS

Optional Redemption.

The Series 2024 Bonds are subject to redemption on _____, 20__ or any date thereafter, in whole or in part, at the option of the Corporation, in such manner as the Corporation may select, at a redemption price of par plus accrued interest to the date fixed for redemption.

If less than all of the Series 2024 Bonds of the same maturity, or sinking fund redemption in the case of Term Bonds, are to be optionally redeemed, the particular Series 2024 Bonds of such maturity to be redeemed will be determined as set forth below.

Mandatory Sinking Fund Redemption.

The Series 2024 Bonds maturing on _____, 20__ and _____, 20__ (the "Series 2024 Term Bonds") are subject to mandatory sinking fund redemption prior to maturity in the aggregate principal amounts and on the dates set forth in the following table, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to, but not including, the redemption date, as follows:

Series 2024 Term Bonds Maturing _____, 20__	
<u>Redemption Date</u>	<u>Principal Amount</u>

*Final Maturity

Series 2024 Term Bonds Maturing _____, 20__	
<u>Redemption Date</u>	<u>Principal Amount</u>

*Final Maturity

If less than all of the Series 2024 Term Bonds of the same maturity are to be redeemed pursuant to such mandatory sinking fund redemption, the particular Series 2024 Term Bonds of such maturity to be redeemed will be determined as set forth below.

The principal amount of the Series 2024 Term Bonds required to be redeemed on any date pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the option of the Corporation, by the principal amount of any Series 2024 Term Bonds of the maturity scheduled for redemption on such redemption date or dates, which, at least 45 days prior to the respective mandatory sinking fund redemption date, (1) shall have been acquired by the Corporation and delivered to the Trustee for cancellation, (2) shall have been acquired and canceled by the Trustee at the direction of the Corporation, at a price not exceeding the principal amount of such Series 2024 Bonds plus accrued interest to the date of acquisition thereof, or (3) shall have been redeemed pursuant to the optional or special redemption provisions hereof and not previously credited to a scheduled mandatory redemption.

Selection of Series 2024 Bonds for Redemption.

If the Series 2024 Bonds are registered in book-entry only form and so long as DTC or a successor securities depository is the sole registered owner of all Series 2024 Bonds, if less than all of the Series 2024 Bonds of a maturity or within a mandatory sinking fund redemption are called for prior redemption, the particular Series 2024 Bonds or portions thereof to be redeemed shall be allocated on a pro rata pass-through distribution of principal basis in accordance with DTC procedures, provided that, so long as the Series 2024 Bonds are held in book-entry form, the selection for redemption of such Series 2024 Bonds shall be made in accordance with the operational arrangements of DTC then in effect, and, if the DTC operational arrangements do not allow for redemption on a pro rata pass-through distribution of principal basis, the Series 2024 Bonds will be selected for redemption, in accordance with DTC procedures, by lot or such other method then required by DTC; provided that any such redemption must be performed such that all Series 2024 Bonds remaining outstanding will be in Authorized Denominations.

If a Series 2024 Bond is in a denomination in excess of \$5,000, portions of the principal sum in amounts of \$5,000 or any integral multiple thereof may be redeemed, and, if less than all of the principal sum is to be redeemed, there will be issued, without charge to the Registered Owner, upon the surrender of the Series 2024 Bond at the designated office of the Trustee, a new Series 2024 Bond or Series 2024 Bonds of like maturity, series, and interest rate in any Authorized Denominations provided by the First Supplemental Agreement for the then unredeemed balance of the principal amount. If a Series 2024 Bond is selected for redemption, in whole or in part, neither the Corporation nor the Trustee will be required to transfer such Series 2024 Bond to an assignee of the Registered Owner within 45 days of the redemption date; provided, however, that such limitation on transferability will not be applicable to any exchange by the Registered Owner of the unredeemed balance in the event of its redemption in part.

EXHIBIT II

FORM OF BOND

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Corporation or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

As provided in the First Supplemental Agreement referred to herein, until the termination of the system of book-entry-only transfers through DTC, and notwithstanding any other provision of the First Supplemental Agreement to the contrary, this Bond may be transferred, in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

NO. _____

PRINCIPAL AMOUNT
\$ _____

**UNITED STATES OF AMERICA
STATE OF TEXAS
AUSTIN TRANSIT PARTNERSHIP LOCAL GOVERNMENT CORPORATION
SENIOR LIEN CONTRACT REVENUE BONDS,
SERIES 2024**

INTEREST RATE	MATURITY DATE	BOND DATE	INITIAL ISSUE DATE	CUSIP NO.
_____%	_____	_____, 2024	_____, 2024	_____

REGISTERED OWNER:

PRINCIPAL AMOUNT:

On the maturity date specified above the Austin Transit Partnership Local Government Corporation (the "Corporation"), created under the laws of the State of Texas, including particularly Chapter 431, Texas Transportation Code, Chapter 394, Texas Local Government Code and Chapter 22, Texas Business Organizations Code, hereby promises to pay to the Owner specified above or to the registered assignee hereof (either being hereinafter called the "Owner") the principal amount specified above and to pay interest thereon, from the Issue Date, specified above, to the maturity date specified above, or the date of redemption prior to maturity, at the interest rate per annum specified above; with interest being payable semiannually on _____ and _____ of each year, commencing on _____, except that if the

date of authentication of this Bond is later than the first "Record Date," such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date (hereinafter defined) but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date. It is specifically provided, however, that the above principal and interest are payable solely from the sources and in the manner provided in the Master Trust Agreement (hereinafter defined). Interest on this Bond shall be calculated on the basis of a 360-day year composed of twelve 30-day months.

This Bond is issued under and pursuant to a First Supplemental Agreement duly adopted by the Corporation (the "First Supplemental Agreement") and pursuant to a Master Trust Agreement dated as of _____, 2024 ("Master Trust Agreement") by and between the Corporation and _____, as trustee, said banking association and any bank or trust company appointed as successor trustee under the Master Trust Agreement being herein called the "Trustee"), as supplemented by the First Supplemental Agreement (collectively, the "Trust Agreement"), executed counterparts of which Trust Agreement are on file at the principal office of the Trustee.

This Bond constitutes a Senior Lien Obligation under the Master Trust Agreement. Reference is hereby made to the First Supplemental Agreement and the Master Trust Agreement, as supplemented, for provisions thereof relating to this Bond, including the custody and application of the proceeds of bonds issued under the Master Trust Agreement, the collection and disposition of revenues, the special funds and accounts charged with and pledged to the payment of the interest on and the principal of this Bond, the nature and extent of the security, the terms and conditions on which this Bond is issued, the rights, duties, and obligations of the Corporation, and the Trustee, and the rights of the owner of this Bond, and, by the acceptance of this Bond, the owner hereof assents to all of the provisions of the First Supplemental Agreement and the Master Trust Agreement. Terms used in this Bond and not otherwise defined have the meaning given in the First Supplemental Agreement and the Master Trust Agreement.

The principal of and interest on this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the Owner hereof upon presentation and surrender of this Bond at maturity or upon the date fixed for its redemption prior to maturity, at the corporate trust office of the Trustee. The payment of interest on this Bond shall be made by the Trustee to the Owner hereof on each interest payment date by check, dated as of such interest payment date, drawn by the Trustee on, and payable solely from, funds of the Corporation required by the First Supplemental Agreement and the Master Trust Agreement to be on deposit with the Trustee for such purpose as hereinafter provided; and such check shall be sent by the Trustee by United States mail, first-class postage prepaid, on each such interest payment date, to the Owner hereof, at the address of the Owner, as it appeared on the close of business on the 15th day of the month next preceding each such date (the "Record Date") on the registration books kept by the Trustee (the "Registration Books"). However, notwithstanding the foregoing provisions, (1) the payment of such interest may be made by any other method acceptable to the Trustee and requested by, and at the risk and expense of, the Owner, and (2) upon the written request of the Owner of any Bond in the principal amount of at least \$1,000,000, delivered to the Trustee not less than 15 days prior to any interest payment date, payment of the

interest due on such Bond on such date shall be paid on such date by wire transfer to any designated account in the United States of America in an institution which has the wire service facilities of the Federal Reserve Bank. Any accrued interest due upon the redemption of this Bond prior to maturity as provided herein shall be paid to the Owner at a corporate trust office for payment of the Trustee upon presentation and surrender of this Bond for redemption and payment at an office for payment of the Trustee.

In the event of non-payment of interest on a scheduled interest payment date, and for 30 days thereafter, a new Record Date for such interest payment (a "Special Record Date") will be established by the Trustee, if and when funds for the payment of such interest have been received from the Corporation. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date"), which shall be 15 days after the Special Record Date shall be sent at least five Business Days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each Owner of an Bond appearing on the Registration Books at the close of business on the last Business Day next preceding the date of mailing of such notice. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined by a book entry at a securities depository for the Bonds, payments made to the securities depository, or its nominee, shall be made in accordance with arrangements between the Corporation and the securities depository.

If the date for the payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Trustee is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Bond is one of an issue and Series of Bonds, dated _____, 2024, authorized in accordance with the Constitution and laws of the State of Texas in the aggregate principal amount of \$_____ for the purpose of paying or reimbursing Costs of the Light Rail Components including planning, design and engineering costs and costs of issuance of the Bonds.

The Bonds are subject to redemption on _____, 20__ or any date thereafter, in whole or in part, at the option of the Corporation, in such manner as the Corporation may select, at a redemption price of par plus accrued interest to the date fixed for redemption.

If less than all of the Bonds of the same maturity or within a mandatory sinking fund redemption are to be redeemed, the particular Bonds of such maturity to be redeemed will be determined as set forth below.

The Bonds maturing on _____ and _____ (the "Series 2024 Term Bonds") are subject to mandatory sinking fund redemption prior to maturity and shall be redeemed by the Trustee prior to maturity, with funds derived from the "Senior Lien Debt Service Fund" created and maintained pursuant to the Master Trust Agreement, in the following amounts, on the following dates and at a price of par plus accrued interest to the redemption date, with the particular Bonds or portions thereof to be redeemed to be selected and designated by the Corporation in its sole discretion

(provided that a portion of any Bond may be redeemed only in an integral multiple of \$5,000). The principal amount of \$_____ remaining after application of the sinking fund redemptions shall be payable on the Maturity Date set forth above.

Series 2024 Term Bonds
Maturing _____, 20
Redemption Date Principal Amount

*Final Maturity

Series 2024 Term Bonds
Maturing _____, 20
Redemption Date Principal Amount

*Final Maturity

The principal amount of the Bonds required to be redeemed on any date pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the option of the Corporation, by the principal amount of any Bonds of the maturity scheduled for redemption on such redemption date or dates, which, at least 45 days prior to the respective mandatory sinking fund redemption date, (1) shall have been acquired by the Corporation and delivered to the Trustee for cancellation, (2) shall have been acquired and canceled by the Trustee at the direction of the Corporation, with funds from the Senior Lien Debt Service Fund at a price not exceeding the principal amount of such Bonds plus accrued interest to the date of acquisition thereof, or (3) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a scheduled mandatory sinking fund redemption.

At least 30 days prior to the date fixed for the redemption of any Bonds or portions thereof prior to maturity at the option of the Corporation, a written notice of all redemptions prior to maturity shall be sent by the Trustee by United States mail, first-class postage prepaid, not less than 30 days prior to the date fixed for any such redemption, to the Owner of each Bond to be redeemed at its address as it appears in the Registration Books on the 45th day prior to such redemption date; provided, however, that the failure to send, mail, or receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the optional redemption of any Bond, and it is hereby specifically provided that the mailing of such notice as required above in connection with the redemption of Bonds prior

to maturity at the option of the Corporation shall be the only notice actually required in connection with or as a prerequisite to such optional redemption of any Bonds or portions thereof. By the date fixed for any such redemption due provision shall be made with the Trustee for the payment of the required redemption price for the Bonds or portions thereof which are to be redeemed, plus accrued interest thereon to the date fixed for redemption. If notice of redemption is given and if due provision for such payment is made, all as provided above, the Bonds or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being Outstanding except for the right of the Owner to receive the redemption price plus accrued interest from the Trustee out of the funds provided for such payment. If a portion of any Bond shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the Owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Owner upon the surrender thereof for cancellation, at the expense of the Corporation, all as provided in the First Supplemental Agreement.

With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the First Supplemental Agreement have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Trustee prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the Corporation, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Trustee on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the Corporation shall not redeem such Bonds and the Trustee shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

During any period in which ownership of the Bonds is determined by a book-entry at a securities depository, if fewer than all of the Bonds of the same maturity and bearing the same interest rate are to be redeemed, the particular Bonds of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the Corporation and the securities depository.

If the Bonds are registered in book-entry only form and so long as DTC or a successor securities depository is the sole registered owner of all Bonds of this Series, if less than all of the Bonds of a maturity or within a mandatory sinking fund redemption are called for prior redemption, the particular Bonds or portions thereof to be redeemed shall be allocated on a pro rata pass-through distribution of principal basis in accordance with DTC procedures, provided that, so long as the Bonds are held in book-entry form, the selection for redemption of such Bonds shall be made in accordance with the operational arrangements of DTC then in effect, and, if the DTC operational arrangements do not allow for redemption on a pro rata pass-through distribution of principal basis, the Bonds will be selected for redemption, in accordance with DTC procedures, by lot or such other method then required by DTC; provided that any such redemption must be performed such that all Bonds remaining outstanding will be in Authorized Denominations. If a Bond is in a denomination in excess of \$5,000, portions of the principal sum in amounts of \$5,000

or any integral multiple thereof may be redeemed, and, if less than all of the principal sum is to be redeemed, there will be issued, without charge to the Registered Owner, upon the surrender of the Bond at the designated office of the Trustee, a new Bond or Bonds of like maturity, series, and interest rate in any Authorized Denominations provided by the Trust Agreement for the then unredeemed balance of the principal amount. If a Bond is selected for redemption, in whole or in part, neither the Corporation nor the Trustee will be required to transfer such Bond to an assignee of the Registered Owner within 45 days of the redemption date; provided, however, that such limitation on transferability will not be applicable to any exchange by the Registered Owner of the unredeemed balance in the event of its redemption in part.

This Bond or any portion or portions hereof in any integral multiple of \$5,000 may be assigned and shall be transferred only in the Registration Books of the Corporation kept by the Trustee acting in the capacity of registrar for the Bonds, upon the terms and conditions set forth in the First Supplemental Agreement and the Master Trust Agreement. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Trustee, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Trustee, evidencing assignment of this Bond or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be transferred and registered. The Form of Assignment printed or endorsed on this Bond shall be executed by the Owner, or its duly authorized attorney or representative, to evidence the assignment hereof. A new Bond or Bonds payable to such assignee or assignees (which then will be the new Owner or owners of such new Bond or Bonds), or to the previous Owner in the case of the assignment and transfer of only a portion of this Bond, may be delivered by the Trustee in conversion of and exchange for this Bond, all in the form and manner as provided in the next paragraph hereof for the conversion and exchange of other Bonds. The Corporation shall pay the Trustee's standard or customary fees and charges for making such transfer, but the one requesting such transfer shall pay any taxes or other governmental charges required to be paid with respect thereto. The Trustee shall not be required to make transfers of registration of this Bond or any portion hereof (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or, (ii) with respect to any Bond or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date. The Owner of this Bond shall be deemed and treated by the Corporation and the Trustee as the absolute owner hereof for all purposes, including payment and discharge of liability upon this Bond to the extent of such payment, and the Corporation and the Trustee shall not be affected by any notice to the contrary.

All Bonds are issuable solely as fully registered obligations, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the First Supplemental Agreement and the Master Trust Agreement, this Bond, or any unredeemed portion hereof, may, at the request of the Owner or the assignee or assignees hereof, be converted into and exchanged for a like aggregate principal amount of fully registered obligations, without interest coupons, payable to the appropriate Owner, assignee, or assignees, as the case may be, having the same maturity date, and bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000 as requested in writing by the appropriate Owner, assignee, or assignees, as the case may be, upon surrender of this Bond to the Trustee for cancellation, all in

accordance with the form and procedures set forth in the First Supplemental Agreement and the Master Trust Agreement. The Corporation shall pay the Trustee's standard or customary fees and charges for transferring, converting, and exchanging any Bond or any portion thereof, but the one requesting such transfer, conversion, and exchange shall pay any taxes or governmental charges required to be paid with respect thereto as a condition precedent to the exercise of such privilege of conversion and exchange. The Trustee shall not be required to make any such conversion and exchange (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or, (ii) with respect to any Bond or portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date.

It is hereby certified, certified, recited, and covenanted that this Bond has been duly and validly authorized, issued, sold, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Bond have been performed, existed, and been done in accordance with law; and that this Bond, along with other outstanding parity revenue obligations, is a special obligation of the Corporation, payable solely from the Trust Estate.

Subject to the terms and conditions provided in the Master Trust Agreement, additional Obligations may be issued by the Corporation (i) to pay Costs of the Light Rail Components and (ii) for refunding of Obligations issued by the Corporation.

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

Modifications or alterations of the Master Trust Agreement or of any supplement thereto may be made by the Corporation and the Trustee only to the extent and in the circumstances permitted by the Master Trust Agreement.

This Bond is issued under and pursuant to the provisions of the Acts, the Bylaws of the Corporation and other applicable laws, and under and pursuant to the First Supplemental Agreement and the Master Trust Agreement. This Bond constitutes a Senior Lien Obligation under the Master Trust Agreement. The Trust Agreement, in accordance with and as required by the Acts, provides for collecting by the Corporation of revenues to pay the principal of and interest on all obligations issued under the Master Trust Agreement as the same become due and payable, and to create and maintain reserves for such purposes. The Master Trust Agreement provides for the creation of a special fund designated "Senior Lien Debt Service Fund," which special fund is pledged to and charged with the payment of the principal of and interest on all Senior Lien Obligations issued under the Master Trust Agreement.

THIS BOND AND THE INTEREST HEREON DO NOT CONSTITUTE A DEBT OF THE CITY, CAPITAL METRO, OR A PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF TEXAS, THE CITY, OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE OF TEXAS. NONE OF THE CITY, CAPITAL METRO, THE STATE OF TEXAS OR

ANY POLITICAL SUBDIVISION OF THE STATE OF TEXAS ARE OBLIGATED TO PAY THIS BOND OR THE INTEREST ON THIS BOND. THE CORPORATION IS NOT OBLIGATED TO PAY THIS BOND OR INTEREST ON THIS BOND FROM A SOURCE OTHER THAN THE TRUST ESTATE, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF STATE OF TEXAS, THE CITY OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE ARE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THIS BOND. THIS BOND IS PAYABLE ONLY FROM THE SOURCES AS PROVIDED IN THE MASTER TRUST AGREEMENT.

NO RECOURSE UNDER THIS BOND SHALL BE HAD AGAINST ANY PAST, PRESENT OR FUTURE OFFICER OF THE CORPORATION OR THE CITY. THE BONDS SHALL NEVER BE PAID IN WHOLE OR IN PART OUT OF ANY REVENUES EXCEPT THOSE REVENUES ASSIGNED BY THE TRUST AGREEMENT. THE CORPORATION HAS NO TAXING AUTHORITY.

By becoming the Registered Owner of this Bond, the Owner thereby acknowledges all of the terms and provisions of the Master Trust Agreement, agrees to be bound by such terms and provisions, acknowledges that the Master Trust Agreement is duly recorded and available for inspection in the official minutes and records of the governing body of the Corporation, and on file with the Trustee, and agrees that the terms and provisions of this Bond and the Master Trust Agreement constitute a contract between the Owner hereof, the Corporation, and the Trustee.

As provided by the Acts, this Bond, its transfer and the income therefrom, including any profit made from the sale thereof, shall at all times be free from taxation with the State of Texas.

In witness whereof, the Corporation has caused this Bond to be signed with the manual or facsimile signature of the Chair of the Corporation and countersigned with the manual or facsimile signature of the Secretary of the Corporation and has caused the official seal of the Corporation to be duly impressed or placed in facsimile on this Bond.

Chair
Austin Transit Partnership Local Government
Corporation

Secretary
Austin Transit Partnership Local Government
Corporation

FORM OF TRUSTEE'S AUTHENTICATION CERTIFICATE
TRUSTEE'S AUTHENTICATION CERTIFICATE

It is hereby certified that this Bond has been issued under the provisions of the First Supplemental Agreement described in this Bond.

_____,
Trustee

Dated:
ATP: 1stSuppAgrmnt

By: _____
Authorized Representative

FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE

COMPTROLLER'S REGISTRATION CERTIFICATE REGISTER NO. _____

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

(COMPTROLLER'S SEAL)

Comptroller of Public Accounts of
the State of Texas

FORM OF ASSIGNMENT

ASSIGNMENT

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common
TEN ENT -- as tenants by the entireties
JT TEN -- as joint tenants with right
of survivorship and not as
tenants in common

UNIF GIFT MIN ACT - _____ Custodian _____
(cust) (minor)
under Uniform Gifts to Minors Act _____
(State)

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

Please insert Social Security or
Other Identification Number of Assignee

/ _____ /

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitutes and appoints _____
to transfer said Bond on the books kept for registration thereof with full power of substitution in
the premises.

Dated: _____

Signature Guaranteed: _____

INSERTIONS FOR THE INITIAL BOND

The Initial Bond shall be in the form set forth in this Section, except that:

A. immediately under the name of the Bond, the headings "INTEREST RATE" and
"MATURITY DATE" shall both be completed with the words "As shown below" and
"CUSIP NO." shall be deleted.

B. the first two paragraphs shall be deleted and the following will be inserted:

"On the maturity dates specified below the Austin Transit Partnership Local Government Corporation (the "Corporation"), created under the laws of the State of Texas, including particularly Chapter 431, Texas Transportation Code, Chapter 394, Texas Local Government Code and Chapter 22, Texas Business Organizations Code, hereby promises to pay to the registered owner specified above, or to the registered assignee hereof (either being hereafter called the "Registered Owner"), the principal installments specified below and to pay interest thereon, from the Initial Date of Delivery, specified above, to the maturity date specified above, or the date of redemption prior to maturity, at the interest rate per annum specified below; with interest being payable semiannually on _____ and _____ of each year, commencing on _____, 20__, except that if the date of the authentication of this Bond is later than the first "Record Date" (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date. It is specifically provided, however, that the below principal and interest are payable solely from the sources and in the manner provided in the Master Trust Agreement (hereinafter defined). Interest on this Bond shall be calculated on the basis of a 360-day year composed of twelve 30-day months.

<u>Due</u> <u>Date</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Initial</u> <u>Yield</u>	<u>Initial</u> <u>Price</u>
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This Bond is issued under and pursuant to a Master Trust Agreement, dated as of _____, 20__ ("Master Trust Agreement"), by and between the Corporation and _____, as trustee, said banking association and any bank or trust company appointed as successor trustee under the Master Trust Agreement being herein called the "Trustee"), as supplemented by the First Supplemental Agreement, dated as of _____, 20__, by and between the Corporation and the Trustee (collectively, the "Trust Agreement"), executed counterparts of which Trust Agreement are on file at the principal office of the Trustee."

C. The initial Bond shall be numbered "T-1."