

**MASTER TRUST INDENTURE**

**By and Between**

**ONTARIO INTERNATIONAL AIRPORT AUTHORITY**

**and**

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.  
as Trustee**

**Dated as of November 1, 2016**

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## MASTER TRUST INDENTURE

MASTER TRUST INDENTURE, dated as of November 1, 2016 (this "Master Indenture"), is between the ONTARIO INTERNATIONAL AIRPORT AUTHORITY (the "Authority"), a joint powers authority established under Article I, Chapter 5, Division 7, of Title 1 of the California Government Code and pursuant to a Joint Exercise of Powers Agreement dated as of August 21, 2012 (the "Joint Powers Agreement"), by and between the City of Ontario, California, a general law city and municipal corporation duly organized and existing under the Constitution and laws of the State of California (the "City of Ontario"), and the County of San Bernardino, California, a political subdivision of the State of California duly organized and existing under the Constitution and laws of such state (the "County of San Bernardino"), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association organized and existing under the laws of the United States of America, as trustee (the "Trustee").

### RECITALS

WHEREAS, pursuant to the Joint Powers Act and the Joint Powers Agreement, the City of Ontario and the County of San Bernardino formed the Authority for the purpose of operating, maintaining, managing, developing and marketing the Ontario International Airport, as hereinafter defined; and

WHEREAS, pursuant to that certain Settlement Agreement dated December 15, 2015 (the "Settlement Agreement"), by and among the Authority, the City of Ontario and the City of Los Angeles, California and its Board of Airport Commissioners ("BOAC") and the Los Angeles World Airports ("LAWA") (collectively, "Los Angeles"), Los Angeles shall transfer management and control of the Ontario International Airport and certain other Airport Assets to the Authority on the Transfer Date (each as defined in the Settlement Agreement) subject to the terms and conditions set forth in the Settlement Agreement; and

WHEREAS, following the Transfer Date, the Authority shall be the sole owner, operator and sponsor of the Ontario International Airport and all related Airport Assets; and

WHEREAS, pursuant to the terms of the Settlement Agreement, the Authority is required to make certain payments and transfers to Los Angeles on and prior to the Transfer Date as set forth in the Settlement Agreement, including, among other things, the obligation to deposit into an escrow account on or prior to the Transfer Date sufficient funds so that, together with the funds available in the Ontario Bond Reserve Fund (as defined in the Airline Agreement hereinafter defined), there is adequate cash to pay and discharge LAWA's then outstanding \$83,720,000 Ontario International Airport Refunding Revenue Bonds, Series 2006A and the \$6,435,000 Ontario International Airport Refunding Revenue Bonds, Series 2006B (collectively, the "LAWA Bonds"), currently outstanding in the aggregate principal amount of \$55,505,000, the proceeds of which were used to refinance the construction of certain improvements at the Ontario International Airport; and

WHEREAS, pursuant to the terms of the Settlement Agreement, the Authority is required to make certain payments to Los Angeles following the Transfer Date, which payment

obligations shall be paid in accordance with an approved Funding Plan (as defined in the Settlement Agreement) and, if and to the extent paid from Net Pledged Revenues, such payments shall be subordinated to the payment of the Initial Bonds issued by the Authority under this Master Indenture for the purpose of paying and discharging the LAWA Bonds; and

WHEREAS, in addition to receiving certain existing funds related to the Ontario International Airport as described in the Settlement Agreement, following the Transfer Date, the Authority shall be entitled to collect all fees, charges, rentals and revenue received or collected in connection with its management and operation of the Ontario International Airport and deposit such amounts into an Airport Revenue Fund (as defined herein); and

WHEREAS, the Joint Powers Agreement provides that the Authority shall have the power to borrow money and to issue bonds, refunding bonds, notes and other evidence of indebtedness of the Authority subject to any limitations in the Settlement Agreement; and

WHEREAS, pursuant to the Resolution (as defined herein), the Commission has determined that it is in the best interest of the Authority to provide for the issuance of Bonds pursuant to the terms of this Indenture; and

WHEREAS, pursuant to the Resolution, the Commission wishes to provide in this Master Indenture for the terms and conditions by which bonds and other forms of indebtedness or other obligations may be issued or incurred by the Authority for any purposes of the Authority relating to Ontario International Airport and secured by the Authority's pledge of the Net Pledged Revenues (as hereinafter defined), and the Trustee is willing to accept the trusts provided in this Master Indenture;

NOW, THEREFORE, the Authority and the Trustee agree as follows, each for the benefit of the other and/or the benefit of holders of the bonds secured by this Master Indenture (the "Bonds"):

#### **GRANTING CLAUSE**

To secure the payment of the interest, principal and premium, if any, on the Bonds and the performance and observance by the Authority of all the covenants, agreements and conditions expressed or implied herein or contained in the Bonds, the Authority hereby pledges and assigns to the Trustee and grants to the Trustee a lien on and security interest in all right, title and interest of the Authority in and to all of the following and provides that, except as otherwise authorized herein, such lien and security interest shall be prior in right to any other pledge, lien or security interest created by the Authority in the following: (a) the Net Pledged Revenues, subject only to the provisions of this Master Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, (b) all moneys and securities (excluding moneys and securities on deposit in any Rebate Fund) held from time to time by the Trustee under this Master Indenture, moneys and securities held in the Reserve Fund and any Reserve Fund Surety Policy, as defined hereinafter, provided at any time in satisfaction of all or a portion of the Required Reserve, moneys and securities held in the Debt Service Fund, as defined hereinafter, whether or not held by the Trustee and to the extent provided in any Supplemental Indenture moneys and securities held in any Construction Fund whether or not

held by the Trustee, (c) earnings on amounts included in provisions (a) and (h) of this Granting Clause (except to the extent excluded from the definition of "Net Pledged Revenues" by this Master Indenture), and (d) any and all other funds, assets, rights, property or interests therein, of every kind or description which may from time to time hereafter, by delivery or by writing of any kind, be sold, transferred, conveyed, assigned, pledged, mortgaged, granted or delivered to or deposited with the Trustee as additional security hereunder, for the equal and proportionate benefit and security of all Bonds, all of which, regardless of the time or times of their authentication and delivery or maturity, shall, with respect to the security provided by this Granting Clause, be of equal rank without preference, priority or distinction as to any Bond over any other Bond or Bonds, except as to the timing of payment of the Bonds. Any security or Credit Facility provided for specific Bonds or a specific Series of Bonds may, as provided by Supplemental Indenture, secure only such specific Bonds or Series of Bonds and, therefore, shall not be included as security for all Bonds under this Master Indenture and moneys and securities held in trust as provided in Section 4.07 hereof exclusively for Bonds which have become due and payable and moneys and securities which are held exclusively to pay Bonds which are deemed to have been paid under Article VII hereof shall be held solely for the payment of such specific Bonds. In addition, nothing herein shall prevent additional security being provided to specific Bonds or Series of Bonds or the creation of a bond reserve fund therefor under any Supplemental Indenture.

## ARTICLE I

### DEFINITIONS; INTERPRETATION

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

"Accreted Value" shall mean (i) with respect to any Capital Appreciation Bonds, as of any date of calculation, the sum of the amount set forth in a Supplemental Indenture as the amount representing the initial principal amount of such Capital Appreciation Bond plus the interest accumulated, compounded and unpaid thereon as of the most recent compounding date, or (ii) with respect to Original Issue Discount Bonds, as of the date of calculation, the amount representing the initial public offering price of such Original Issue Discount Bonds plus the amount of the discounted principal which has accreted since the date of issue; in each case the Accreted Value shall be determined in accordance with the provisions of the Supplemental Indenture authorizing the issuance of such Capital Appreciation Bond or Original Issue Discount Bond.

"Additional Bonds" shall mean Bonds issued pursuant to Article II hereunder with a parity claim as to the Net Pledged Revenues with the Initial Bonds.

"Aggregate Annual Debt Service" shall mean for any Fiscal Year the aggregate amount of Annual Debt Service on all Outstanding Bonds and Unissued Program Bonds. For purposes of calculating Aggregate Annual Debt Service, the following components of debt service shall be computed as follows:

(i) in determining the principal due in each year, payment shall (unless a different subsection of this definition applies for purposes of determining principal maturities or amortization) be assumed to be made on Outstanding Bonds and Unissued Program Bonds in accordance with any amortization schedule established by the governing documents setting forth the terms of such Bonds, including, as a principal payment, the Accreted Value of any Capital Appreciation Bonds or Original Issue Discount Bonds maturing or scheduled for redemption in such year; in determining the interest due in each year, interest payable at a fixed rate shall (except to the extent subsection (ii), (iii) or (iv) of this definition applies) be assumed to be made at such fixed rate and on the required payment dates; provided, however, that interest payable on the Bonds shall be excluded to the extent such payments are to be paid from Capitalized Interest for such Fiscal Year;

(ii) if all or any portion or portions of an Outstanding Series of Bonds, or Unissued Program Bonds constitute Balloon Indebtedness (excluding Program Bonds or Unissued Program Bonds to which subsection (vi) applies), then, for purposes of determining Aggregate Annual Debt Service, each maturity which constitutes Balloon Indebtedness shall, unless otherwise provided in the Supplemental Indenture pursuant to which such Balloon Indebtedness is issued or unless provision (iii) of this definition then applies to such maturity, be treated as if it were to be amortized over a term of not more than 30 years and with substantially level annual debt service payments commencing not later than the year following the year in which such Balloon Indebtedness matured, and extending not later than 30 years from the date such Balloon Indebtedness was originally issued; the interest rate used for such computation shall be that rate quoted in The Bond Buyer Revenue Bond Index, or such successor or replacement index, for the last week of the month preceding the date of calculation as published by *The Bond Buyer*, or if that index is no longer published, another similar index selected by the Authority, or if the Authority fails to select a replacement index, that rate determined by a Consultant to be a reasonable market rate for fixed-rate Bonds of a corresponding term issued under this Master Indenture on the date of such calculation, with no credit enhancement and taking into consideration whether such Bonds bear interest which is or is not excluded from gross income for federal income tax purposes; with respect to any Series of Bonds, Unissued Program Bonds or Program Bonds only a portion of which constitutes Balloon Indebtedness, the remaining portion shall be treated as described in (i) above or such other provision of this definition as shall be applicable and, with respect to any Series, Unissued Program Bonds or Program Bonds or that portion of a Series thereof which constitutes Balloon Indebtedness, all payments of principal and interest becoming due prior to the year of the stated maturity of the Balloon Indebtedness shall be treated as described in (i) above or such other provision of this definition as shall be applicable;

(iii) any maturity of Bonds which constitutes Balloon Indebtedness as described in provision (ii) of this definition and for which the stated maturity date occurs within 12 months from the date such calculation is made, shall be assumed to become due and payable on the stated maturity date and provision (ii) above shall not apply thereto unless there is delivered to the entity making the calculation a certificate of an Authorized Authority Representative stating that the Authority intends to refinance such maturity and stating the probable terms of such refinancing and that the debt capacity of the Authority

is sufficient to successfully complete such refinancing; upon the receipt of such certificate, such Balloon Indebtedness shall be assumed to be refinanced in accordance with the probable terms set out in such certificate and such terms shall be used for purposes of calculating Aggregate Annual Debt Service, provided that such assumption shall not result in an amortization period longer than or an interest rate lower than that which would be assumed under provision (ii) above;

(iv) if any Outstanding Bonds (including Program Bonds then issued and Outstanding) or any Bonds which are then proposed to be issued constitute Tender Indebtedness (but excluding Program Bonds or Bonds as to which a Qualified Swap is in effect and to which subsection (vi) or (viii) applies), then, for purposes of determining Aggregate Annual Debt Service, Tender Indebtedness shall be treated as if the principal amount of such Bonds were to be amortized over a term of not more than 30 years commencing in the year in which such Series is first subject to tender and with substantially level Annual Debt Service payments and extending not later than 30 years from the date such Tender Indebtedness was originally issued; the interest rate used for such computation shall be that rate quoted in The Bond Buyer Revenue Bond Index, or such successor or replacement index, for the last week of the month preceding the date of calculation as published by *The Bond Buyer*, or if that index is no longer published, another similar index selected by the Authority, or if the Authority fails to select a replacement index, that rate determined by a Consultant to be a reasonable market rate for fixed-rate Bonds of a corresponding term issued under this Master Indenture on the date of such calculation, with no credit enhancement and taking into consideration whether such Bonds bear interest which is or is not excluded from gross income for federal income tax purposes; and with respect to all principal and interest payments becoming due prior to the year in which such Tender Indebtedness is first subject to tender, such payments shall be treated as described in (i) above unless the interest during that period is subject to fluctuation, in which case the interest becoming due prior to such first tender date shall be determined as provided in (v) or (vi) below, as appropriate;

(v) if any Outstanding Bonds constitute Variable Rate Indebtedness (except to the extent subsection (ii) or (iii) relating to Balloon Indebtedness or (iv) relating to Tender Indebtedness or subsection (viii) relating to Synthetic Fixed Rate Debt and Qualified Swaps applies), the interest rate on such Bonds shall be the average rate quoted in The Bond Buyer Revenue Bond Index, or such successor or replacement index, for the 12 months preceding the date of calculation as published by *The Bond Buyer*, or if that index is no longer published, another similar index selected by the Authority or if the Authority fails to select a replacement index, that rate determined by a Consultant to be a reasonable market rate for such Bonds of a corresponding term issued under this Master Indenture on the date of such calculation, with no credit enhancement and taking into consideration whether such Bonds bear interest which is or is not excluded from gross income for federal income tax purposes;

(vi) with respect to any Program Bonds or Unissued Program Bonds (a) debt service on Program Bonds then Outstanding shall be determined in accordance with such of the foregoing provisions of this definition as shall be applicable, and (b) with respect to Unissued Program Bonds, it shall be assumed that the full principal amount of such

Unissued Program Bonds will be amortized over a term certified by an Authorized Authority Representative at the time the initial Program Bonds of such Program are issued to be the expected duration of such Program or, if such expectations have changed, over a term certified by an Authorized Authority Representative to be the expected duration of such Program at the time of such calculation, but not to exceed 30 years from the date the initial Program Bonds of such Program are issued and it shall be assumed that debt service shall be paid in substantially level Annual Debt Service payments over such assumed term; the interest rate used for such computation shall be that rate quoted in The Bond Buyer Revenue Bond Index, or such successor or replacement index, for the last week of the month preceding the date of calculation as published by *The Bond Buyer*, or if that index is no longer published, another similar index selected by the Authority, or if the Authority fails to select a replacement index, that rate determined by a Consultant to be a reasonable market rate for fixed-rate Bonds of a corresponding term issued under this Master Indenture on the date of such calculation, with no credit enhancement and taking into consideration whether such Bonds bear interest which is or is not excluded from gross income for federal income tax purposes;

(vii) debt service on Repayment Obligations, to the extent such obligations constitute Bonds under Section 2.13, shall be calculated as provided in Section 2.13;

(viii) (a) for purposes of computing the Annual Debt Service of Bonds which constitute Synthetic Fixed Rate Debt, the interest payable thereon shall be deemed to be the fixed rate as implied by the terms of the Swap Agreement or the net interest rate payable pursuant to offsetting indices, as applicable;

(b) for purposes of computing Annual Debt Service of the Bonds with respect to which any other Qualified Swap is in effect, interest deemed to be payable thereon shall be based on the net economic effect on the Authority expected to be produced by the terms of such Bonds and such Qualified Swap; and accordingly, the amount of interest deemed to be payable on any Bonds with respect to which a Qualified Swap is in force shall be an amount equal to the amount of interest that would be payable at the rate or rates stated in such Bonds plus the amount payable by the Authority (or the Trustee) under the Qualified Swap in accordance with the terms thereof, less any amount to be received by the Authority from the Qualified Swap Provider pursuant to the Qualified Swap; and

(ix) if moneys or Permitted Investments have been irrevocably deposited with and are held by the Trustee or another fiduciary or Capitalized Interest has been set aside exclusively to be used to pay principal and/or interest on specified Bonds, then the principal and/or interest to be paid from such moneys, Permitted Investments, or Capitalized Interest or from the earnings thereon shall be disregarded and not included in calculating Annual Debt Service.

“Airport Revenues” shall mean, except to the extent specifically excluded herefrom, all income, receipts, earnings and revenues received by the Authority from the Ontario International Airport, for any given period, as determined in accordance with generally accepted accounting principles, as modified from time to time, including, but not limited to: (1) all rates, tolls, fees,

rentals, charges and other payments made to or owed to the Authority for the use or availability of property or facilities at Ontario International Airport; (2) all amounts received or owed from the sale or provision of supplies, materials, goods and services provided by or made available by the Authority at Ontario International Airport; and (3) all rental or business interruption insurance proceeds, received by, held by, accrued to or entitled to be received by the Authority or any successor thereto from the possession, management, charge, superintendence and control of Ontario International Airport (or any Ontario Airport Facilities or activities and undertakings related thereto) or from any other facilities wherever located with respect to which the Authority receives payments which are attributable to Ontario Airport Facilities or activities or undertakings related thereto, all of which is required to be deposited in the Airport Revenue Fund pursuant to Section 4.04 hereof. "Airport Revenues" includes all income, receipts and earnings from the investment of amounts held in the Airport Revenue Fund, any Construction Fund allowed to be pledged by the terms of a Supplemental Indenture, the Reserve Fund and earnings on the Maintenance and Operation Reserve Fund established and the amount, if any, related to coverage paid in a prior Fiscal Year that is available to be spent in the current Fiscal Year and that is credited by the Authority against requirements in calculating for the given Fiscal Year terminal rentals and landing fees charged to airline users of Ontario International Airport pursuant to any residual methodology employed by the Authority in calculating such rentals and fees; provided, however, that for purposes of calculating Airport Revenues for a given Fiscal Year, such amount may not exceed 25% of Debt Service for the Fiscal Year for which such determination is being made..

"Airport Revenue Fund" shall mean the fund created by Section 4.03(a)(1) hereof and further described in Section 4.04 hereof.

"Annual Debt Service" shall mean, with respect to any Bond, the aggregate amount of principal and interest becoming due and payable during any Fiscal Year, calculated using the principles and assumptions set forth in the definition of Aggregate Annual Debt Service.

"Authority" shall mean the Ontario International Airport Authority, or any successor thereto performing the activities and functions under the Joint Powers Agreement.

"Authorized Amount" shall mean, when used with respect to Bonds, including Program Bonds, the maximum Principal Amount of Bonds which is then authorized by a resolution or Supplemental Indenture adopted by the Authority pursuant to Section 2.09 hereof to be Outstanding at any one time under the terms of such Program or Supplemental Indenture. If the maximum Principal Amount of Bonds or Program Bonds authorized by a preliminary resolution or form of Supplemental Indenture approved by the Authority pursuant to Section 2.09 hereof exceeds the maximum Principal Amount of Bonds set forth in the final resolution of sale adopted by the Authority or in the definitive Supplemental Indenture executed and delivered by the Authority pursuant to which such Bonds are issued or such Program is established, the Principal Amount of such Bonds or Program Bonds as is set forth in said final resolution of sale or in the definitive Supplemental Indenture as executed and delivered by the Authority shall be deemed to be the "Authorized Amount."

"Authorized Authority Representative" shall mean the Chief Executive Officer, Chief Financial Officer and Chief Operating Officer of the Authority or such other official or employee

of the Authority designated by the Authority as an Authorized Authority Representative by written notice to the Trustee signed by the Chief Executive Officer, Chief Financial Officer and Chief Operating Officer of the Authority. Any action required or authorized to be taken by the Authority or the Authority in this Master Indenture or any Supplemental Indenture may be taken by an Authorized Authority Representative.

“Balloon Indebtedness” shall mean, with respect to any Series of Bonds, twenty-five percent (25%) or more of the principal amount of which matures on the same date or within a Fiscal Year, that portion of such Series which matures on such date or within such Fiscal Year; provided, however, that to constitute Balloon Indebtedness the amount of Bonds of a Series maturing on a single date or within a Fiscal Year must equal or exceed 150% of the amount of such Series which matures during any preceding Fiscal Year. For purposes of this definition, the principal amount maturing on any date shall be reduced by the amount of such Bonds, scheduled to be amortized by prepayment or redemption prior to their stated maturity date. A Commercial Paper Program and the Commercial Paper constituting part of such Program shall not be Balloon Indebtedness.

“Bond” or “Bonds” shall mean any debt obligation of the Authority issued under and in accordance with the provisions of Article II hereof, including, but not limited to, bonds, notes, bond anticipation notes, commercial paper and other instruments creating an indebtedness of the Authority, and obligations incurred through lease or installment purchase agreements or other agreements or certificates of participation therein and Repayment Obligations to the extent provided in Section 2.13 hereof. The term “Bond” or “Bonds” herein does not include any Subordinated Obligation; provided, however, that the Authority may provide in a Supplemental Indenture to this Master Indenture that Subordinated Obligations may be thenceforth issued pursuant to this Master Indenture having the terms applicable to the Bonds, except that such Subordinated Obligations shall be junior and subordinate in payment of such Subordinated Obligations from the Net Pledged Revenues. The term “Bond” and “Bonds” includes Program Bonds.

“Bond Counsel” shall mean a firm or firms of attorneys which are nationally recognized as experts in the area of municipal finance and which are familiar with the transactions contemplated hereunder.

“Bondholder,” “holder,” “owner” or “registered owner” shall mean the person or entity in whose name any Bond or Bonds are registered on the books maintained by the Registrar and shall include any Credit Provider or Liquidity Provider to which a Repayment Obligation is then owed, to the extent that such Repayment Obligation is deemed to be a Bond under the provisions of Section 2.13 hereof.

“Business Day” shall mean a day on which banks located in New York, New York, in Los Angeles, California and in the city in which the principal corporate trust office of the Trustee is located are open, provided that such term may have a different meaning for any specified Series of Bonds if so provided by Supplemental Indenture.

“Capital Appreciation Bonds” shall mean Bonds all or a portion of the interest on which is compounded and accumulated at the rates and on the dates set forth in a Supplemental

Indenture and is payable only upon redemption or on the maturity date of such Bonds. Bonds which are issued as Capital Appreciation Bonds, but later convert to Bonds on which interest is paid periodically shall be Capital Appreciation Bonds until the conversion date and from and after such conversion date shall no longer be Capital Appreciation Bonds, but shall be treated as having a principal amount equal to their Accreted Value on the conversion date.

“Capitalized Interest” shall mean the amount of interest on Bonds, if any, funded from the proceeds of the Bonds or other monies that are deposited with the Trustee upon issuance of Bonds to be used to pay interest on the Bonds.

“City of Ontario” shall mean the City of Ontario, California, a general law city and municipal corporation duly organized and existing under the Constitution and laws of the State of California, or any successor thereto.

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

“Commercial Paper” shall mean notes of the Authority with a maturity of not more than 270 days from the date of issuance and which are issued and reissued from time to time pursuant to a Program adopted by the Authority.

“Commercial Paper Program” shall mean a Program authorized by the Authority pursuant to which Commercial Paper shall be issued and reissued from time to time, up to the Authorized Amount of such Program.

“Commission” shall mean the commission governing the Authority, created under the provisions of the Joint Powers Agreement, and any successor to its function.

“Construction Fund” shall mean any of the Construction Funds authorized to be created by Section 4.03(b)(4) hereof and described in Section 4.06 hereof.

“Consultant” shall mean any independent consultant, consulting firm, engineer, architect, engineering firm, architectural firm, financial advisor, accountant or accounting firm, or other expert recognized to be well-qualified for work of the character required and retained by the Authority to perform acts and carry out the duties provided for such consultant herein.

“Costs” or “Costs of a Project” shall mean all costs of planning, developing, financing, constructing, installing, equipping, furnishing, improving, acquiring, enlarging and/or renovating a Project and placing the same in service, all as more particularly described in an applicable Supplemental Indenture.

“County of San Bernardino” shall mean the County of San Bernardino, California, a political subdivision of the State of California duly organized and existing under the Constitution and laws of such state, or any successor thereto.

“Credit Facility” shall mean a policy of municipal bond insurance, a letter of credit, surety bond, line of credit, guarantee, standby purchase agreement, reserve fund surety policy or

other financial instrument which obligates a third party to make payment of or provide funds to the Trustee for the payment of the principal of and/or interest on Bonds.

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

“Customer Facility Charges” shall mean a customer facility charge authorized to be imposed by the Authority in accordance with §1936 of the California Civil Code.

“Debt Service Fund” shall mean the Debt Service Fund created by Section 4.03(b)(2) hereof and further described in Section 4.05 hereof.

“Department” shall mean the Department of Airports, acting by and through the Board of Airport Commissioners of the City of Los Angeles.

“Department of Airports Indenture” shall mean the Master Indenture dated as of May 15, 1996, by and between the Department and BNY Western Trust Company (predecessor-in-interest to The Bank of New York Mellon Trust Company, N.A.).

“Depository” or “DTC” means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York in its capacity as securities depository for the Bonds, and its successors and assigns.

“Designated Debt” shall mean a specific indebtedness designated by the Authority with the intent that the risks associated with such debt be offset with a Swap, such specific indebtedness to include all or any part of a Series of Bonds.

“Estimated Completion Date” shall mean the estimated date upon which a Specified Ontario Project will have been substantially completed in accordance with the plans and specifications applicable thereto or the estimated date upon which a Specified Ontario Project is expected to have been acquired and payment therefor made, in each case, as that date shall be set forth in a certificate of an Authorized Authority Representative delivered to the Trustee at or prior to the time of issuance of the Bonds which are issued to finance such Project.

“Event of Default” shall mean any occurrence or event specified in Section 8.01 hereof.

“Facility Construction Credits” shall mean the amounts further described herein resulting from an arrangement embodied in a written agreement of the Authority and another person or entity pursuant to which the Authority permits such person or entity to make a payment or payments to the Authority which is reduced by the amount owed by the Authority to such person or entity under such agreement, resulting in a net payment to the Authority by such person or entity. The “Facilities Construction Credit” shall be deemed to be the amount owed by the Authority under such agreement which is “netted” against the payment of such person or entity to the Authority. “Facilities Construction Credits” shall include any credits extended to airlines or other users of Ontario Airport Facilities.

“Fiscal Year” shall mean the period of time beginning on July 1 of each given year and ending on June 30 of the immediately subsequent year, or such other similar period as the Authority designates as its fiscal year.

“Fitch” shall mean Fitch Ratings, a corporation organized and existing under the laws of the State of New York, its successors and their assigns.

“General Account” means the General Account within the Reserve Fund established in Section 4.03(b)(3).

“Government Obligations” shall mean (1) United States Obligations (including obligations issued or held in book-entry form) and (2) prerefunded municipal obligations meeting the following conditions: (a) the municipal obligations are not subject to redemption prior to maturity, or the trustee has been given irrevocable instructions concerning their calling and redemption and the issuer has covenanted not to redeem such obligations other than as set forth in such instructions; (b) the municipal obligations are secured by cash and/or United States Obligations, which United States Obligations may be applied only to interest, principal and premium payments of such municipal obligations; (c) the principal of and interest on the United States Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the municipal obligations; (d) the United States Obligations serving as security for the municipal obligations are held by an escrow agent or trustee; (e) the United States Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and (f) the municipal obligations are rated in the highest two (2) Rating Categories of any Rating Agency which then maintains a rating on any of the Bonds.

“Independent” shall mean, when used with respect to any specified firm or individual, such a firm or individual who (i) does not have any direct financial interest or any material indirect financial interest in the operations of the Authority, the City of Ontario or the County of San Bernardino, other than the payment to be received under a contract for services to be performed, and (ii) is not connected with the Authority, the City of Ontario or the County of San Bernardino as an official, officer or employee.

“Interest Account” means the Interest Account within the Debt Service Fund established in Section 4.03(b)(2) and further described in Section 4.04(b)(2).

“Initial Bonds” shall mean the \$52,015,000 in initial principal amount of Ontario International Airport Authority Ontario International Airport Revenue Bonds, Series 2016 (Taxable) authorized pursuant to a Supplemental Indenture dated the date hereof.

“Investment Agreement” shall mean an investment agreement or guaranteed investment contract (i) with or guaranteed by a national or state chartered bank or savings and loan, an insurance company or other financial institution whose unsecured debt is rated in the highest short-term Rating Category (if the term of the Investment Agreement is less than three years) or in either of the two highest long-term Rating Categories (if the term of the Investment Agreement is three years or longer) by any Rating Agency which then maintains a rating on any of the Bonds or (ii) which investment agreement or guaranteed investment contract is fully secured by obligations described in item (1) or (2) of the definition of Permitted Investments

which are (A) valued not less frequently than monthly and have a fair market value, exclusive of accrued interest, at all times at least equal to 105% of the principal amount of the investment, together with the interest accrued and unpaid thereon, (B) held by the Trustee (who shall not be the provider of the collateral) or by any Federal Reserve Bank or a depository acceptable to the Authority, (C) subject to a perfected first lien on behalf of the Trustee, and (D) free and clear from all third-party liens.

“Joint Powers Act” shall mean Article 1, Chapter 5, Division 7, of Title 1 of the California Government Code (commencing with Section 6500), as the same shall be amended from time to time.

“Joint Powers Agreement” shall mean that certain Joint Exercise of Powers Agreement dated as of August 21, 2012, by and between the City of Ontario and the County of San Bernardino.

“LAWA” shall mean the Los Angeles World Airports.

“LAWA Bonds” shall mean LAWA’s outstanding \$83,720,000 Ontario International Airport Refunding Revenue Bonds, Series 2006A and the \$6,435,000 Ontario International Airport Refunding Revenue Bonds, Series 2006B, currently outstanding in the aggregate principal amount of \$55,505,000, the proceeds of which were used to refinance the construction of certain improvements at the Ontario International Airport.

“Liquidity Facility” shall mean a letter of credit, line of credit, standby purchase agreement or other financial instrument, including a Credit Facility, which is available to provide funds with which to purchase Bonds tendered for purchase pursuant to the terms of such Bonds.

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

“Maintenance and Operation Expenses” shall mean, for any given period, the total operation and maintenance expenses of Ontario International Airport as determined in accordance with generally accepted accounting principles as in effect from time to time, excluding depreciation expense and any operation and maintenance expenses of Ontario International Airport payable from moneys other than Pledged Revenues.

“Maintenance and Operation Reserve Fund” shall mean the fund established pursuant to Section 4.03(a)(2) hereof and further described in Section 4.04(b)(5).

“Maintenance and Operation Reserve Fund Requirement” shall mean twenty-five percent (25%) of the amount budgeted by the Authority in the original or a revised budget for Maintenance and Operation Expenses for the then-current Fiscal Year.

“Master Indenture” shall mean this Master Indenture dated as of November 1, 2016 between the Authority and the Trustee, together with all Supplemental Indentures.

“Maximum Aggregate Annual Debt Service” shall mean the maximum amount of Aggregate Annual Debt Service with respect to all Bonds, Unissued Program Bonds and the

Authorized Amount of all Bonds then proposed to be issued in the then current or any future Fiscal Year.

“Moody’s” shall mean Moody’s Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and its assigns.

“Net Pledged Revenues” shall mean, for any given period, the Pledged Revenues for such period less, for such period, the Maintenance and Operation Expenses.

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

“Nominee” means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 2.08 hereof.

“Non-Qualified Swap” shall mean any Swap which is not a Qualified Swap.

“Notes” shall mean Bonds issued under the provisions of Article II hereof which have a maturity of one year or less from their date of original issuance and which are not part of a Commercial Paper Program.

“Ontario Airport Facilities” or “Ontario Airport Facility” shall mean a facility or group of facilities or category of facilities which constitute or are part of Ontario International Airport (excluding privately owned or leased property, except for any portion thereof which is governmentally owned or leased and which is a source of Pledged Revenues).

“Ontario International Airport” shall mean the airport commonly known by such name, including all airport sites, and all equipment, accommodations and facilities for aerial navigation, flight, instruction and commerce belonging to or pertaining to the Authority and under the jurisdiction and control of the Authority and any successor entity thereto, including or excluding, as the case may be, such property as the Authority may either acquire or which shall be placed under its control, or divest or have removed from its control.

“Ontario Special Facilities” or “Ontario Special Facility” shall mean, with respect to Ontario International Airport, a facility or group of facilities or category of facilities which are designated as an Ontario Special Facility or Ontario Special Facilities pursuant to the provisions of Section 5.07 hereof.

“Ontario Special Facilities Revenue” shall mean the contractual payments and all other revenues derived by or available to the Authority from an Ontario Special Facility, which are pledged to secure Ontario Special Facility Obligations.

“Ontario Special Facility Obligations” shall mean bonds or other debt instruments issued pursuant to an indenture other than this Master Indenture to finance Ontario Special Facilities and which are not secured by nor payable from a lien on and pledge of the Net Pledged Revenues

but which are secured by revenues derived from Ontario Special Facilities located at Ontario International Airport.

“Original Issue Discount Bonds” shall mean Bonds which are sold at an initial public offering price of less than 95% of their face value and which are specifically designated as Original Issue Discount Bonds by the Supplemental Indenture under which such Bonds are issued.

“Outstanding” when used with respect to Bonds shall mean all Bonds which have been authenticated and delivered hereunder, except:

(a) Bonds cancelled or purchased by the Trustee for cancellation or delivered to or acquired by the Trustee for cancellation and, in all cases, with the intent to extinguish the debt represented thereby;

(b) Bonds deemed to be paid in accordance with Article VII;

(c) Bonds in lieu of which other Bonds have been authenticated under Sections 2.04, 2.05 or 2.07;

(d) Bonds that have become due (at maturity or on redemption or otherwise) and for the payment of which sufficient moneys, including interest accrued to the due date, are held by the Trustee or a Paying Agent;

(e) Bonds which, under the terms of the Supplemental Indenture pursuant to which they were issued, are deemed to be no longer Outstanding;

(f) Repayment Obligations deemed to be Bonds under Section 2.13 hereof to the extent such Repayment Obligation arose under the terms of a Liquidity Facility and are secured by a pledge of Outstanding Bonds acquired by the Liquidity Provider; and

(g) for purposes of any consent or other action to be taken by the holders of a specified percentage of Bonds hereunder, Bonds held by or for the account of the Authority or by any person or entity controlling, controlled by or under common control with the Authority, unless such Bonds are pledged to secure a debt to an unrelated party; except that in determining whether the Trustee shall be protected in relying upon any such approval or consent of a Bondholder, only Bonds which a Responsible Officer of the Trustee actually knows to be held by or for the account of the Authority or by any person or entity controlling, controlled by or under common control with the Authority (an “Affiliate”), shall be disregarded unless all Bonds are owned by the Authority or an Affiliate thereof, in which case such Bonds shall be considered Outstanding for the purpose of such determination..

“Passenger Facility Charges” shall mean charges collected by the Authority pursuant to the authority granted by the Aviation Safety and Capacity Expansion Act of 1990 and the FAA Extension, Safety and Security Act of 2016 in respect of any component of Ontario International Airport and interest earnings thereon.

“Paying Agent” or “Paying Agents” shall mean, with respect to the Bonds or any Series of Bonds, the banks, trust companies or other financial institutions or other entities designated in a Supplemental Indenture or a resolution of the Authority as the place where such Bonds shall be payable.

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

“Permitted Investments” shall mean, to the extent permitted to be invested by the Authority by applicable law, the Joint Powers Agreement and any then-current investment policy of the Authority, any of the following:

- (1) Government Obligations,
- (2) Obligations, debentures, notes or other evidences of indebtedness issued or guaranteed by any of the following instrumentalities or agencies of the United States of America: Federal Home Loan Bank System; Export-Import Bank of the United States; Federal Financing Bank; Government National Mortgage Association; Federal National Mortgage Association; Student Loan Marketing Association; Federal Farm Credit System; Farmers Home Administration; Federal Home Loan Mortgage Corporation; and Federal Housing Administration;
- (3) Direct and general long-term obligations of any state, which obligations are rated in either of the two highest Rating Categories by any Rating Agency which then maintains a rating on any of the Bonds;
- (4) Direct and general short-term obligations of any state which obligations are rated in the highest Rating Category by any two of the Rating Agencies which then maintains a rating on any of the Bonds;
- (5) Interest-bearing demand or time deposits, bank deposit products, overnight bank deposits, interest bearing deposits, interest bearing money market accounts, trust funds, trust accounts, bankers’ acceptances, certificates of deposit (including certificates of deposit placed by a third party pursuant to a separate agreement between the Authority and the Trustee) or interests in money market portfolios issued by state banks or trust companies or national banking associations (including the Trustee or any of its affiliates) that are members of the Federal Deposit Insurance Corporation (“FDIC”) or by savings and loan associations that are members of the FDIC, which deposits or interests must either be (a) continuously and fully insured by FDIC, (b) with banks that are rated at least “P-1” or “Aa” by Moody’s if any of the Bonds are then rated by Moody’s, “F1” or “AA” by Fitch if any of the Bonds are then rated by Fitch and “A-1” or “AA” by S&P if any of the Bonds are then rated by S&P, or (c) fully secured by obligations described in item (1) or (2) of this definition of Permitted Investments (i) which are valued not less frequently than monthly and have a fair market value, exclusive of accrued interest, at all times at least equal to the principal amount of the investment, (ii) held by the Trustee (who shall not be the provider of the collateral) or by any Federal Reserve Bank or a depository

acceptable to the Authority, (iii) subject to a perfected first lien in favor of the Trustee, and (iv) free and clear from all third-party liens;

(6) Long-term or medium-term corporate debt guaranteed by any corporation that is rated by any two of Fitch, Moody's and S&P, in either of their two highest Rating Categories;

(7) Repurchase or reverse repurchase agreements which are (a) entered into with banks or trust companies (including the Trustee or any of its affiliates) organized under state law, national banking associations, insurance companies or government bond dealers reporting to, trading with, and recognized as a primary dealer by, the Federal Reserve Bank of New York and which either are members of the Security Investors Protection Corporation or with a dealer or parent holding company that has an investment grade rating from any Rating Agency which then maintains a rating on any of the Bonds and (b) fully secured by investments specified in Section (1) or (2) of this definition of Permitted Investments (i) which are valued not less frequently than monthly and have a fair market value, exclusive of accrued interest, at least equal to the amount invested in the repurchase agreements, (ii) held by the Trustee (who shall not be the provider of the collateral) or by any Federal Reserve Bank or a depository acceptable to the Authority, (iii) subject to a perfected first lien in favor of the Trustee and (iv) free and clear from all third-party liens;

(8) Prime commercial paper of a United States corporation, finance company or banking institution rated at least "P-1" by Moody's if Moody's then maintains a rating on any of the Bonds, "F1" by Fitch if Fitch then maintains a rating on any of the Bonds and "A-1" by S&P if S&P then maintains a rating on any of the Bonds;

(9) Shares of a diversified open-end management investment company (as defined in the Investment Company Act of 1940, as amended) or shares in a regulated investment company (as defined in Section 851(a) of the Code) that is (a) a money market mutual fund that has been rated in one of the two highest Rating Categories by Moody's or S&P or (b) a money market fund or account of the Trustee or any funds for which the Trustee, its parent holding company, if any, or any affiliates or subsidiaries of the Trustee provide transfer agency, custodial, investment advisory, management or other services, for which the Trustee or an affiliate of the Trustee receives and retains a fee for services provided to the fund, or any state or federal bank that is rated at least "P-1" or "Aa" by Moody's if Moody's then maintains a rating on any of the Bonds; "F1" or "AA" by Fitch if Fitch then maintains a rating on any of the Bonds and at least "A-1" or "AA" by S&P if S&P then maintains a rating on any of the Bonds or whose one bank holding company parent is rated at least "P-1" or "Aa" by Moody's if Moody's then maintains a rating on any of the Bonds, "F1" or "AA" by Fitch if Fitch then maintains a rating on any of the Bonds and "A-1" or "AA" by S&P if S&P then maintains a rating on any of the Bonds or that has a combined capital and surplus of not less than \$50,000,000;

(10) Investment Agreements with one or more providers (a) whose senior long-term debt obligations, other senior unsecured long-term obligations, financial program rating, counterparty rating or claims paying ability are rated in either of the two highest

Rating Categories by at least two of Fitch, Moody's and S&P, or the equivalent thereto in the case of any successor thereto, and (b) that are acceptable to the Credit Provider, if any, for the applicable Series of Bonds; and

(11) Any other type of investment consistent with Authority policy in which the Authority directs the Trustee to invest provided that there is delivered to the Trustee a certificate of an Authorized Authority Representative stating that each of the Rating Agencies then maintaining a rating on the Bonds has been informed of the proposal to invest in such investment and each of such Rating Agencies has confirmed that such investment will not adversely affect the rating then assigned by such Rating Agency to any of the Bonds.

"Pledged Revenues" shall mean, except to the extent specifically excluded herein or under the terms of any Supplemental Indenture, Airport Revenues. "Pledged Revenues" shall also include such additional revenues, if any, as are designated as "Pledged Revenues" under the terms of any Supplemental Indenture. The following, including any investment earnings thereon, are specifically excluded from Pledged Revenues: (i) any amounts received by the Authority from the imposition of ad valorem taxes, (ii) gifts, grants and other income (including any investment earnings thereon) otherwise included in the definition of "Airport Revenues" which are restricted by their terms to purposes inconsistent with the payment of debt service on the Bonds, (iii) Net Proceeds and other insurance proceeds to the extent the use of such Net Proceeds or other proceeds is restricted by the terms of the policy under which they are paid to a use inconsistent with the payment of debt service on the Bonds, and (iv) Ontario Airport Special Facilities Revenue. In addition, the following, including any investment earnings thereon, are specifically excluded from "Pledged Revenues," unless designated as "Pledged Revenues" under the terms of a Supplemental Indenture: (a) any Swap Termination Payments paid to the Authority pursuant to a Qualified Swap, (b) Facilities Construction Credits, and (c) Passenger Facility Charges and Customer Facility Charges unless otherwise so pledged under the terms of any Supplemental Indenture. Further, interest earnings or other investment earnings on any Construction Fund established by any Supplemental Indenture are specifically excluded from "Pledged Revenues," unless otherwise provided for in such Supplemental Indenture.

"Principal Account" means the Principal Account within the Debt Service Fund established in Section 4.03(b)(2) and further described in Section 4.04(b)(3).

"Principal Amount" or "principal amount" shall mean, as of any date of calculation, (i) with respect to any Capital Appreciation Bond, the Accreted Value thereof (the difference between the stated amount to be paid at maturity and the Accreted Value being deemed unearned interest), (ii) with respect to any Original Issue Discount Bond, the Accreted Value thereof, unless the Supplemental Indenture under which such Bond was issued shall specify a different amount, in which case, the terms of the Supplemental Indenture shall control, and (iii) with respect to any other Bonds, the principal amount of such Bond payable at maturity.

"Program" shall mean a financing program, including but not limited to a Commercial Paper Program, (i) which is authorized and the terms thereof approved by a resolution adopted by the Authority and the items described in Section 2.09(a) through (g) have been filed with the Trustee, (ii) wherein the Authority has authorized the issuance, from time to time, of notes,

commercial paper or other indebtedness in an Authorized Amount, and (iii) the Authorized Amount of which has met the additional bonds test set forth in Section 2.11 hereof and the Outstanding amount of which may vary from time to time, but not exceed the Authorized Amount.

“Program Bonds” shall mean Bonds issued and Outstanding pursuant to a Program, other than Unissued Program Bonds.

“Project” shall mean any and all facilities financed in whole or in part with proceeds of Bonds.

“Qualified Self-Insurance” is defined in Section 5.10 hereof.

“Qualified Swap” shall mean any Swap (a) whose Designated Debt is all or part of a particular Series of Bonds; (b) which has been approved in writing by any Credit Provider securing payment of principal of and interest on such Series of Bonds (including any bond insurer); (c) for purpose of any calculation of Aggregate Annual Debt Service or average Aggregate Annual Debt Service required hereunder only, whose Swap Provider is a Qualified Swap Provider or has been a Qualified Swap Provider within the 60 day period preceding the date on which the calculation of Aggregate Annual Debt Service or average Aggregate Annual Debt Service is being made; (d) which has a term not greater than the term of the Designated Debt or to a specified mandatory tender or redemption of such Designated Debt; (e) which has been designated in writing to the Trustee by the Authority as a Qualified Swap with respect to such Bonds; and (f) which has been approved by S&P, if S&P has an outstanding rating on such Bonds, Fitch, if Fitch has an outstanding rating on such Bonds, and Moody’s, if Moody’s has an outstanding rating on such Bonds.

“Qualified Swap Provider” shall mean an entity (a) whose senior long-term debt obligations, other senior unsecured long-term obligations, financial program rating, counterparty rating or claims paying ability or whose payment obligations under any Qualified Swap are enhanced by an entity whose senior long-term debt obligations, other senior unsecured long-term obligations, financial program rating, counterparty rating or claims paying ability are rated in either of the two highest Rating Categories by at least two of Fitch, Moody’s and S&P, or the equivalent thereto in the case of any successor thereto, and (b) acceptable to the Credit Provider, if any, for the Designated Debt.

“Rating Agency” means any nationally recognized rating agency then providing a rating on the Bonds.

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

“Rebate Fund” shall mean any fund created by the Commission pursuant to a Supplemental Indenture in connection with the issuance of the Bonds or any Series of Bonds for

the purpose of complying with the Code and providing for the collection and holding for and payment of amounts to the United States of America.

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

“Refunding Bonds” shall mean any Bonds issued pursuant to Section 2.10 hereof to refund or defease all or a portion of any series of Outstanding Bonds or any Subordinated Obligation.

“Registrar” shall mean, with respect to the Bonds or any Series of Bonds, the bank, trust company or other entity designated in a Supplemental Indenture or a resolution of the Authority to perform the function of Registrar hereunder or any Supplemental Indenture, and which bank, trust company or other entity has accepted the position in accordance with Section 9.12.

“Regularly Scheduled Swap Payments” shall mean the regularly scheduled payments under the terms of a Swap which are due absent any termination, default or dispute in connection with such Swap.

“Repayment Obligations” shall mean an obligation arising under a written agreement of the Authority and a Credit Provider pursuant to which the Authority agrees to reimburse the Credit Provider for amounts paid through a Credit Facility to be used to pay debt service on any Bonds or an obligation arising under a written agreement of the Authority and a Liquidity Provider pursuant to which the Authority agrees to reimburse the Liquidity Provider for amounts paid through a Liquidity Facility to be used to purchase Bonds.

“Required Reserve” shall mean, with respect to any series of Bonds, the amount required to be maintained in the Reserve Fund, if any, for such series of Bonds pursuant to the Supplemental Indenture authorizing the issuance of such series of Bonds. The Required Reserve for the Initial Bonds (and any Additional Bonds secured by the General Account within the Reserve Fund pursuant to Section 4.04(b)(4)) shall be the lesser of (i) Maximum Aggregate Annual Debt Service on all Initial Bonds and such Additional Bonds, or (ii) the amount permitted to be held in the General Account within the Reserve Fund by the arbitrage bond regulations issued by the United States Department of the Treasury under Section 148 of the Code, as such regulations are, at the time, applicable and in effect; provided, however, that any Required Reserve may be provided in whole or in part by one or more Reserve Fund Surety Policies.

“Reserve Fund” shall mean the trust fund created pursuant to Section 4.03(b)(4) hereof and that is required to be funded for the purpose of providing additional security for any applicable Outstanding Bonds issued pursuant to the terms hereof and as specified in any Supplemental Indenture.

“Reserve Fund Surety Policy” shall mean, with respect to the Initial Bonds (and any Additional Bonds secured by the General Account within the Reserve Fund pursuant to Section 4.04(b)(4)), an insurance policy or surety bond, or a letter of credit, deposited with the Trustee for the credit of the Reserve Fund or any accounts therein in lieu of or partial substitution for cash or securities on deposit therein. The entity providing such Reserve Fund Surety Policy shall

be rated in one of the two highest Rating Categories by at least one Rating Agency which is then maintaining a rating on the Bonds at the time such instrument is provided. With respect to any Additional Bonds which are not secured by the General Account within the Reserve Fund pursuant to Section 4.04(b)(4), the Reserve Fund Surety Policy shall be as defined in the Supplemental Indenture authorizing the issuance of such series of Bonds.

“Resolution” shall mean Resolution No. 2016-013 adopted by the Authority on October 4, 2016, as amended or supplemented, authorizing the issuance of the 2016 Bonds.

“Responsible Officer” shall mean, when used with respect to the Trustee, the president, any vice president, any assistant vice president, the secretary, any assistant secretary, the treasurer, any assistant treasurer, any senior associate, any associate or any other officer of the Trustee within the corporate trust office (or any successor corporate trust office) at the Trustee’s address set forth in Section 12.07 hereof (the “Corporate Trust Office”) customarily performing functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred at the Corporate Trust Office because of such person’s knowledge of and familiarity with the particular subject and having direct responsibility for the administration of this Indenture.

“Serial Bonds” shall mean Bonds for which no sinking installment payments are provided.

“Series” shall mean Bonds designated as a separate Series by a Supplemental Indenture and, with respect to a Commercial Paper Program, shall mean the full Authorized Amount of such program, regardless of when or whether issued, unless portions thereof are, by Supplemental Indenture, designated as separate Series.

“Settlement Agreement” shall mean that certain Settlement Agreement dated December 15, 2015, by and among the Authority, the City of Ontario and the City of Los Angeles, California and its Board of Airport Commissioners and the Los Angeles World Airports (collectively, “Los Angeles”), pursuant to which Los Angeles shall transfer management and control of the Ontario International Airport to the Authority and certain other Airport Assets on the Transfer Date (each as defined therein) subject to the terms and conditions set forth therein.

“Settlement Payments” shall mean, each payment required to be paid by the Authority to Los Angeles following the Transfer Date pursuant to Section 11.E of the Settlement Agreement.

“Significant Portion” shall mean, for purposes of Section 5.12 and Section 5.13 hereof, any Ontario Airport Facilities or portions thereof which, if such facilities had been sold or disposed of by the Authority at the beginning of an annual period which includes the month of commencement of the 12-month period ending on the day of such disposition would have resulted in a reduction in Net Pledged Revenues for such annual period of more than 5% when the actual Net Pledged Revenues for such annual period are decreased by the Pledged Revenues directly attributable to such Ontario Airport Facilities and increased by the expenses of the Authority directly attributable to such Ontario Airport Facilities.

“S&P” shall mean Standard & Poor’s Ratings Group, a corporation organized and existing under the laws of the State of New York, its successors and their assigns.

“Specified Ontario Project” shall mean a Project at Ontario International Airport or a group of alternative Projects which are described in a certificate of an Authorized Authority Representative delivered to the Consultant preparing the certificate described in Section 2.11(b) hereof, the revenues and expenses of which Project or of the alternative Projects are to be taken into account by such Consultant in preparing the certificate under Section 2.11(b).

“State” shall mean the State of California.

“Subordinated Obligation” shall mean any bond, note or other debt instrument issued or otherwise entered into by the Authority which ranks junior and subordinate to the Bonds and which may be paid from moneys constituting Net Pledged Revenues only if all amounts of principal and interest which have become due and payable on the Bonds whether by maturity or redemption have been paid in full and the Authority is current on all payments, if any, required to be made to replenish any bond reserve fund created for any Bonds. The Commission may henceforth by Supplemental Indenture elect to have the provisions of this Master Indenture applicable to the Bonds apply to other Subordinated Obligations issued thereunder, including any obligations to pay remaining Settlement Payments, except that such Subordinated Obligations shall be secured on a junior and subordinate basis to the Bonds from the Net Pledged Revenues as provided in Section 5.06 hereof. No bond, note or other instrument of indebtedness shall be deemed to be a “Subordinated Obligation” for purposes of this Master Indenture and payable on a subordinated basis from Net Pledged Revenues unless specifically designated by the Commission as a “Subordinated Obligation” in a Supplemental Indenture or other written instrument. In connection with any Subordinated Obligation with respect to which a Swap is in effect or proposes to be in effect, the term “Subordinated Obligation” includes, collectively, both such Subordinated Obligation and either such Swap or the obligations of the Authority under each such Swap, as the context requires. The term “Subordinated Obligations” also includes a Swap or the obligations of the Authority under such Swap which has been entered into in connection with a Subordinated Obligation, as the context requires, although none of the Subordinated Obligations with respect to which such Swap was entered into remain outstanding. In connection with any Bonds with respect to which a Qualified Swap is in effect or proposed to be in effect, the term “Subordinated Obligation” includes any Swap Termination Payment payable by the Authority.

“Supplemental Indenture” shall mean any document supplementing or amending this Master Indenture or providing for the issuance of Bonds and entered into as provided in Article X hereof.

“Surplus Revenue Fund” shall mean the fund created pursuant to Section 4.03(a)(3) and further described in Section 4.04(b)(6).

“Swap” shall mean any financial arrangement between the Authority and a Swap Provider which provides that (a) each of the parties shall pay to the other an amount or amounts calculated as if such amount were interest accruing during the term of the arrangement at a specified rate (whether fixed or a variable rate or measured against some other rate) on a Designated Debt, and payable from time to time or at a designated time or times (whether before, during or after the term of the arrangement); (b) if such amount is to be paid before it is deemed to have accrued, the amount paid shall reflect the present value of such future amount (i.e., an

upfront premium), while an amount to be paid after it is deemed to have accrued shall reflect the time value of such funds; (c) payment dates and calculated accrual rates need not be the same for each payor, but to the extent payment dates coincide, the arrangement may (but need not) provide that one shall pay to the other any net amount due under such arrangement.

“Swap Agreement” shall mean an agreement between the Authority and a Swap Provider for a Swap.

“Swap Policy” means any insurance policy or similar agreement insuring payment of the Authority’s obligations under a particular Qualified Swap.

“Swap Provider” shall mean a party to a Swap with the Authority.

“Swap Termination Payment” shall mean any amounts due and payable by the Authority or a Qualified Swap Provider, in connection with the termination of a Qualified Swap.

“Synthetic Fixed Rate Debt” means indebtedness issued by the Authority which: (i) is combined, as Designated Debt, with a Qualified Swap and creates, in the opinion of a Consultant, a substantially fixed-rate maturity or maturities for a term not exceeding such maturity or maturities, or (ii) consisting of an arrangement in which two inversely related variable-rate securities are issued in equal principal amounts with interest based on off-setting indices resulting in a combined payment which is economically equivalent to a fixed rate.

“Tax Certificate” shall mean the agreement or certificate of the Authority prepared by Bond Counsel and delivered by the Authority at the time of issuance and delivery of any Series of Bonds, the interest on which is excluded from gross income for federal income tax purposes pursuant to a favorable opinion of such Bond Counsel, making certifications and representations of the Authority as to the status of such Bonds under the Code.

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

“Term Bonds” shall mean Bonds of a series which are payable on or before their specified maturity dates from sinking installment payments established pursuant to the Supplemental Indenture for such series for that purpose and calculated to retire the Bonds on or before their specified maturity dates.

“Treasurer” shall mean the Treasurer of the Authority as set forth in the Joint Powers Agreement.

“Transfer Date” shall have the meaning set forth in the Settlement Agreement.

“Trustee” shall mean the entity named as such in the heading hereof until a successor replaces it and, thereafter, shall mean such successor.

“Unissued Program Bonds” shall mean the bonds, notes or other indebtedness authorized to be issued pursuant to a Program and payable from Net Pledged Revenues, issuable in an amount up to the Authorized Amount relating to such Program, which have been approved for issuance by the Commission pursuant to a resolution or supplemental indenture adopted by the Commission and with respect to which Program the items described in Section 2.09(a) through (g) have been filed with the Trustee but which have not yet been authenticated and delivered pursuant to the Program documents.

“United States Obligations” shall mean direct and general obligations of the United States of America, or obligations that are fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America, including, with respect only to direct and general obligations and not to guaranteed obligations, evidences of ownership of proportionate interests in future interest and/or principal payments of such obligations, provided that investments in such proportionate interests must be limited to circumstances wherein: (1) a bank or trust company acts as custodian and holds the underlying United States Obligations; (2) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States Obligations; and (3) the underlying United States Obligations are held in a special account separate from the custodian’s general assets and are not available to satisfy any claim of the custodian, any person or entity claiming through the custodian or any person or entity to whom the custodian may be obligated. “United States Obligations” shall include any stripped interest or principal portion of United States Treasury securities and any stripped interest portion of Resolution Funding Corporation securities.

“Variable Rate Indebtedness” shall mean any Bond or Bonds the interest rate on which is not, at the time in question, fixed to maturity, excluding any Commercial Paper Program.

#### Section 1.02. Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) All references herein to “Articles,” “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Master Indenture; the words “herein,” “hereof,” “hereby,” “hereunder” and other words of similar import refer to this Master Indenture as a whole and not to any particular Article, Section or subdivision hereof.

## ARTICLE II

### FORM, EXECUTION, DELIVERY AND REGISTRATION OF BONDS

**Section 2.01. Issuance of Bonds; Bonds Limited Obligations.** Bonds may be issued by the Authority under the terms hereof for any purpose for which the Authority, at the time of such issuance, may incur debt which may include issuing Bonds and loaning the proceeds to other entities (if it is determined to be legally permissible for the Authority to do so at such time), provided that if the proceeds of the Bonds are loaned to other entities, the loan repayments and interest thereon shall be included as Pledged Revenues. Bonds may be issued hereunder only if the provisions of Section 2.09 are satisfied.

The Bonds shall be limited obligations of the Authority, payable solely from and secured by Net Pledged Revenues. All Bonds shall state that they are issued under and secured by this Master Indenture and shall further contain a statement to the following effect:

Neither the faith and the credit nor the taxing power of the City of Ontario, the County of San Bernardino, the State of California or any public agency, other than the Ontario International Airport Authority to the extent of the Net Pledged Revenues, is pledged to the payment of the principal of, premium, if any, or interest on, this Bond. The Authority has no power of taxation.

**Section 2.02. Terms, Medium and Place of Payment.** The Bonds shall be issued in the principal amount, in such authorized denominations and dated the date, all as set forth in a Supplemental Indenture. Each Bond shall bear interest at a rate or rates as the Authority may from time to time determine, and such interest may be payable periodically, in whole or in part, or may be accumulated and paid at maturity or at such other time or times as the Authority shall determine, all as set forth in the Supplemental Indenture. Bonds shall mature and shall be subject to redemption prior to their respective maturities, all as shall be set forth in a Supplemental Indenture.

Payments with respect to the Bonds shall be made as provided in the Supplemental Indenture providing for the issuance of such Bonds or as provided in the Bonds, which provisions shall include the designation of the currency in which such payments shall be made. In addition, each such Supplemental Indenture may provide for the appointment of a Registrar or Registrars and a Paying Agent or Paying Agents and such other agents as the Authority shall determine to be necessary in addition to or in place of the Trustee.

**Section 2.03. Execution; Authentication; Forms of Bonds.** The Bonds shall be signed for the Authority as provided in the Supplemental Indenture or in the resolution authorizing such Bonds. In case any officer whose manual or facsimile signature shall appear on any Bonds shall cease to be such officer before the authentication of such Bonds, such manual or facsimile signature thereof shall nevertheless be valid and sufficient for all purposes the same as if he or she had remained in office until authentication. Also, if a person signing a Bond is the proper officer on the actual date of execution, the Bond will be valid even if that person is not the proper officer on the nominal date of action and even though, at the date hereof, such person was not such officer.

The Bonds shall bear a certificate of authentication, substantially in the form as set forth in the applicable Supplemental Indenture, duly executed by the manual signature of the Trustee or its agent or an authenticating agent designated by the Authority. Such certificate on any Bond

issued hereunder shall be conclusive evidence that the Bond has been duly issued and authenticated hereunder. The Authority may appoint an authenticating agent or the Trustee may appoint an authenticating agent acceptable to the Authority to authenticate Bonds or different authenticating agents may be appointed for different Series of Bonds. An authenticating agent may authenticate Bonds whenever the Trustee may do so. Each reference herein to authentication by the Trustee includes authentication by such agent.

The Bonds shall be substantially in the form as set forth in the applicable Supplemental Indenture, with such appropriate variations, legends, endorsements, omissions and insertions as permitted or required by law or usage and shall be numbered and dated as provided in the applicable Supplemental Indenture.

Section 2.04. Bond Register; Registration and Transfer or Exchange of Bonds; Persons Treated as Owners. Bonds of each Series may be presented at the designated corporate trust agency or operations office of the Trustee (the "Designated Office") or such other Registrar. The Trustee or a Registrar will keep a register of each Series of Bonds and of their transfer and exchange.

Upon surrender for transfer of any Bond at the Designated Office of the Trustee or Registrar, the Trustee or Registrar shall deliver in the name of the transferee or transferees a new fully authenticated and registered Bond or Bonds of Authorized Denominations of the same Series and same maturity for the same aggregate principal amount. Bondholders may present Bonds at the Designated Office of the Registrar for exchange for Bonds of different Authorized Denominations and, upon such presentation, the Trustee or Registrar shall deliver to the Bondholder a new fully authenticated and registered Bond or Bonds of the same Series and same maturity for the same aggregate principal amount. All Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the Trustee or Registrar, duly executed by the Bondholder or by his duly authorized attorney. Except as limited by any Supplemental Indenture, the Trustee or Registrar also may require payment from the Bondholder of a sum sufficient to cover any tax, or other governmental fee or charge that may be imposed in relation thereto, Such taxes, fees and charges shall be paid before any such new Bond shall be delivered. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer or exchange shall be paid by the Authority. Supplemental Indentures may designate certain limited periods during which Bonds will not be exchanged or transferred.

Bonds delivered upon any exchange or transfer as provided herein, or as provided in Section 2.05, shall be valid limited obligations of the Authority, evidencing the same debt as the Bond or Bonds surrendered, shall be secured by this Master Indenture and shall be entitled to all of the security and benefits hereof to the same extent as the Bond or Bonds surrendered.

The Authority, the Trustee, the Registrar and the Paying Agent shall treat the Bondholder of a Bond, as shown on the registration books kept by the Registrar, as the person or entity exclusively entitled to payment of principal, premium, if any, and interest on such Bond and as the party entitled to the exercise of all other rights and powers of the Bondholder, except that all interest payments will be made to the party who, as of the Record Date, is the Bondholder.

**Section 2.05. Mutilated, Lost, Stolen or Destroyed Bonds.**

(a) In the event any Bond is mutilated or defaced but identifiable by number and description, the Authority shall execute and the Trustee shall authenticate and deliver a new Bond of like Series, date, maturity and denomination as such Bond, upon surrender thereof to the Trustee; provided that there shall first be furnished to the Trustee clear and unequivocal proof satisfactory to the Trustee that the Bond is mutilated or defaced. The Bondholder shall accompany the above with a deposit of money required by the Trustee for the cost of preparing the substitute Bond and all other expenses connected with the issuance of such substitute. The Trustee shall then cause proper record to be made of the cancellation of the original, and thereafter the substitute shall have the validity of the original.

(b) In the event any Bond is lost, stolen or destroyed, the Authority may execute and the Trustee may authenticate and deliver a new Bond of like Series, date, maturity and denomination as that Bond lost, stolen or destroyed, provided that there shall first be furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together with indemnity satisfactory to it.

(c) Except as limited by any Supplemental Indenture, the Trustee may charge the holder of any such Bond all governmental charges and transfer taxes, if any, and its reasonable fees and expenses in this connection. All substitute Bonds issued and authenticated pursuant to this Section shall be issued as a substitute and numbered, if numbering is provided for by the Supplemental Indenture or the Trustee, as determined by the Trustee. In the event any such Bond has matured or been called for redemption, instead of issuing a substitute Bond, the Trustee may pay the same at its maturity or redemption without surrender thereof upon receipt of indemnity satisfactory to the Trustee.

**Section 2.06. Destruction of Bonds.** Whenever any Bonds shall be delivered to the Trustee for cancellation pursuant hereto, upon payment of the principal amount and interest represented thereby or for replacement pursuant to Section 2.05 or exchange or transfer pursuant to Section 2.04, such Bond shall be cancelled and destroyed by the Trustee or the Registrar and, if so requested by the Authority, counterparts of a certificate of destruction evidencing such destruction shall be furnished by the Trustee to the Authority.

**Section 2.07. Temporary Bonds.** Pending preparation of definitive Bonds of any Series, the Authority may execute and the Trustee shall authenticate and deliver, in lieu of definitive Bonds and subject to the same limitations and conditions, temporary bonds or certificates which shall be exchanged for the Bonds.

If temporary Bonds shall be issued, the Authority shall cause the definitive Bonds to be prepared and to be executed, authenticated and delivered to the Trustee, and the Trustee, upon presentation to it of any temporary bond, shall cancel the same and deliver in exchange therefor at the place designated by the Bondholder, without charge to the Bondholder thereof, definitive Bonds of an equal aggregate principal amount of authorized denominations, of the same Series, date, maturity and bearing interest the same as the temporary Bonds surrendered. Until so

exchanged the temporary Bonds shall in all respects be entitled to the same benefit and security hereof as the definitive Bonds to be issued and authenticated hereunder.

**Section 2.08. Book-Entry System.** Prior to the issuance of any Series of Bonds, the Authority may provide in the applicable Supplemental Indenture that such Bonds shall be initially issued as book-entry Bonds. If the Authority shall elect to deliver any Bonds in book-entry form, then the Authority shall cause the delivery of a separate single fully registered bond (which may be typewritten) for each maturity date of each Series of such Bonds in an authorized denomination corresponding to that total principal amount of such Series of Bonds designated to mature on such date. Upon initial issuance, the ownership of each such Bond shall be registered in the name of the Nominee, as nominee of the Depository and ownership of the Bonds, or any portion thereof may not thereafter be transferred except as provided herein and in the applicable Supplemental Indenture.

**Section 2.09. Issuance of Series of Bonds Supplemental Indenture: Application of Bond Proceeds.** Bonds may be issued, from time to time, subject to the conditions of this Section 2.09.

Bonds shall be dated, shall mature, shall bear interest, shall be subject to redemption and shall be amortized and, within a Program, shall be issued and reissued from time to time, all as provided in the Supplemental Indenture relating to such Series of Bonds. In addition, each such Supplemental Indenture may provide for the appointment of a Registrar or Registrars and a Paying Agent or Paying Agents and such other agents as the Authority shall determine to be necessary in addition to or in place of the Trustee.

If the Supplemental Indenture providing for the issuance of Additional Bonds provides that such Additional Bonds shall be secured by the General Account of the Reserve Fund, such Supplemental Indenture shall require that the General Account be increased, if and to the extent necessary, forthwith upon the receipt of the proceeds of the sale of such Additional Bonds to an amount at least equal to the Required Reserve for such General Account. Said deposit may be satisfied from such proceeds or any other source, as provided in said Supplemental Indenture.

Each Series of the Bonds, upon execution by the Authority, shall be deposited with the Trustee or an agent for authentication and delivery, but prior to or simultaneously with the original delivery of such Series of Bonds or delivery of the first Bonds of a Program, there shall be filed with the Trustee the following:

(a) an original executed counterpart or a copy, certified by the Secretary to the Commission, of this Master Indenture, together with all Supplemental Indentures;

(b) an original executed counterpart or a copy, certified by the Secretary to the Commission, of the Supplemental Indenture or Supplemental Indentures providing for the issuance of such Series of Bonds or creating a Program and setting forth the terms of such Series of Bonds or Program;

(c) except with respect to the issuance of any Refunding Bonds and the Initial Bonds, a certificate of an Authorized Authority Representative listing those facilities or undertakings which the Authority expects to finance with proceeds of the sale of such Series of Bonds or Program or from which the Authority expects to select those Projects

which will be financed with proceeds of the sale of such Series of Bonds or Program and such certificate shall, with respect to each item on the list include an estimated cost of such facility or undertaking;

(d) the certificate of the Authorized Authority Representative or the Consultant or Consultants, as the case may be, required by Section 2.11;

(e) a certificate of the Authorized Authority Representative stating that none of the Events of Default set forth in Section 8.01 hereof have occurred and remain uncured and that the Authority is in full compliance with the terms of Section 5.04 herein;

(f) an opinion of Bond Counsel to the effect that the issuance of such Bonds has been duly authorized and that the Bonds are valid and binding obligations of the Authority in accordance with their terms; and

(g) written instructions from the Authority to authenticate the Bonds and, upon receipt of the purchase price, to deliver the Bonds to or upon the order of the purchasers named in such instructions.

When the documents mentioned in clauses (a) to (g), inclusive, of the immediately preceding paragraph shall have been filed with the Trustee and when such Bonds shall have been executed and authenticated, the Trustee or authenticating agent shall deliver such Bonds to or upon the order of the purchasers thereof, but only upon payment by the purchasers of the purchase price of such Bonds.

**Section 2.10. Refunding Bonds.** Refunding Bonds may be issued under and secured by this Master Indenture. Such Refunding Bonds shall be issued in accordance with the provisions of Sections 2.09 and 2.11 hereof.

**Section 2.11. Tests for Issuance of Bonds.** Subject to the provisions under subsection (i) or (ii) of the last paragraph of this Section 2.11 and excepting the Initial Bonds, and in addition to the requirements of Section 4.04(b)(4) hereof, as a condition to the issuance of any Series of Bonds, there shall also be delivered to the Trustee either:

(a) a certificate prepared by an Authorized Authority Representative showing that the Net Pledged Revenues, as calculated by the Authority, for any 12 consecutive months out of the 18 consecutive months immediately preceding the date of issuance of the proposed Series of Bonds or preceding the first issuance of the proposed Program Bonds were at least equal to 125% of Maximum Aggregate Annual Debt Service calculated as if the proposed Series of Bonds and the full Authorized Amount of such proposed Program Bonds (as applicable) were then Outstanding; or

(b) a certificate, dated as of a date between the date of pricing of the Bonds being issued and the date of delivery of such Bonds, prepared by a Consultant showing that:

(i) the Net Pledged Revenues (as calculated by said Consultant) for any 12 consecutive months out of the 24 consecutive months immediately preceding the date of issuance of the proposed Series of Bonds or the establishment of a Program were at least equal to 125% of Maximum Aggregate Annual Debt Service;

(ii) for each Fiscal Year during the period from the date of delivery of such certificate until the last Estimated Completion Date, as certified to the Consultant by an Authorized Authority Representative, the Consultant estimates that the Authority will be in compliance with Section 5.04(a) and (b) hereof; and

(iii) the estimated Net Pledged Revenues for each of the first three complete Fiscal Years immediately following the last Estimated Completion Date, as certified to the Consultant by an Authorized Authority Representative, will be at least equal to 125% of Maximum Aggregate Annual Debt Service calculated as if the proposed Series of Bonds and the full Authorized Amount of such proposed Program Bonds (as applicable) were then Outstanding.

For purposes of subsections (b)(ii) and (iii) above, in estimating Net Pledged Revenues, the Consultant may take into account (1) Net Pledged Revenues from Specified Ontario Projects being financed or Ontario Airport Facilities reasonably expected to become available during the period for which the estimates are provided, (2) any increase in fees, rates, charges, rentals or other sources of Pledged Revenues which have been approved by the Authority and will be in effect during the period for which the estimates are provided, (3) any other increases in Pledged Revenues which the Consultant believes to be a reasonable assumption for such period. With respect to Maintenance and Operation Expenses, the Consultant shall use such assumptions as the Consultant believes to be reasonable, taking into account: (i) historical Maintenance and Operation Expenses, (ii) Maintenance and Operation Expenses associated with Specified Ontario Projects and any other new Ontario Airport Facilities, and (iii) such other factors, including inflation and changing operations or policies of the Authority, as the Consultant believes to be appropriate. The Consultant shall include in the certificate or in a separate accompanying report a description of the assumptions used and the calculations made in determining the estimated Net Pledged Revenues and shall also set forth the calculations of Maximum Aggregate Annual Debt Service, which calculations may be based upon information provided by another Consultant.

For purposes of preparing the certificate or certificates described above, the Consultant or Consultants may rely upon financial statements prepared by the Authority which have not been subject to audit by an independent certified public accountant if audited financial statements for the Fiscal Year or period are not available; provided, however, that an Authorized Authority Representative shall certify as to their accuracy and that such financial statements were prepared substantially in accordance with generally accepted accounting principles, subject to year-end adjustments.

Neither of the certificates described above under Section 2.11 (a) or (b) shall be required for the Initial Bonds or:

(i) if the Bonds being issued are for the purpose of refunding then Outstanding Bonds and there is delivered to the Trustee, instead, a certificate of the Authorized Authority Representative showing that Maximum Aggregate Annual Debt Service after the issuance of such Refunding Bonds will not exceed Maximum Aggregate Annual Debt Service prior to the issuance of such Refunding Bonds; or

(ii) if the Bonds being issued constitute Notes and there is delivered to the Trustee, instead, a certificate prepared by an Authorized Authority Representative showing that the principal amount of the proposed Notes being issued, together with the principal amount of any Notes then Outstanding, does not exceed 10% of the Pledged Revenues for any 12 consecutive months out of the 18 months immediately preceding the issuance of the proposed Notes and there is delivered to the Trustee a Certificate of an Authorized Authority Representative setting forth calculations showing that for each of the Fiscal Years during which the Notes will be Outstanding, and taking into account the debt service becoming due on such Notes, the Authority will be in compliance with Section 5.04 (a) and (b) hereof; or

(iii) if the Bonds being issued are for the purpose of providing funds to complete the acquisition, construction or installation of a Specified Ontario Project for which Bonds have previously been issued and the proposed new issuance of Bonds does not exceed 10% of the aggregate principal amount of such previously issued Bonds; provided that only one Series of completion Bonds may be issued in respect of any Project pursuant to this sub-paragraph (iii).

**Section 2.12. Plan of Financing Involving Issuance of Initial Bonds.** The Initial Bonds shall be issued in one series pursuant to a First Supplemental Trust Indenture dated the date hereof and shall be denominated "Ontario International Airport Authority Ontario International Airport Revenue Bonds, Series 2016 (Taxable)." The Initial Bonds shall be issued on or prior to the Transfer Date for the purpose of paying and discharging the then-outstanding LAWA Bonds in accordance with the terms set forth in the First Supplemental Trust Indenture.

**Section 2.13. Repayment Obligations Afforded Status of Bonds.** If a Credit Provider or Liquidity Provider makes payment of principal of or interest on a Bond or advances funds to purchase or provide for the purchase of Bonds and is entitled to reimbursement thereof, pursuant to a separate written agreement with the Authority, but is not reimbursed, the Authority's Repayment Obligation under such written agreement may, if so provided in the written agreement and to the extent provided in such agreement and the applicable Supplemental Indenture, be afforded the status of a Bond issued under this Article II, and, if afforded such status, the Credit Provider or Liquidity Provider shall be the Bondholder and such Bond shall be deemed to have been issued at the time of the original Bond for which the Credit Facility or Liquidity Facility was provided and will not be subject to the provisions of Sections 2.09 through 2.11 of this Article; provided, however, notwithstanding the stated terms of the Repayment Obligation, the payment terms of the Bond held by the Credit Provider or Liquidity Provider hereunder shall be calculated as a Bond issued hereunder.

**Section 2.14.Obligations Under Qualified Swap; Non qualified Swap.**

(a) The obligation of the Authority to make Regularly Scheduled Swap Payments under a Qualified Swap with respect to a Series of Bonds or to reimburse a provider of a Swap Policy with respect to such Qualified Swap may be on a parity with the obligation of the Authority to make payments with respect to such Series of Bonds and other Bonds hereunder. The Authority may provide in any Supplemental Indenture that interest rate swap payment, obligations under a Qualified Swap shall be secured by a pledge of or lien on the Net Pledged Revenues on a parity with the Bonds of such Series and all other Bonds, regardless of the principal amount, if any, of the Bonds of such Series remaining Outstanding. At the expense of the Qualified Swap Provider or the Authority, the Trustee shall take all action consistent with the other provisions hereof as shall be requested in writing by the Qualified Swap Provider necessary to preserve and protect such pledge, lien and assignment and to enforce the obligations of the Authority with respect thereto. In the event the action requested to be taken pursuant to the preceding sentence shall require the Trustee either to exercise the remedies granted in the Indenture or to institute any action, suit or proceeding in its own name, the Qualified Swap Provider shall provide to the Trustee security and indemnity satisfactory to the Trustee against the costs, expenses and liabilities to be incurred in connection therewith.

(b) In the event that a Swap Termination Payment or any other amounts other than as described in clause (a) above are due and payable by the Authority under a Qualified Swap, such Swap Termination Payment and any such other amounts shall constitute a Subordinated Obligation hereunder.

(c) Obligations of the Authority to make payments, including termination payments, under a Nonqualified Swap shall constitute Subordinated Obligations hereunder.

**ARTICLE III**

**REDEMPTION OF BONDS**

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

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

redeemed against its scheduled sinking fund redemption for such Bonds and may modify its scheduled sinking fund installments thereafter payable with respect to Bonds of such Series in any manner the Authority may determine.

#### ARTICLE IV

#### REVENUES AND FUNDS

Section 4.01. Bonds Secured by Lien on Net Pledged Revenues. The Bonds authorized and issued under the provisions hereof shall be secured as provided in the Granting Clauses hereof. The Authority hereby represents and states that it has not previously created any charge or lien on or any security interest in the Net Pledged Revenues and the Authority covenants that, until all the Bonds authorized and issued under the provisions hereof and the interest thereon shall have been paid or are deemed to have been paid, it will not, except as specifically provided herein, grant any prior or parity pledge of or any security interest in the Net Pledged Revenues or any of the other security which is pledged pursuant to the Granting Clauses hereof, or create or permit to be created any charge or lien thereon or any security interest therein ranking prior to or on a parity with the charge or lien of the Bonds from time to time Outstanding hereunder. The Authority may, as provided in Section 5.06 hereof, grant a lien on or security interest in the Net Pledged Revenues to secure Subordinated Obligations.

Section 4.02. Appropriations and Transfer of Pledged Revenues. The Authority covenants to cause the appropriations and transfers of Pledged Revenues required by this Master Indenture to be made only in accordance with the terms hereof.

Section 4.03. Establishment and Maintenance of Funds for Pledged Revenues.

(a) The Commission hereby establishes the following funds and accounts to be held by the Treasurer of the Authority:

(1) Airport Revenue Fund. There is hereby established under the terms hereof a fund to be designated herein as the "Airport Revenue Fund" (the "Airport Revenue Fund"). The Airport Revenue Fund shall be held by the Treasurer of the Authority and all moneys, income and investment earnings derived from the Ontario International Airport shall be deposited in the Airport Revenue Fund. All amounts in the Airport Revenue Fund shall be held, disbursed and accounted for in accordance with the provisions of Section 4.04(a) hereof.

(2) Maintenance and Operation Reserve Fund. There is hereby established under the terms hereof a fund to be designated herein as the "Maintenance and Operation Reserve Fund" (the "Maintenance and Operation Reserve Fund"). The Maintenance and Operation Reserve Fund shall be held by the Treasurer of the Authority and amounts held therein shall be available for the payment of Maintenance and Operation Expenses in accordance with Section 4.04(b)(5) hereof.

(3) Surplus Revenue Fund. There is hereby established under the terms hereof a fund to be designated herein as the "Surplus Revenue Fund" (the "Surplus Revenue Fund"). The Surplus Revenue Fund shall be held by the Treasurer of the Authority and amounts held therein shall be held, disbursed and accounted for in accordance with Section 4.04(b)(6) hereof.

(b) The Commission hereby establishes or authorizes the establishment of the following special trust funds and accounts:

(1) Maintenance and Operation Fund. There is hereby established under the terms hereof a fund to be designated herein as the "Maintenance and Operation Fund" (the "Maintenance and Operation Fund"). The Maintenance and Operation Fund shall be held by the Authority, and amounts therein shall be held, disbursed and accounted for in accordance with the provisions of Section 4.04(b)(1) hereof.

(2) Debt Service Fund. There is hereby established under the terms hereof a fund to be designated herein as the "Debt Service Fund" (the "Debt Service Fund"), and within the Debt Service Fund, an "Interest Account" and a "Principal Account." The Commission, at the time of issuance of each Series of Bonds, may establish a separate subaccount or subaccounts within the Interest Account and the Principal Account as provided in any Supplemental Indenture. The Debt Service Fund shall be held by the Authority, and amounts therein shall be held, maintained, disbursed and accounted for in accordance with the provisions of Section 4.05 hereof and any Supplemental Indenture with respect to any Series of Bonds.

(3) Reserve Fund. There is hereby established under the terms hereof a fund to be designated herein as the "Bond Reserve Fund" (the "Reserve Fund") and within the Reserve Fund an account to be designated the "General Account" (the "General Account"). The Reserve Fund shall be held by the Trustee or any agent of the Trustee, and amounts therein shall be held, disbursed and accounted for in accordance with the provisions of Section 4.04(b)(4) hereof. The Commission shall, at the time of issuance of each Series of Bonds, may establish a separate subaccount or subaccounts within the Reserve Fund as provided in any Supplemental Indenture with respect to such Series.

(4) Construction Fund. Proceeds of each Series of Bonds which are to be used to pay Costs of a Project shall be deposited into a fund created for such Series of Bonds which shall be designated the "Construction Fund, Series \_\_\_\_" (each, respectively, a "Construction Fund") which shall be held, maintained, disbursed and accounted for in accordance with the provisions of Section 4.06 hereof and as provided in any Supplemental Indenture..

(5) Additional Funds, Accounts and Subaccounts. The Commission may, in its discretion, or may direct the Trustee to, create additional funds, accounts or subaccounts, including any principal account or interest account,

bond reserve fund or account for a particular Series of Bonds pursuant to the terms of a Supplemental Indenture, which funds or accounts may be held by it or the Trustee.

(c) If an Event of Default described in Section 8.01(a) or 8.01(b) shall have occurred, the Treasurer shall, within five days of receipt of the written request of the Trustee or of the Owners of ten percent (10%) of the aggregate principal amount of Bonds Outstanding, transfer to the Trustee all moneys held in all funds maintained by the Authority hereunder, and shall thereafter, at least monthly, transfer all Net Pledged Revenues received by the Authority to the Trustee until such Event of Default is cured.

#### Section 4.04. Receipt and Deposit of Airport Revenues.

(a) The Authority covenants and agrees that all Airport Revenues, when and as received by or on behalf of the Authority, will be deposited by the Authority pursuant to this Section 4.04 in the Airport Revenue Fund. The Net Pledged Revenues shall, immediately upon receipt thereof; become subject to the lien thereon and pledge of this Master Indenture.

(b) All Pledged Revenues deposited into the Airport Revenue Fund shall be transferred to and deposited in the following respective funds in the following order of priority, the requirements of each such fund at the time of deposit to be satisfied before any transfer is made to any fund subsequent in priority:

(1) Maintenance and Operation Fund. On or before the first day of each month, the Treasurer shall set aside out of the Airport Revenue Fund and deposit in the Maintenance and Operation Fund an amount equal to: (A) one-twelfth of the amount budgeted by the Authority in the original or a revised budget for Maintenance and Operation Expenses for the then-current Fiscal Year, or (B) such other amount as the Authority determines is necessary to pay the Maintenance and Operation Expenses in excess of the amount budgeted in such month. Moneys in the Maintenance and Operation Fund shall be used to pay the Maintenance and Operation Expenses as they become due and payable.

(2) Interest Account. After making the deposit required by subsection (1) above, on or before the first day of each month, the Treasurer shall deposit into the Interest Account of the Debt Service Fund an amount equal to at least: (A) one-sixth of the aggregate amount of interest becoming due and payable on the Initial Bonds during the next ensuing six months (excluding any moneys deposited in the Interest Account from the proceeds of any series of such Bonds to pay interest during said next ensuing six months), until the requisite half-yearly amount of interest on all such Initial Bonds is on deposit in such fund, and (B) the amounts required to be deposited in the Interest Account with respect to any Additional Bonds pursuant to the Supplemental Indenture providing for the issuance of such Additional Bonds. No deposit need be made into the Interest Account if the amount contained therein is at least equal to the interest to become due on the next interest payment date upon all of the Bonds issued hereunder and

then Outstanding (but excluding any moneys on deposit in the Interest Account from the proceeds of any series of such Bonds to pay interest on any future interest payment dates following said next interest payment date). The Authority shall establish a separate subaccount within the Interest Account for the Initial Bonds and for each series of Additional Bonds and deposits to the Interest Account hereunder shall be maintained in such accounts. Moneys in each subaccount of the Interest Account shall be used and withdrawn by the Authority and transferred to the Trustee solely for the purpose of paying the interest on the applicable series of Bonds as it shall become due and payable (including accrued interest on any such Bonds purchased or redeemed prior to maturity pursuant to the Master Indenture), as provided in Section 4.05 hereof and in any Supplemental Indenture relating to any Series of Bonds. In the event that the Pledged Revenues, after making the deposit required by subsection (1), are insufficient to make the full deposit to the Interest Account required by this subsection (2), the Authority shall apply the amount, if any, available to make the deposit to the Interest Account pro rata to each subaccount within the Interest Account in proportion to the total monthly deposit amount required for each such subaccount (or, if the Supplemental Indenture for any Bonds requires deposits on a basis other than monthly, the amount which would be required to be deposited if such deposit requirement was divided into equal monthly amounts).

(3) Principal Account. After making the deposits required by subsections (1) and (2) above, on or before the first day of each month, the Treasurer shall deposit in the Principal Account of the Debt Service Fund an amount equal to at least: (A) one-twelfth of the aggregate Principal Amounts becoming due and payable on the Initial Bonds on the next succeeding May 15, and (B) the amounts required to be deposited in the Principal Account with respect to the Principal Amount for any Additional Bonds pursuant to the Supplemental Indenture providing for the issuance of such Additional Bonds. The Authority shall establish a separate subaccount within the Principal Account for the Initial Bonds and for each series of Additional Bonds and deposits to the Principal Account hereunder shall be maintained in such accounts. Moneys in each subaccount of the Principal Account shall be used and withdrawn by the Authority and transferred to the Trustee solely for the purpose of paying the Principal Amounts on the applicable series of Bonds as they shall become due and payable and the purchase price of Bonds purchased pursuant to Article III, as provided in Section 4.05 hereof and in any Supplemental Indenture relating to any Series of Bonds. In the event that the Pledged Revenues, after making the deposit required by subsections (1) and (2), are insufficient to make the full deposit to the Principal Account required by this subsection (3), the Authority shall apply the amount, if any, available to make the deposit to the Principal Account pro rata to each subaccount within the Principal Account in proportion to the total monthly deposit amount required for each such subaccount (or, if the Supplemental Indenture for any Bonds requires deposits on a basis other than monthly, the amount which would be required to be deposited if such deposit requirement was divided into equal monthly amounts), after first deducting for such purposes from any of said Principal Amounts the amount of the applicable series of Bonds that

shall have been redeemed or purchased during the period from the most recent Payment Date. No amount need be deposited in the Principal Account on any date to the extent that the amount already on deposit therein as of such date is sufficient to meet the requirements of this section.

(4) Reserve Fund. After making the deposits required by Sections 4.04(b)(1), (2), and (3) above, on or before the first day of each month, the Treasurer shall transfer to the Trustee for deposit in the Reserve Fund such amount as shall be required to maintain in each account in the Reserve Fund a balance equal to the applicable Required Reserve for such account; provided that the amount to be replenished to any account within the Reserve Fund after a draw on such account to pay debt service on any Bonds may be divided into no more than 12 equal monthly installments. No deposit need be made into any account in the Reserve Fund so long as there shall be in each such account within the Reserve Fund an amount equal to the Required Reserve therefor. Moneys in each account within the Reserve Fund shall be used and withdrawn by the Trustee solely for the purpose of paying first, the interest on, and second, the principal of, the Bonds for which such account within the Reserve Fund is available as provided herein, or in any Supplemental Indenture relating to any Series of Bonds, in the event that no other moneys are available therefor, as required by Section 4.04(b)(2) and Section 4.04(b)(3).

The Trustee shall annually, prior to March 1 of each year and at such other times as the Authority shall request, value the Reserve Fund on the basis of the market value thereof. For purposes of determining the amount on deposit in the Reserve Fund, any Reserve Fund Surety Policy held by, or the benefit of which is available to, the Trustee as security for the Bonds shall be deemed to be a deposit in the face amount of the Reserve Fund Surety Policy or the stated amount of the Reserve Fund Surety Policy provided, except that, if the amount available under a Reserve Fund Surety Policy has been reduced as a result of a payment having been made thereunder or as a result of the termination, cancellation or failure of such Reserve Fund Surety Policy and not reinstated or another Reserve Fund Surety Policy provided, then, in valuing the Reserve Fund, the value of such Reserve Fund Surety Policy shall be reduced accordingly. Upon each such valuation, the Trustee shall prepare a written certificate setting forth the Required Reserve as of such valuation date and the market value of the Reserve Fund and deliver a copy thereof to the Treasurer. In determining the market value of Permitted Investments, the Trustee may use and rely conclusively and without liability upon any generally recognized pricing information service (including brokers and dealers in securities) available to it. So long as the Treasurer is not in default hereunder, unless otherwise required by the terms of a Supplemental Indenture, any amount in any account within the Reserve Fund in excess of the Required Reserve therefor may be withdrawn from the Reserve Fund and transferred to the related Interest Account and applied as a credit against the deposits required to be transferred to such Account pursuant to Section 4.04(b)(2).

Amounts in the General Account shall be available only to pay the Initial Bonds and any Additional Bonds for which the General Account is made available pursuant to the Supplemental Indenture providing for the issuance of such Additional Bonds. Any Supplemental Indenture providing for the issuance of such Additional Bonds for which the General Account is made available shall require as a condition of issuance that an amount be deposited into the General Account for such Additional Bonds so that, together with any Reserve Fund Surety Policy, the amount on deposit in the General Account will be equal to the Required Reserve.

Pursuant to any Supplemental Indenture providing for the issuance of Additional Bonds, the Trustee may establish a separate account within the Reserve Fund available only for the payment of such series of Additional Bonds and which account shall have its own Required Reserve. If such a separate account is created, said Additional Bonds shall not have any claim on the General Account of the Reserve Fund.

The Required Reserve with respect to any account within the Reserve Fund may be satisfied by the deposit of a Reserve Fund Surety Policy therein and in such event the amounts available for deposit to said account pursuant to the first paragraph of this Section 4.04(b)(4) (plus amounts required for the payment of any associated fees and interest) shall be available for reimbursement to the provider of said Reserve Fund Surety Policy in the event of a draw thereon; provided that the amount available to be drawn on said Reserve Fund Surety Policy is by its terms reinstated in the full amount of said reimbursement.

(5) Maintenance and Operation Reserve Fund. After making the deposits required by Sections 4.04(b)(1), (2), (3) and (4) above, on or before the first day of each Fiscal Year, the Treasurer shall transfer and deposit into the Maintenance and Operation Reserve Fund, an amount, if any, required to be deposited therein such that the total amount on deposit therein shall be equal to the Maintenance and Operation Reserve Fund Requirement.

(6) Surplus Revenue Fund. The Treasurer may determine the Pledged Revenues remaining in the Airport Revenue Fund attributable to a prior calendar month which are available for transfer to the Surplus Revenue Fund after having set aside and transferred all amounts required to be set aside or transferred by the Trustee or the Authority, as provided in Sections 4.04(b)(1), (2), (3), (4), and (5) hereof, and the Treasurer may transfer and deposit into the Surplus Revenue Fund an amount equal to the amount remaining in the Airport Revenue Fund.

Moneys in the Surplus Revenue Fund may be transferred by the Treasurer to any other fund or account of the Authority, free and clear of the lien of this Indenture, to be used as directed by the Commission for the payment of Subordinated Obligations or for any discretionary purposes as authorized by Commission and the Joint Powers Agreement; provided, however, the Treasurer

shall not permit the Authority to withdraw any moneys held by the Authority in the Surplus Revenue Fund if and when the Authority is in default hereunder.

(c) Earnings on the various funds and accounts created hereunder shall be transferred to the Airport Revenue Fund, provided that earnings on any accounts created under any Supplemental Indenture with respect to any Series of Bonds shall be deposited as provided in such Supplemental Indenture, except that (i) during the continuation of an Event of Default earnings on such funds and accounts shall be deposited into the Interest Subaccount or Principal Subaccount created under the respective Supplemental Indentures, (ii) earnings on any Construction Fund may, if so provided by a Supplemental Indenture, be retained in such Construction Fund, and (iii) pursuant to Section 4.04(b)(4) hereof, earnings on any account in the Reserve Fund may, if so provided by a Supplemental Indenture, be retained in such account under the conditions therein described.

**Section 4.05. Disbursements from the Debt Service Fund.** Subject to any more restrictive requirements for a Series of Bonds as set forth in the Supplemental Indenture relating to such Series, so long as any of the Bonds are Outstanding, the Trustee shall deliver to the Treasurer, as to each Series of Bonds Outstanding, a written demand requesting that the Treasurer, not later than the first Business Day prior to the payment date therefore, transfer from (A) each account in the Interest Account to the Trustee or the applicable Paying Agent the full amount required to pay the interest on Bonds of that Series as it becomes due on such payment date, provided that such deposits shall not be required to the extent the Trustee or a Paying Agent holds sufficient funds payable as capitalized interest in respect of such Bonds to pay the interest due on such Bonds on such payment date and (B) each account in the Principal Account to the Trustee or the applicable Paying Agent the full amount required to pay the principal amount of Bonds of that Series as such principal amount becomes due on such payment date and the full amount required to pay the sinking installment payment, if any, due with respect to Term Bonds of such Series as such sinking installment payment becomes due on such payment date. Each such transfer shall be accompanied by written instructions from the Treasurer directing the Trustee to pay the Owners of the Bonds of a given Series from the amounts so transferred the interest and principal to be paid and, if any, the Term Bonds to be redeemed. The Authority shall not give (or instruct the Trustee to give) notice of the redemption of any Bonds unless either (1) moneys are on deposit in the Principal Account (or any subaccount, as applicable) to provide for payment of such Bonds, or (2) such notice states that the redemption of such Bonds is conditioned upon the deposit with the Trustee of such moneys.

The Trustee shall pay the principal of, redemption premium, if any, and interest on each Series of Bonds on the payment dates therefor as established under the applicable Supplemental Indenture with the moneys transferred to it by the Authority in accordance with the foregoing provisions, whether or not the Authority submits to it any of the foregoing written instructions. All money remaining on the final payment or maturity date for a Series of Bonds, in excess of the amount required to make provisions for the payment in full or principal of, redemption premium, if any, and interest payable on such Bonds or the payment of amounts required to be rebated, pursuant to the Code, to the United States of America with respect to such Bonds, shall be returned to the Authority and deposited by the Authority in the Airport Revenue Fund.

On any day on which the Trustee receives funds from the Treasurer to be used to pay the interest on or principal of the Bonds, the Trustee shall, if the amount received is fully sufficient to pay all amounts of principal and interest then due or becoming due on the next Payment Date, set such money aside for the Series of Bonds for which such payments were made. If, on any Payment Date, the Trustee does not have sufficient amounts (without regard to any amounts which may be available in the Reserve Fund) to pay in full with respect to Bonds of any Series all amounts of principal (including mandatory sinking fund payments) and/or interest due on such date, the Trustee shall draw on the General Account, if applicable to such Series of Bonds, or on any separate account in the Reserve Fund applicable to such Series of Bonds in accordance with Section 4.04(b)(4).

Money held by the Trustee for any Series of Bonds may be temporarily invested, in accordance with the written direction of the Authority, as provided in Article VI hereof or as provided in any Supplemental Indenture with respect to any Series of Bonds, but such investment shall not affect the obligation of the Authority to cause the full amount required by the terms of this Section to be available at the time required to meet payments of principal of and interest on Bonds of the Series for which it is accumulated.

Section 4.06. Construction Fund. Each Construction Fund established to pay the Costs of a Project may be held either by the Treasurer or by the Trustee or any agent of the Trustee or in part by the Treasurer and in part by the Trustee or any agent of the Trustee, all as provided by this Master Indenture, a Supplemental Indenture or Supplemental Indentures. All moneys in each Construction Fund shall be held and disbursed as provided in the Supplemental Indenture or Supplemental Indentures under which such fund or funds are created. Notwithstanding this provision, no Construction Fund shall be required for a given Series of Bonds if all of the proceeds thereof (except those deposited into a bond reserve fund or a Debt Service Fund) are spent at the time of issuance of such Series or are used to refund Bonds or otherwise the Authority determines that there is no need to create a Construction Fund for such Series.

Section 4.07. Moneys Held in Trust for Matured Bonds; Unclaimed Moneys. All moneys which shall have been withdrawn from a Debt Service Fund and set aside or deposited with a Paying Agent for the purpose of paying any of the Bonds, either at the maturity thereof or upon call for redemption, or which are set aside by the Trustee for such purposes and for which Bonds the maturity date or redemption date shall have occurred, shall be held in trust for the respective holders of such Bonds. But any moneys which shall be so set aside or deposited and which shall remain unclaimed by the holders of such Bonds for a period of one (1) year after the date on which such Bonds shall have become due and payable (or such longer period as shall be required by State law) shall be paid to the Authority (without liability for interest), and thereafter the holders of such Bonds shall look only to the Authority for payment and the Authority shall be obligated to make such payment, but only to the extent of the amounts so received without any interest thereon, and neither the Trustee nor any Paying Agent shall have any responsibility with respect to any of such moneys.

Section 4.08. Additional Security. The pledge of Net Pledged Revenues and the other security provided in the Granting Clauses hereof, secure all Bonds issued under the terms hereof on an equal and ratable basis, except as to the timing of such payments. The Authority may, however, in its discretion, provide additional security or credit enhancement for specified Bonds

or Series of Bonds with no obligation to provide such additional security or credit enhancement to other Bonds.

Section 4.09.Additional Funds and Accounts. The Commission may, in its discretion, or may direct the Trustee to, create additional funds and accounts for a particular Series of Bonds pursuant to the terms of a Supplemental Indenture.

## ARTICLE V

### COVENANTS OF THE AUTHORITY

Section 5.01.Payment of Principal and Interest. The Authority covenants and agrees that it will duly and punctually pay or cause to be paid from the Net Pledged Revenues and to the extent thereof the principal of, premium, if any, and interest on every Bond at the place and on the dates and in the manner herein, in the Supplemental Indentures and in the Bonds specified, according to the true intent and meaning thereof, and that it will faithfully do and perform all covenants and agreements herein and in the Bonds contained, provided that the Authority's obligation to make payment of the principal of, premium, if any, and interest on the Bonds shall be limited to payment from the Net Pledged Revenues, the funds and accounts pledged therefor in the Granting Clauses hereof and any other source which the Authority may specifically provide for such purpose and no Bondholder shall have any right to enforce payment from any other funds of the Authority, or from the City of Ontario or the County of San Bernardino.

Section 5.02.Performance of Covenants by Authority; Authority; Due Execution. The Authority covenants that it will faithfully perform at all times any and all covenants and agreements contained herein, in any and every Bond executed, authenticated and delivered hereunder and in all of its proceedings pertaining hereto. The Authority covenants that it is duly authorized under the Constitution and laws of the State and the Joint Powers Agreement to issue the Bonds and pledge and grant a security interest in the Net Pledged Revenues and other security pledged thereto or in which a security interest is granted and that, the Authority has not previously pledged such Net Pledged Revenues or other assets to secure other obligations.

Section 5.03.Senior Lien Obligations Prohibited. The Authority hereby agrees that so long as any Bonds are Outstanding hereunder, it will not issue any additional bonds or other obligations with a lien on or security interest granted in Net Pledged Revenues which is senior to the Bonds.

Section 5.04.Rate Covenant. The Authority covenants to fulfill the following requirements:

(a) The Authority shall while any of the Bonds remain Outstanding establish, fix, prescribe and collect rates, tolls, fees, rentals and charges in connection with Ontario International Airport and for services rendered in connection therewith, so that Pledged Revenues in each Fiscal Year will be at least equal to deposits required in Sections 4.04(b)(1), (2), (3), (4), and (5) hereof.

(b) The Authority further agrees that it will establish, fix, prescribe and collect rates, tolls, fees, rentals and charges in connection with Ontario International Airport and

for services rendered in connection therewith, so that during each Fiscal Year the Net Pledged Revenues will be equal to at least 125% of Aggregate Annual Debt Service for such Fiscal Year.

(c) If the Authority violates either covenant set forth in subsection (a) or (b) above, such violation shall not be a default hereunder and shall not give rise to a declaration of an Event of Default if, within 120 days after the date such violation is discovered, the Authority revises the schedule of rates, tolls, fees, rentals and charges insofar as practicable and revises any Maintenance and Operation Expenses insofar as practicable and takes such other actions as are necessary so as to produce Net Pledged Revenues to cure such violation for future compliance; provided, however, that if the Authority does not cure such violation by the end of the second subsequent fiscal year succeeding the date such violation is discovered, an Event of Default may be declared under Section 8.01(d).

Section 5.05.No Inconsistent Contract Provisions. The Authority covenants that no contract or contracts will be entered into or any action taken by the Authority which shall be inconsistent with the provisions hereof. The Authority covenants that it will not take any action which, in the Authority's judgment at the time of such action, will substantially impair or materially adversely affect the Net Pledged Revenues, or will substantially impair or materially adversely affect in any manner the pledge of, lien on or security interest granted in the Net Pledged Revenues herein or the rights of the holders of the Bonds. The Authority shall be unconditionally and irrevocably obligated, so long as any of the Bonds are Outstanding and unpaid, to take all lawful action necessary or required to pay from the Net Pledged Revenues the principal of and interest on the Bonds and to make the other payments provided for herein.

Section 5.06.Subordinated Obligations. The Authority may, from time to time, incur indebtedness which is subordinate to the Bonds and which indebtedness is, in this Master Indenture, referred to as Subordinated Obligations. Such indebtedness shall be incurred at such times and upon such terms as the Authority shall determine, provided that:

(a) Any Supplemental Indenture authorizing the issuance of any Subordinated Obligations shall specifically state that such lien on or security interest granted in the Net Pledged Revenues is junior and subordinate to the lien on and security interest in such Net Pledged Revenues and other assets granted to secure the Bonds which are Outstanding hereunder; and

(b) Payment of principal of and interest on such Subordinated Obligations shall be permitted, provided that all deposits required to be made to the Trustee to be used to pay debt service on the Bonds or to replenish a bond reserve fund are then current in accordance with Section 4.04 hereof.

Section 5.07.Ontario Special Facilities and Ontario Special Facility Obligations. The Authority shall be permitted to designate new or existing Ontario Airport Facilities as Ontario Special Facilities as permitted in this Section 5.07. The Authority may, from time to time, and subject to the terms and conditions of this Section 5.07, (1) designate a separately identifiable existing facility or planned facility as an "Ontario Special Facility," (2) pursuant to an indenture

other than this Master Indenture and without a pledge of any Net Pledged Revenues, incur debt primarily for the purpose of acquiring, constructing, renovating or improving or providing financing or refinancing to a third party to acquire, construct, renovate or improve, such facility, (3) provide that the contractual payments derived from such Ontario Special Facility, together with other income and revenues available to the Authority from such Ontario Special Facility to the extent necessary to make the payments required by clause (a) of the second succeeding paragraph, be "Ontario Special Facilities Revenue" and not included as Net Pledged Revenues unless on terms provided in any supplemental indenture, and (4) provide that the debt so incurred shall be an "Ontario Special Facility Obligation" and the principal of and interest thereon shall be payable solely from the Ontario Special Facilities Revenue. The Authority may from time to time refinance any such Ontario Special Facility Obligations with other Ontario Special Facility Obligations.

Ontario Special Facility Obligations shall be payable as to principal, redemption premium, if any, and interest solely from Ontario Special Facilities Revenue, which shall include contractual payments derived by the Authority under and pursuant to a contract (which may be in the form of a lease) relating to an Ontario Special Facility by and between the Authority and another person, firm or corporation, either public or private, as shall undertake the operation of an Ontario Special Facility.

No Ontario Special Facility Obligations shall be issued by the Authority unless there shall have been filed with the Trustee a certificate of an Authorized Authority Representative stating that:

(a) The estimated Ontario Special Facilities Revenue pledged to the payment of obligations relating to the Ontario Special Facility will be at least sufficient to pay the principal of and interest on such Ontario Special Facility Obligations as and when the same become due and payable, all costs of operating and maintaining such Ontario Special Facility not paid for by the operator thereof or by a party other than the Authority and all sinking fund, reserve or other payments required by the indenture or resolution authorizing the Ontario Special Facility Obligations as the same become due; and

(b) With respect to the designation of any separately identifiable existing Ontario Airport Facilities or Ontario Airport Facility as an "Ontario Special Facility" or "Ontario Special Facilities," the estimated Pledged Revenues and Net Pledged Revenues, calculated without including the new Ontario Special Facilities Revenue and without including any operation and maintenance expenses of the Ontario Special Facility as Maintenance and Operation Expenses, will be sufficient so that the Authority will be in compliance with Section 5.04(a) and (b) hereof during each of the first five complete Fiscal Years immediately following the anticipated closing date of such transaction or financing; and

(c) No Event of Default then exists under Article VIII hereof.

To the extent Ontario Special Facilities Revenue received by the Authority during any Fiscal Year shall exceed the amounts required to be paid pursuant to clause (a) of the immediately preceding paragraph for such Fiscal Year, such excess Ontario Special Facilities

Revenue, to the extent not otherwise encumbered or restricted, may constitute Pledged Revenues as determined by the Authority.

Notwithstanding any other provision of this Section 5.07, at such time as the Ontario Special Facility Obligations issued for an Ontario Special Facility including Ontario Special Facility Obligations issued to refinance Ontario Special Facility Obligations are fully paid or otherwise discharged, all revenues of the Authority from such facility shall be included as Pledged Revenues.

Section 5.08. Maintenance of Powers. The Authority covenants that it will at all times use its best efforts to maintain the powers, functions, duties and obligations now reposed in it pursuant to the Joint Powers Agreement and all other laws applicable to it and that it will not at any time voluntarily do, suffer or permit any act or thing the effect of which would be to delay either the payment of the indebtedness evidenced by any of the Bonds or the performance or observance of any of the covenants herein contained.

Section 5.09. Maintenance and Operation of Ontario Airport Facilities. Subject to the transfer of any Ontario Airport Facilities pursuant to Section 5.12, the Authority covenants that the Ontario Airport Facilities shall at all times be operated and maintained in good working order and condition and that all lawful orders of any governmental agency or authority having jurisdiction in the premises shall be complied with (provided the Authority shall not be required to comply with any such orders so long as the validity or application thereof shall be contested in good faith), and that all licenses and permits necessary to construct or operate any of the Ontario Airport Facilities shall be obtained and maintained and that all necessary repairs, improvements and replacements of the Ontario Airport Facilities shall be made, subject to sound business judgment. Subject to the transfer of any Ontario Airport Facilities pursuant to Section 5.12, the Authority will, from time to time, duly pay and discharge, or cause to be paid and discharged, except to the extent the imposition or payment thereof is being contested in good faith by the Authority, all taxes (if any), assessments or other governmental charges lawfully imposed upon the Ontario Airport Facilities or upon any part thereof, or upon the Pledged Revenues, when the same shall become due, as well as any lawful claim for labor, materials or supplies or other charges which, if unpaid, might by law become a lien or charge upon the Pledged Revenues or Ontario Airport Facilities or any part thereof constituting part of Ontario International Airport.

Section 5.10. Insurance; Application of Insurance Proceeds.

(a) Subject, in each case, to the condition that insurance is obtainable at reasonable rates and upon reasonable terms and conditions:

(i) the Authority will procure and maintain or cause to be procured and maintained commercial insurance or provide Qualified Self Insurance with respect to the facilities constituting Ontario International Airport and public liability insurance in the form of commercial insurance or Qualified Self Insurance and, in each case, in such amounts and against such risks as are, in the judgment of the Authority, prudent and reasonable taking into account, but not being controlled by, the amounts and types of insurance or self-insured programs provided by similar airports;

(ii) the Authority will procure and maintain reasonable fidelity insurance or bonds on the position of President, Vice President, Secretary, Assistant Secretary and Treasurer and on any other employees of the Authority who handle or are responsible for funds of the Authority; and

(iii) the Authority will place on file with the Trustee annually within 120 days after the close of each Fiscal Year a certificate of an Authorized Authority Representative containing a summary of all insurance policies and self-insured programs then in effect with respect to Ontario International Airport and the operations of the Authority and a certification to the effect that the Authority is in compliance with the requirements of this Section 5.10. The Trustee may conclusively rely upon such certificate and shall not be responsible for the sufficiency or adequacy of any insurance required herein or obtained by the Authority.

(b) "Qualified Self Insurance" shall mean insurance maintained through a program of self insurance or insurance maintained with a fund, company or association in which the Authority may have a material interest and of which the Authority may have control, either singly or with others. Each plan of Qualified Self Insurance shall be established in accordance with law, shall provide that reserves be established or insurance acquired in amounts adequate to provide coverage which the Authority determines to be reasonable to protect against risks assumed under the Qualified Self Insurance plan, including any potential retained liability in the event of the termination of such plan of Qualified Self Insurance, and such self-insurance program shall be reviewed at least once every 12 months by a Consultant who shall deliver to the Authority a report on the adequacy of the reserves established thereunder. If the Consultant determines that such reserves are inadequate, he shall make a recommendation as to the amount of reserves that should be established and maintained, and the Authority shall comply with such recommendation unless it can establish to the satisfaction of and receive a certification from a Consultant that a lower amount is reasonable to provide adequate protection to the Authority.

(c) If, as a result of any event, any part of an Ontario Airport Facility or any Ontario Airport Facilities is destroyed or severely damaged, the Authority shall create within the Airport Revenue Fund a special subaccount and shall credit the Net Proceeds received as a result of such event of damage or destruction to such subaccount and such Net Proceeds shall, within a reasonable period of time taking into account any terms under which insurance proceeds are paid and any insurance restrictions upon the use or timing of the use of insurance proceeds, be used to: (1) repair or replace the Ontario Airport Facilities, or portion thereof, which were damaged or destroyed, (2) provide additional revenue-producing Ontario Airport Facilities, (3) redeem Bonds, or (4) create an escrow fund pledged to pay specified Bonds and thereby cause such Bonds to be deemed to be paid as provided in Article VII hereof; provided, however, that the Authority shall first deliver to the Trustee a certificate of a Consultant showing that, after taking into account the use of the Net Proceeds for the redemption of such specified Bonds, the test set forth in Section 5.04(a) and (b) would, nevertheless, be met.

**Section 5.11. Accounts.** The Authority covenants that it will keep and provide accurate books and records of account showing all Pledged Revenues received and all expenditures of the Authority and that it will keep or cause to be kept accurate books and records of account showing all moneys, Net Pledged Revenues, accounts and funds (including the Airport Revenue Fund and all accounts provided for herein) which are or shall be in the control or custody of the Authority; and that all such books and records pertaining to Ontario International Airport shall be open upon reasonable notice during business hours to the Trustee and to the Owners of not less than ten percent (10%) of the Principal Amount of Bonds then Outstanding, or their representatives duly authorized in writing. Within 180 days after the close of each Fiscal Year, so long as any of the Bonds remain Outstanding, the Authority will prepare and file with the Trustee audited financial statements including a statement of the income and expenses for such Fiscal Year and a balance sheet prepared as of the close of such Fiscal Year for the Authority all accompanied by a certificate or opinion in writing of an independent certified public accountant of recognized standing, selected by the Authority, which opinion shall include a statement that said financial statements present fairly in all material respects the financial position of the Authority and are prepared in accordance with generally accepted accounting principles, provided, however, the Trustee shall hold such financial statements solely as an accommodation to the holders of the Bonds and shall have no duty or obligation to review, verify or analyze such financial statements or be deemed to have notice of any information contained therein or of any default or Event of Default which may be disclosed therein in any manner.

**Section 5.12. Transfer of Ontario Airport Facility or Ontario Airport Facilities.** The Authority shall not, except as permitted below, transfer, sell or otherwise dispose of an Ontario Airport Facility or Ontario Airport Facilities. For purposes of this Section 5.12, any transfer of an asset over which the Authority retains substantial control in accordance with the terms of such transfer shall not, for so long as the Authority has such control, be deemed a disposition of an Ontario Airport Facility or Ontario Airport Facilities.

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

- (a) The property being disposed of is inadequate, obsolete or worn out; or
- (b) The property proposed to be disposed of and all other Ontario Airport Facilities disposed of during the 12-month period ending on the day of such transfer (but excluding property disposed of under (a) above), will not, in the aggregate, constitute a Significant Portion, the proceeds are deposited into the Airport Revenue Fund to be used as described below and the Authority believes that such disposal will not prevent it from fulfilling its obligations under the Indenture; or
- (c) Prior to the disposition of such property, there is delivered to the Trustee
  - (i) a certificate of a Consultant to the effect that notwithstanding such disposition, but taking into account the use of such proceeds in accordance with the expectations of the Authority as evidenced by a certificate of an Authorized Authority Representative, the Consultant estimates that Authority will be in compliance with Section 5.04(a) and (b) hereof during each of the five Fiscal Years immediately following such disposition,

and (ii) a certificate of an Authorized Authority Representative that the last two paragraphs of this Section 5.12 have been complied with.

Ontario Airport Facilities which were financed with the proceeds of obligations the interest on which is then excluded from gross income for federal income tax purposes shall not be disposed of, except under the terms of provision (a) above, unless the Authority has first received a written opinion of Bond Counsel to the effect that such disposition will not cause the interest on such obligations to become includable in gross income for federal income tax purposes.

No such disposition shall be made which would cause the Authority to be in default of any other covenant contained herein.

**Section 5.13. Eminent Domain.** If a Significant Portion of any Ontario Airport Facility or Ontario Airport Facilities are taken by eminent domain proceedings or conveyance in lieu thereof, the Authority shall create within the Airport Revenue Fund special account and credit the Net Proceeds received as a result of such taking or conveyance to such account and shall within a reasonable period of time, after the receipt of such amounts, use such proceeds to (1) replace the Ontario Airport Facility or Ontario Airport Facilities which were taken or conveyed, (2) provide an additional revenue-producing Ontario Airport Facility or Ontario Airport Facilities, (3) redeem Bonds, or (4) create an escrow fund pledged to pay specified Bonds and thereby cause such Bonds to be deemed to be paid as provided in Article VII hereof.

**Section 5.14. Completion of Specified Ontario Project; Substitution of Specified Ontario Project.** The Authority will, upon the issuance of a Series of Bonds the proceeds of which are to be used for a Specified Ontario Project, proceed with due diligence to construct or acquire such Specified Ontario Project; provided, however, that the Authority may, if the conditions set forth in this Section 5.14 are met, substitute another Project therefor and shall proceed with due diligence to construct or acquire such substituted Project. The Authority may determine not to proceed with any of the Specified Ontario Projects or may determine to substitute another Project or Projects for a Specified Ontario Project if, as a condition to discontinuing the acquisition or construction of a Specified Ontario Project or to the substitution of another Project or Projects therefor, the Authority (a) first delivers to the Trustee a certificate of a Consultant showing that after taking into account the discontinuation of such Specified Ontario Project or the substitution of Project or Projects therefor, the test set forth in Section 5.04(a) and (b) would, nevertheless, be met and (b) second, there is delivered to the Authority and the Trustee an opinion of Bond Counsel to the effect that the substitution of one Project for another Project will not cause interest on the Series of Bonds with respect to which the original Project was to be financed to be included in gross income of the recipients thereof for federal income tax purposes. If the Authority determines not to proceed with a Specified Ontario Project and fails to deliver the Consultant's certificate and to undertake a substitute Project or Projects, then Bond proceeds which would have been used to acquire or construct such specified Ontario Project shall be used to redeem Bonds, or used as otherwise provided in the Supplemental Indenture pursuant to which they were issued.

**Section 5.15. Settlement Payments; Subordination.** In the event and to the extent that the Authority determines to make Settlement Payments from Net Pledged Revenues, any such

payment of Settlement Payments shall be made on a subordinate basis to the Initial Bonds as to payment from Net Pledged Revenues, and then only to the extent that the Authority would have remaining Net Pledged Revenues in its then-current Fiscal Year equal to at least 100% of the actual debt service and other obligations yet to become due and payable on the Outstanding Initial Bonds in such Fiscal Year. Prior to the payment in full of the Settlement Payments, the Authority shall not issue Additional Bonds hereunder, and any Subordinated Obligations issued hereunder shall be subordinate to the payment of Settlement Payments as to payment from Net Pledged Revenues.

Section 5.16. Covenants of Authority Binding on Authority and Successors. All covenants, stipulations, obligations and agreements of the Authority contained herein shall be deemed to be covenants, stipulations, obligations and agreements of the Authority to the full extent authorized or permitted by law. If the powers or duties of the Authority shall hereafter be transferred by amendment of any provision of the Constitution or any other law of the State or in any other manner there shall be a successor to the Authority, and if such transfer shall relate to any matter or thing permitted or required to be done hereunder by the Authority, then the entity that shall succeed to such powers or duties of the Authority shall act and be obligated in the place and stead of the Authority as in this Master Indenture provided, and all such covenants, stipulations, obligations and agreements shall be binding upon the successor or successors thereof from time to time and upon any officer, board, body or commission to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreement shall be transferred by or in accordance with law.

Section 5.17. Instruments of Further Assurance. The Authority covenants that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such Supplemental Indentures, and such further acts, instruments and transfers as the Trustee may reasonably request for the better assuring and confirming to the Trustee all and singular the rights and obligations of the Authority under and pursuant hereto and the security intended to be conferred hereby to secure the Bonds.

Section 5.18. Indenture To Constitute a Contract. This Indenture, including all Supplemental Indentures, is executed by the Authority for the benefit of the Bondholders and constitutes a contract with the Trustee for the benefit of the Bondholders.

## ARTICLE VI

### INVESTMENTS

Moneys held by the Trustee in the funds and accounts created herein and under any Supplemental Indenture shall be invested and reinvested as directed by the Authority, in Permitted Investments subject to the restrictions set forth herein and such Supplemental Indenture and subject to the investment restrictions imposed upon the Authority by the Joint Powers Agreement and the laws of the State. The Authority shall direct such investments by written certificate (upon which the Trustee may conclusively rely, including as to the suitability and legality of the directed investment) of an Authorized Authority Representative in the absence of any such instructions, the Trustee shall hold such funds uninvested. Investments shall mature not later than such times as shall be necessary to provide moneys when needed for payment to be made from such funds and accounts. The Trustee shall sell and reduce to cash a sufficient amount of any such investments whenever the cash balance in any such funds is insufficient to pay the amounts due therefrom.

The Trustee shall not be liable for any loss resulting from following the written directions of the Authority or as a result of liquidating investments to provide funds for any required payment, transfer, withdrawal or disbursement from any fund or account in which such Permitted Investment is held. The Trustee may buy or sell any Permitted Investment through its own (or any of its affiliates) investment department.

Earnings on the various funds and accounts created under any Supplemental Indenture shall be deposited as provided in such Supplemental Indenture, except that (i) during the continuation of an Event of Default earnings on such funds and accounts (to the extent not required to be deposited in any Rebate Fund) shall be deposited into the respective Debt Service Funds created under the respective Supplemental Indentures, and (ii) earnings on a bond reserve fund (to the extent not required to be deposited in a Rebate Fund) shall be applied as required by the Supplemental Indenture creating such bond reserve fund.

The Authority acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grants the Authority the right to receive brokerage confirmations of security transactions as they occur, at no additional cost, the Authority specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Authority periodic cash transaction statements which include detail for all investment transactions made by the Trustee hereunder.

## ARTICLE VII

### DEFEASANCE

Section 7.01. Discharge of Master Indenture. The Authority may pay and discharge the entire indebtedness on all Bonds Outstanding in any one or more of the following ways:

- (a) by well and truly paying or causing to be paid the principal of (including redemption premiums, if any) and interest on all such Bonds Outstanding, as and when

the same become due and payable (but this clause shall not include Bonds the principal of or interest on which has been paid by a Credit Provider until said principal and interest shall have been paid by the Authority); or

(b) by depositing with the Trustee, in trust, at or before maturity, money which, together with the amounts then on deposit with the Trustee hereunder for the payment of debt service on such Bonds, including any reserve funds, is fully sufficient to pay or redeem all such Bonds Outstanding, including all principal, interest and redemption premiums, if any; or

(c) by delivering to the Trustee, for cancellation by it, all such Bonds Outstanding; or

(d) by depositing with the Trustee, in trust, Government Obligations in such amount which, in the determination of an Independent certified public accountant, who shall certify such determination to the Trustee, shall, together with the income or increment to accrue thereon and any other moneys of the Authority made available for such purpose, be fully sufficient to pay and discharge the indebtedness on all such Bonds (including all principal, interest and redemption premiums, if any) at or before their respective maturity dates; and if the Authority shall also pay or cause to be paid all other sums payable hereunder by the Authority, then and in that case, at the election of the Authority (evidenced by a Certificate of the Authority signifying its intention to pay and discharge all such indebtedness and that the Master Indenture and all other obligations of the Authority under the Master Indenture with respect to such Bonds shall cease and terminate, which shall be filed with the Trustee), and notwithstanding that any such Bonds shall not have been surrendered for payment, the pledge of the Airport Revenues and other funds provided for in the Master Indenture and all other obligations of the Authority under the Master Indenture with respect to such Bonds shall cease, terminate and be completely discharged, and the Owners of such Bonds not so surrendered and paid shall thereafter be, entitled to payment only out of the money or Government Obligations deposited with the Trustee as aforesaid for their payment; subject, however, to the provisions of Section 7.03. The discharge of the obligations of the Authority under the Master Indenture shall be without prejudice to the rights of the Trustee to charge for and be reimbursed by the Authority for any expenditure which it may thereafter incur in connection herewith.

The Authority may at any time surrender to the Trustee for cancellation by it any Bonds previously issued and delivered, which the Authority may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

Section 7.02. Discharge of Liability on Bonds. If the Authority shall pay and discharge any of the Bonds Outstanding in any one or more of the ways set forth in Section 7.01 (a) – (d) (whether upon or prior to their maturity or the redemption date of such Bonds), and provided that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as provided in the Supplemental Indenture related to such Bonds or provision satisfactory to the Trustee shall have been made for the giving of such notice, then all liability of

the Authority in respect of such Bonds shall cease, determine and be completely discharged and the Owners thereof shall thereafter be entitled only to payment out of the money or Government Obligations deposited with the Trustee as aforesaid for their payment, subject, however, to the provisions of Section 7.03.

Section 7.03. Payment of Bonds after Discharge of Master Indenture. Notwithstanding any provisions of the Master Indenture, any moneys deposited with the Trustee in trust for the payment of the principal of, or interest or premium on, any Bonds and remaining unclaimed for two (2) years after the principal of all the Outstanding Bonds has become due and payable (whether at maturity or upon call for redemption or by declaration as provided in the Master Indenture) shall then be repaid to the Authority (without liability for interest), and the Owners of such Bonds shall thereafter be entitled to look only to the Authority for payment thereof, and all liability of the Trustee with respect to such moneys shall thereupon cease. In the event of the repayment of any such moneys to the Authority as aforesaid, the Owners of the Bonds in respect of which such moneys were deposited shall thereafter be deemed to be general creditors of the Authority for amounts equivalent to the respective amounts deposited for the payment of such Bonds and so repaid to the Authority (without interest thereon).

## ARTICLE VIII

### DEFAULTS AND REMEDIES

Section 8.01. Events of Default. Each of the following events shall constitute and is referred to herein as an "Event of Default":

- (a) a failure to pay the principal of or premium, if any, on any of the Bonds, when the same shall become due and payable at maturity or upon redemption;
- (b) a failure to pay any installment of interest on any of the Bonds when such interest shall become due and payable;
- (c) failure to pay the purchase price of any Bond when such purchase price shall be due and payable upon an optional or mandatory tender date as provided in the Supplemental Indenture;
- (d) a failure by the Authority to observe and perform any covenant, condition, agreement or provision (other than as specified in paragraphs (a), (b) and (c) of this Section 8.01) that are to be observed or performed by the Authority and which are contained herein or a Supplemental Indenture, which failure, except for a violation under Section 5.04 which shall be controlled by the provisions set forth therein, shall continue for a period of 60 days after written notice, specifying such failure and requesting that it be remedied, shall have been given to the Authority by the Trustee, which notice may be given at the discretion of the Trustee and shall be given at the written request of holders of 25% or more of the Principal Amount of the Bonds then Outstanding, unless the Trustee, or the Trustee and holders of Bonds in a Principal Amount not less than the Principal Amount of Bonds the holders of which requested such notice, shall agree in writing to an extension of such period prior to its expiration; provided, however, that such

period shall be deemed extended if corrective action is initiated by the Authority within such period and is being diligently pursued until such failure is corrected;

(e) bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, including without limitation proceedings under Chapter 9 of 11 United States Code (as the same may from time to time be hereafter amended), or other proceedings for relief under any federal or state bankruptcy law or similar law for the relief of debtors are instituted by or against the Authority and, if instituted against the Authority, said proceedings are consented to or are not dismissed within 60 days after such institution; or the occurrence of any other Event of Default as is provided in a Supplemental Indenture; or

(f) with respect to any Series of Bonds, the occurrence of any other Event of Default as is provided in a Supplemental Indenture authorizing the issuance of such Series.

If, on any date on which payment of principal of or interest on the Bonds is due and sufficient moneys are not on deposit with the Trustee or Paying Agent to make such payment, the Trustee shall give telephone notice of such insufficiency to the Authority.

#### Section 8.02. Remedies.

(a) Upon the occurrence and continuance of any Event of Default, the Trustee in its discretion, may and upon the written direction of the holders of 25% or more of the Principal Amount of the Bonds then Outstanding and receipt of indemnity to its satisfaction, shall, in its own name and as the Trustee of an express trust:

(i) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Bondholders, and require the Authority to carry out any agreements with or for the benefit of the Bondholders and to perform its or duties under the Joint Powers Agreement or any other law to which it is subject and this Master Indenture, provided that any such remedy may be taken only to the extent permitted under the applicable provisions hereof;

(ii) bring suit upon the Bonds;

(iii) commence an action or suit in equity to require the Authority to account as if it were the trustee of an express trust for the Bondholders; or

(iv) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders.

(b) The Trustee shall be under no obligation to take any action with respect to any Event of Default unless the Trustee has actual knowledge of the occurrence of such Event of Default. Nothing herein shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Bondholder any plan of reorganization, arrangement, adjustment, or composition affecting the Bonds or the rights of any Holder

thereof, or to authorize the Trustee to vote in respect of the claim of any Bondholder in any such proceeding without the approval of the Bondholders so affected.

**Section 8.03. Restoration to Former Position.** In the event that any proceeding taken by the Trustee to enforce any right hereunder shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then the Authority, the Trustee, and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

**Section 8.04. Bondholders' Right To Direct Proceedings.** Anything herein to the contrary notwithstanding, holders of a majority in Principal Amount of the Bonds then Outstanding shall have the right, at any time, by an instrument in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all remedial proceedings available to the Trustee hereunder to be taken in connection with the enforcement of the terms hereof or exercising any trust or power conferred on the Trustee by this Master Indenture; provided that such direction shall not be otherwise than in accordance with the provisions of the law and the Indenture and that there shall have been provided to the Trustee security and indemnity satisfactory to the Trustee against the costs, expenses and liabilities to be incurred as a result thereof by the Trustee.

**Section 8.05. Limitation on Right To Institute Proceedings.** No Bondholder shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust or power hereunder, or any other remedy hereunder or on such Bonds, unless such Bondholder or Bondholders previously shall have given to the Trustee written notice of an Event of Default as hereinabove provided and unless also holders of 25% or more of the Principal Amount of the Bonds then Outstanding shall have made written request of the Trustee to do so, after the right to institute such suit, action or proceeding under Section 8.02 hereof shall have accrued, and shall have afforded the Trustee a reasonable opportunity to proceed to institute the same in either its or their name, and unless there also shall have been offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall not have complied with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the institution of such suit, action or proceeding; it being understood and intended that no one or more of the Bondholders shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security hereof, or to enforce any right hereunder or under the Bonds, except in the manner herein provided, and that all suits, actions and proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Bondholders.

**Section 8.06. No Impairment of Right To Enforce Payment.** Notwithstanding any other provision herein, the right of any Bondholder to receive payment of the principal of and interest on such Bond or the purchase price thereof, on or after the respective due dates expressed therein and to the extent of the Net Pledged Revenues and other security provided for the Bonds, or to institute suit for the enforcement of any such payment on or after such respective date, shall not be impaired or affected without the consent of such Bondholder.

Section 8.07.Proceedings by Trustee Without Possession of Bonds. All rights of action hereunder or under any of the Bonds secured hereby which are enforceable by the Trustee may be enforced by it without the possession of any of the Bonds, or the production thereof at the trial or other proceedings relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the equal and ratable benefit of the Bondholders, subject to the provisions hereof.

Section 8.08.No Remedy Exclusive. No remedy herein conferred upon or reserved to the Trustee or to Bondholders is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder, or now or hereafter existing at law or in equity or by statute; provided, however, that any conditions set forth herein to the taking of any remedy to enforce the provisions hereof or the Bonds shall also be conditions to seeking any remedies under any of the foregoing pursuant to this Section 8.08.

Section 8.09.No Waiver of Remedies. No delay or omission of the Trustee or of any Bondholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given by this Article VIII to the Trustee and to the Bondholders, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 8.10.Application of Moneys. If an Event of Default shall occur and be continuing, all amounts then held or any moneys received by the Trustee, by any receiver or by any Bondholder pursuant to any right given or action taken under the provisions of this Article VIII (which shall not include moneys provided through a Credit Facility, which moneys shall be restricted to the specific use for which such moneys were provided), after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees, expenses, liabilities and advances incurred or made by the Trustee (including attorneys' fees and disbursements), shall be applied as follows:

(a) All such moneys shall be applied (i) first, to the payment to the persons entitled thereto of all installments of interest then due on the Bonds, with interest on overdue installments, if lawful, at the rate per annum as provided in any Supplemental Indenture, as the case may be, in the order of maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment of interest, then to the payment ratably, according to the amounts due on such installment, and (ii) second, to the payment to the persons entitled thereto of the unpaid principal amount of any of the Bonds which shall have become due with interest on such Bonds at such rate as provided in a Supplemental Indenture from the respective dates upon which they became due and, if the amount available shall not be sufficient to pay in full Bonds on any particular date determined to be the payment date, together with such interest, then to the payment ratably, according to the amount of principal and interest due on such date, in each case to the persons entitled thereto, without any discrimination or privilege.

(b) If the principal of all the Bonds subject to acceleration shall have been declared due and payable, all such moneys shall be applied to the payment of the

principal and interest then due and unpaid upon the Bonds, with interest on overdue interest and principal, as aforesaid, without preference or priority of principal over interest or interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege.

(c) If the principal of all the Bonds subject to acceleration shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of Section 8.02(b) and Section 8.03 hereof, then, subject to the provisions of clause (b) of this Section 8.10 which shall be applicable in the event that the principal of all the Bonds shall later become due and payable, the moneys shall be applied in accordance with the provisions of clause (a) of this Section 8.10.

Whenever moneys are to be applied pursuant to the provisions of this Section 8.10, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal and interest to be paid on such date shall cease to accrue. The Trustee shall give notice of the deposit with it of any such moneys and of the fixing of any such date by first-class United States mail, postage prepaid, to all Bondholders and shall not be required to make payment to any Bondholder until such Bonds shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 8.11. Severability of Remedies. It is the purpose and intention of this Article VIII to provide rights and remedies to the Trustee and the Bondholders, which may be lawfully granted under the provisions of the Joint Powers Act and other applicable law, but should any right or remedy herein granted be held to be unlawful, the Trustee and the Bondholders shall be entitled, as above set forth, to every other right and remedy provided herein or by applicable law.

Section 8.12. Additional Events of Default and Remedies. So long as any particular Series of Bonds is Outstanding, the remedies as set forth in this Article VIII may be supplemented with additional remedies as set forth in the Supplemental Indenture under which such Series of Bonds is issued.

## ARTICLE IX

### TRUSTEE, PAYING AGENT AND REGISTRAR

Section 9.01. Acceptance of Trusts. The Trustee hereby accepts and agrees to execute the trusts specifically imposed upon it by this Master Indenture, but only upon the additional terms set forth in this Article IX, to all of which the Authority agrees and the respective Bondholders agree by their acceptance of delivery of any of the Bonds.

Section 9.02. Duties of Trustee.

(a) If an Event of Default has occurred and is continuing, the Trustee shall exercise its rights and powers and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs,

(b) The Trustee shall perform the duties set forth herein and no implied duties or obligations shall be read into this Master Indenture against the Trustee.

(c) Except during the continuance of an Event of Default, in the absence of any negligence on its part or any knowledge to the contrary, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed, upon certificates or opinions furnished to the Trustee and conforming to the requirements hereof. However, the Trustee shall examine the certificates and opinions to determine whether they conform to the requirements hereof on their face.

(d) The Trustee may not be relieved from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that:

(i) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer unless the Trustee was negligent in ascertaining the pertinent facts; and

(ii) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it from Bondholders or the Authority in the manner provided herein.

(e) The Trustee shall not, by any provision hereof, be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if repayment of such funds or indemnity satisfactory to it against such risk or liability is not reasonably assured to it. The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Master Indenture at the request or direction of any of the holders of the Bonds, unless such holders shall have offered to the Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

(f) Every provision hereof that in any way relates to the Trustee is subject to all the paragraphs of this Section.

**Section 9.03. Rights of Trustee.** Subject to the foregoing Section, the Trustee shall be protected and shall incur no liability in acting or proceeding in good faith upon any resolution, notice, telegram, request, consent, waiver, certificate, direction, statement, affidavit, voucher, bond, requisition or other paper or document which it shall in good faith believe to be genuine and to have been passed or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions hereof, and the Trustee shall be under no duty to make investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements.

The Trustee may consult with counsel with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee hereunder in good faith in accordance therewith.

Whenever in the administration of the trusts or duties imposed upon it by this Master Indenture the Trustee shall deem it necessary that a matter be proved or established prior to taking or not taking any action hereunder; such matter may be deemed to be conclusively proved and established by a certificate of the Authority, and such certificate shall be full warrant to the Trustee for any action taken or not taken by it in good faith under the provisions hereof in reliance on such certificate.

The Trustee makes no representation as to the sufficiency or validity hereof or of any Bonds, or in respect of the security afforded by this Master Indenture.

The Trustee shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it hereunder.

In the performance of its duties hereunder, the Trustee may employ attorneys, agents and receivers and shall not be liable for any actions of such attorneys, agents and receivers to the extent selected by it with reasonable care.

The Trustee shall have no responsibility with respect to any information, statement or recital whatsoever in any official statement, offering memorandum or other disclosure material prepared or distributed with respect to the Bonds.

The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and the Trustee shall not be answerable for other than its negligence or willful misconduct. The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

Notwithstanding the effective date of this Indenture or anything to the contrary in this Indenture, the Trustee shall have no liability or responsibility for any act or event relating to this Indenture which occurs prior to the date the Trustee formally executes this Indenture and commences acting as Trustee hereunder.

The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Indenture and delivered using Electronic Means ("Electronic Means" means the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder); provided, however, that the Authority shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Authority, whenever a person is to be added or deleted from the listing. If the Authority elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee's understanding of such Instructions shall be deemed

controlling. The Authority understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The Authority shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the Authority and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Authority. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Authority agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Authority; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures. The Trustee shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay ("unavoidable delay") in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the Project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

The Trustee shall not be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct.

The Trustee shall not be deemed to have knowledge of any Event of Default unless and until a Responsible Officer shall have actual knowledge thereof, which may be by receipt of written notice thereof at its Corporate Trust Office.

Section 9.04. Individual Rights of Trustee. The Trustee in its individual or any other capacity may become the owner or pledgee of Bonds and may otherwise deal with the Authority with the same rights it would have if it were not Trustee. Any Paying Agent or other agent may do the same with like rights.

Section 9.05. Trustee's Disclaimer. The Trustee shall not be accountable for the use of the Bonds or the Authority's use of the proceeds from the Bonds paid to the Authority and it shall not be responsible for any statement in the Bonds other than its certificate of authentication.

**Section 9.06. Notice of Defaults.** If (i) an Event of Default has occurred or (ii) an event has occurred which with the giving of notice and/or the lapse of time would be an Event of Default and, with respect to such events for which notice to the Authority is required before such events will become Events of Default, such notice has been given, then the Trustee shall promptly, after obtaining actual notice of such Event of Default or event described in (ii) of the first sentence of this Section, give notice thereof to each Bondholder. Except in the case of a default in payment or purchase on any Bonds, the Trustee may withhold the notice if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of the Bondholders.

**Section 9.07. Compensation of Trustee.** For acting hereunder, the Trustee shall be entitled to payment of fees for its services and reimbursement of advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee in connection with its services hereunder, in accordance with a separate fee schedule setting forth such terms and conditions which has been approved by the Authority. The Authority agrees to indemnify and hold the Trustee and its officers, agents, employees and directors harmless against any liabilities, costs, claims, suits, judgments, damages or expenses (including legal fees and expenses) not arising from the Trustee's own negligence or willful misconduct, which the Trustee may incur in the exercise and performance of its rights and obligations hereunder including the enforcement of any remedies and the defense of any suit. Such obligation shall survive the discharge hereof or the resignation or removal of the Trustee. When the Trustee incurs expenses or renders services after the occurrence of an Event of Default, such expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

**Section 9.08. Eligibility of Trustee.** This Indenture shall always have a Trustee that is a trust company, banking association or a bank having the powers of a trust company and is organized and doing business under the laws of the United States or any state or the District of Columbia, is authorized to conduct trust business under the laws of the State, is subject to supervision or examination by United States, state or District of Columbia authority and has (together with its corporate parent) a combined capital and surplus of at least \$50,000,000 as set forth in its most recent published annual report of condition.

**Section 9.09. Replacement of Trustee.** The Trustee may resign by notifying the Authority in writing prior to the proposed effective date of the resignation. The holders of a majority in Principal Amount of the Bonds may remove the Trustee by notifying the removed Trustee and may appoint a successor Trustee with the Authority's consent. The Authority may remove the Trustee, by notice in writing delivered to the Trustee at least 60 days prior to the proposed removal date; provided, however, that the Authority shall have no right to remove the Trustee during any time when an Event of Default has occurred and is continuing or when an event has occurred and is continuing or condition exists which with the giving of notice or the passage of time or both would be an Event of Default.

No resignation or removal of the Trustee under this Section shall be effective until a new Trustee has taken office and delivered a written acceptance of its appointment to the retiring Trustee and to the Authority. If no successor Trustee shall have been appointed and have accepted appointment within 45 days of giving notice of removal or notice of resignation as

aforesaid, the resigning Trustee or any Bondholder (on behalf of itself and all other Bondholders) may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Immediately thereafter, the retiring Trustee shall transfer all property held by it as Trustee to the successor Trustee, the resignation or removal of the retiring Trustee shall then (but only then) become effective and the successor Trustee shall have all the rights, powers and duties of the Trustee hereunder.

If the Trustee resigns or is removed or for any reason is unable or unwilling to perform its duties hereunder, the Authority shall promptly appoint a successor Trustee.

If a Trustee is not performing its duties hereunder and a successor Trustee does not take office within 60 days after the retiring Trustee delivers notice of resignation or the Authority delivers notice of removal, the retiring Trustee, the Authority or the holders of a majority in Principal Amount of the Bonds may petition any court of competent jurisdiction for the appointment of a successor Trustee.

Section 9.10. Successor Trustee or Agent by Merger. If the Trustee, any Paying Agent or Registrar consolidates with, merges or converts into, or transfers all or substantially all its assets (or, in the case of a bank or trust company, its corporate trust assets) to, another corporation and meets the qualifications set forth herein, the resulting, surviving or transferee corporation without any further act shall be the successor Trustee, Paying Agent or Registrar.

Section 9.11. Paying Agent. The Authority may upon notice to the Trustee at any time or from time to time appoint a Paying Agent or Paying Agents for the Bonds or for any Series of Bonds, and each Paying Agent, if other than the Trustee, shall designate to the Authority and the Trustee its principal office and signify its acceptance of the duties and obligations imposed upon it hereunder or under a Supplemental Indenture by a written instrument of acceptance delivered to the Authority and the Trustee under which each such Paying Agent will agree, particularly:

- (a) to hold all sums held by it for the payment of the principal of, premium or interest on Bonds in trust for the benefit of the Bondholders until such sums shall be paid to such Bondholders or otherwise disposed of as herein provided;
- (b) to keep such books and records as shall be consistent with prudent industry practice, to make such books and records available for inspection by the Authority and the Trustee on each Business Day during reasonable business hours; and
- (c) upon the request of the Trustee, to forthwith deliver to the Trustee all sums so held in trust by such Paying Agent.

Section 9.12. Registrar. The Authority shall appoint the Registrar for the Bonds or a Registrar or Registrars for any Series of Bonds and may from time to time remove a Registrar and name a replacement. Each Registrar, if other than the Trustee, shall designate to the Trustee, the Paying Agent, and the Authority its principal office and signify its acceptance of the duties imposed upon it hereunder or under a Supplemental Indenture by a written instrument of acceptance delivered to the Authority and the Trustee under which such Registrar will agree, particularly, to keep such books and records as shall be consistent with prudent industry practice

and to make such books and records available for inspection by the Authority, the Trustee, and the Paying Agent on each Business Day during reasonable business hours.

**Section 9.13. Other Agents.** The Authority, or the Trustee with the consent of the Authority, may from time to time appoint other agents as may be appropriate at the time to perform duties and obligations hereunder or under a Supplemental Indenture all as provided by Supplemental Indenture or resolution of the Authority.

**Section 9.14. Several Capacities.** Anything herein to the contrary notwithstanding, with the consent of the Authority, the same entity may serve hereunder as the Trustee, Paying Agent, Registrar and any other agent as appointed to perform duties or obligations hereunder, under a Supplemental Indenture or an escrow agreement, or in any combination of such capacities, to the extent permitted by law. The Paying Agent and the Registrar shall be entitled to the same protections, limitations from liability and indemnities afforded to the Trustee hereunder.

**Section 9.15. Accounting Records and Reports of the Trustee.**

(a) The Trustee shall at all times keep, or cause to be kept, proper records in which complete and accurate entries shall be made of all transactions made by it relating to the proceeds of the Bonds and all funds and accounts established by it pursuant hereto. Such records shall be available for inspection with reasonable prior notice by the Authority on each Business Day during reasonable business hours and by any Bondholder, or his agent or representative duly authorized in writing, at reasonable hours and under reasonable circumstances.

(b) The Trustee shall provide to the Authority each month a report of any Bond proceeds received during that month, if any, and the amounts deposited into each fund and account held by it hereunder and the amount disbursed from such funds and accounts, the earnings thereon, the ending balance in each of such funds and accounts and the investments of each such fund and account.

(c) The Trustee shall annually, within 30 days after the end of the Fiscal Year, furnish to the Authority and to each Bondholder who shall have filed his name and address with the Trustee for such purpose (at such Bondholder's cost) a statement (which need not be audited) covering receipts, disbursements, allocation and application of Bond proceeds, Pledged Revenues and any other moneys in any of the funds and accounts established by it pursuant hereto or any Supplemental Indenture for the preceding year.

## ARTICLE X

### MODIFICATION OF THIS MASTER INDENTURE

**Section 10.01. Limitations.** This Indenture shall not be modified or amended in any respect subsequent to the first delivery of fully executed and authenticated Bonds except as provided in and in accordance with and subject to the provisions of this Article X.

**Section 10.02. Supplemental Indentures Not Requiring Consent of Bondholders.** The Authority may, from time to time and at any time, without the consent of or notice to the

Bondholders, execute and deliver Supplemental Indentures supplementing and/or amending this Master Indenture or any Supplemental Indenture as follows:

(a) to provide for the issuance of a Series or multiple Series of Bonds under the provisions of Section 2:09 hereof and to set forth the terms of such Bonds and the special provisions which shall apply to such Bonds;

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

(c) to add to the covenants and agreements of the Authority herein or any Supplemental Indenture other covenants and agreements, or to surrender any right or power reserved or conferred upon the Authority, provided such supplement or amendment shall not adversely affect the interests of the Bondholders;

(d) to confirm, as further assurance, any interest of the Trustee in and to the Net Pledged Revenues or in and to the funds and accounts held by the Trustee or in and to any other moneys, securities or funds of the Authority provided pursuant hereto or to otherwise add additional security for the Bondholders;

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

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

(g) to modify, alter, amend or supplement this Master Indenture or any Supplemental Indenture in any other respect which is not materially adverse to the Bondholders or the Credit Provider, if any;

(h) to qualify the Bonds or a Series of Bonds for a rating or ratings by any of Fitch, Moody's and S&P;

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

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

(k) to comply with the requirements of the Code as are necessary, in the opinion of Bond Counsel, to prevent the federal income taxation of the interest on the

Bonds, including, without limitation, the segregation of Pledged Revenues into different funds.

Before the Authority shall, pursuant to this Section 10.02, execute any Supplemental Indenture, there shall have been delivered to the Authority and Trustee an opinion of Bond Counsel to the effect that such Supplemental Indenture is authorized or permitted by this Master Indenture, the Joint Powers Agreement and other applicable law, complies with their respective terms, will, upon the execution and delivery thereof, be valid and binding upon the Authority in accordance with its terms and will not cause interest on any of the Bonds which is then excluded from gross income of the recipient thereof for federal income tax purposes to be included in gross income for federal income tax purposes.

Section 10.03. Supplemental Indenture Requiring Consent of Bondholders.

(a) Except for any Supplemental Indenture entered into pursuant to Section 10.02 and any Supplemental Indenture entered into pursuant to Section 10.03(b) below, subject to the terms and provisions contained in this Section 10.03 and not otherwise, the holders of not less than a majority in aggregate Principal Amount of the Bonds then Outstanding shall have the right from time to time to consent to and approve the execution by the Authority of any Supplemental Indenture deemed necessary or desirable by the Authority for the purposes of modifying, altering, amending, supplementing or rescinding, in any particular, any of the terms or provisions contained herein or in a Supplemental Indenture; provided, however, that, unless approved in writing by the holders of all the Bonds then Outstanding or unless such change affects less than all Series of Bonds and the following subsection (b) is applicable, nothing herein contained shall permit, or be construed as permitting, (i) a change in the scheduled times, amounts or currency of payment of the principal of, interest on or Accreted Value of any Outstanding Bonds or (ii) a reduction in the principal amount or redemption price of any Outstanding Bonds or the rate of interest thereon; and provided that nothing herein contained, including the provisions of Section 10.03(b) below, shall, unless approved in writing by the holders of all the Bonds then Outstanding, permit or be construed as permitting (iii) the creation of a lien (except as expressly permitted by this Master Indenture) upon or pledge of the Net Pledged Revenues created hereby, ranking prior to or on a parity with the claim created hereby, (iv) except with respect to additional security which may be provided for a particular Series of Bonds, a preference or priority of any Bond or Bonds over any other Bond or Bonds with respect to the security granted therefor under the Granting Clauses hereof, or (v) a reduction in the aggregate Principal Amount of Bonds the consent of the Bondholders of which is required for any such Supplemental Indenture. Nothing herein contained, however, shall be construed as making necessary the approval by Bondholders of the execution of any Supplemental Indenture as authorized in Section 10.02, including the granting, for the benefit of particular Series of Bonds, security in addition to the pledge of the Net Pledged Revenues.

(b) The Authority may, from time to time and at any time, execute a Supplemental Indenture which amends the provisions of an earlier Supplemental Indenture under which a Series or multiple Series of Bonds were issued. If such

Supplemental Indenture is executed for one of the purposes set forth in Section 10.02, no notice to or consent of the Bondholders shall be required. If such Supplemental Indenture contains provisions which affect the rights and interests of less than all Series of Bonds Outstanding and Section 10.02 is not applicable, then this subsection (b) rather than subsection (a) above shall control and, subject to the terms and provisions contained in this Section 10.03(b) and not otherwise, the holders of not less than 51% in aggregate Principal Amount of the Bonds of all Series which are affected by such changes shall have the right from time to time to consent to any Supplemental Indenture deemed necessary or desirable by the Authority for the purposes of modifying, altering, amending, supplementing or rescinding, in any particular, any of the terms or provisions contained in such Supplemental Indenture and affecting only the Bonds of such Series; provided, however, that, unless approved in writing by the holders of all the Bonds of all the affected Series then Outstanding, nothing herein contained shall permit, or be construed as permitting, (i) a change in the scheduled times, amounts or currency of payment of the principal of, interest on or Accreted Value of any Outstanding Bonds of such Series or (ii) a reduction in the principal amount or redemption price of any Outstanding Bonds of such Series or the rate of interest thereon. Nothing herein contained, however, shall be construed as making necessary the approval by Bondholders of the adoption of any Supplemental Indenture as authorized in Section 10.02, including the granting, for the benefit of particular Series of Bonds, security in addition to the pledge of the Net Pledged Revenues.

(c) If at any time the Authority shall desire to enter into any Supplemental Indenture for any of the purposes of this Section 10.03, the Authority shall cause notice of the proposed execution of the Supplemental Indenture to be given by first-class United States mail, postage prepaid, to all Bondholders or, under Section 10.03(b), all Bondholders of the affected Series. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that a copy thereof is on file at the office of the Authority for inspection by all Bondholders and it shall not be required that the Bondholders approve the final form of such Supplemental Indenture but it shall be sufficient if such Bondholders approve the substance thereof.

(d) The Authority may execute and deliver such Supplemental Indenture in substantially the form described in such notice, but only if there shall have first been delivered to the Authority (i) the required consents, in writing, of Bondholders and (ii) the opinion of Bond Counsel required by the last paragraph of Section 10.02.

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

**Section 10.04. Effect of Supplemental Indenture.** Upon execution and delivery of any Supplemental Indenture pursuant to the provisions of this Article X, this Master Indenture or the

Supplemental Indenture shall be, and shall be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations hereunder and the Supplemental Indenture of the Authority, the Trustee, the Paying Agent, the Registrar and all Bondholders shall thereafter be determined, exercised and enforced hereunder and the Supplemental Indenture, if applicable, subject in all respects to such modifications and amendments. No Supplemental Indenture shall modify the duties, rights or obligations of the Trustee, Paying Agent or Registrar without the consent of such party thereto.

Section 10.05. Supplemental Indentures To Be Part of This Indenture. Any Supplemental Indenture adopted in accordance with the provisions of this Article X shall thereafter form a part of this Master Indenture or the Supplemental Indenture which they supplement or amend, and all of the terms and conditions contained in any such Supplemental Indenture as to any provision authorized to be contained therein shall be and shall be deemed to be part of the terms and conditions hereof or the Supplemental Indenture which they supplement or amend for any and all purposes.

## ARTICLE XI

### CREDIT PROVIDERS

If a Credit Facility is provided for a Series of Bonds or for specific Bonds, unless otherwise provided by the Authority in the Supplemental Indenture under which such Bonds are issued, the Credit Provider shall have the following rights:

(a) the right to make requests of, direct or provide consent to actions hereunder or to otherwise direct proceedings all as provided in Article VIII (including, with respect to requests and directions given to the Trustee, upon providing the Trustee with such indemnity as it may require) hereof to the same extent and in place of the owners of the Bonds, when such request, direction or consent is required from owners of Bonds, which are secured by the Credit Facility and for such purposes the Credit Provider shall be deemed to be the Bondholder of such Bonds; and

(b) the right to act in place of the owners of the Bonds which are secured by the Credit Facility for purposes of removing a Trustee or appointing a Trustee under Article IX hereof.

The rights granted to any such Credit Provider, with respect to the provisions of Articles VIII and IX hereof shall be disregarded and be of no effect if the Credit Provider is in default of its payment obligations under its Credit Facility.

## ARTICLE XII

### MISCELLANEOUS PROVISIONS

Section 12.01. Parties in Interest. Except as herein otherwise specifically provided, nothing herein expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the Authority, the Trustee, the Paying Agent, other agents from time to time hereunder, the Bondholders and, to the limited extent provided by Supplemental

Indenture, the Credit Providers any right, remedy or claim under or by reason hereof, this Master Indenture being intended to be for the sole and exclusive benefit of the Authority, the Trustee, the Paying Agent, such other agents, the Bondholders and, to the limited extent provided in the applicable Supplemental Indenture, the Credit Providers.

Section 12.02. References to Department of Airports Indenture. References to Sections 4.04 and 4.07 of the Department of Airports Indenture in certain operating use and terminal lease agreements between the Authority, as assignee of the Department, and certain signatory airlines for the Ontario Airport Facilities, shall mean Sections 5.04 and 5.07, respectively, of this Master Indenture.

Section 12.03. Severability. In case any one or more of the provisions hereof, or of any Bonds issued hereunder shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof or of Bonds, and this Master Indenture and any Bonds issued hereunder shall be construed and enforced as if such illegal or invalid provisions had not been contained herein or therein.

Section 12.04. No Personal Liability of Commission Members and Authority Officials; Limited Liability of Authority to Bondholders. No covenant or agreement contained in the Bonds or herein shall be deemed to be the covenant or agreement of any present or future Commission member, official, officer, agent or employee of the Authority or the Airport, in his individual capacity, and neither the members of the Commission, the officers and employees of the Authority, nor any person executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 12.05. Execution of Instruments; Proof of Ownership. Any request, direction, consent or other instrument in writing required or permitted by this Master Indenture to be signed or executed by Bondholders or on their behalf by an attorney-in-fact may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Bondholders in person or by an agent or, attorney-in-fact appointed by an instrument in writing or as provided in the Bonds. Proof of the execution of any such instrument and of the ownership of Bonds shall be sufficient for any purpose hereof and shall be conclusive in favor of the Trustee with regard to any action taken by it under such instrument if made in the following manner:

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

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

Nothing contained in this Section 12.04 shall be construed as limiting the Trustee to such proof. The Trustee may accept any other evidence of matters herein stated which it may deem sufficient. Any request, consent of, or assignment by any Bondholder shall bind every future

Bondholder of the same Bonds or any Bonds issued in lieu thereof in respect of anything done by the Trustee or the Authority in pursuance of such request or consent.

Section 12.06.Governing Law. The laws of the State shall govern the construction and enforcement hereof and of all Bonds issued hereunder; provided, however, that the administration of the trusts imposed upon the Trustee by this Master Indenture and the rights and duties of the Trustee hereunder shall be governed by, and construed in accordance with, the laws of the jurisdiction in which the Trustee has its principal corporate trust office.

Section 12.07.Notices. Except as otherwise provided herein, all notices, certificates, requests, requisitions or other communications by the Authority, the Trustee, the Paying Agent, the Registrar, other agents or a Credit Provider, pursuant hereto shall be in writing and shall be sufficiently given and shall be deemed given when mailed by registered mail, postage prepaid, addressed as follows: if the Authority, to the Ontario International Airport Authority, Attention: Chief Financial Officer, 303 East B Street, Ontario, CA 91764; if to the Trustee, to The Bank of New York Mellon Trust Company, N.A., Attention: Corporate Trust Department; 400 South Hope Street, Suite #500, Los Angeles, California 90071; if to a Paying Agent, or another agent, to such address as is designated in writing by it to the Trustee and the Authority. Any of the foregoing may, by notice given hereunder to each of the others, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent hereunder.

Section 12.08.Repeal of Inconsistent Resolutions. All resolutions of the Authority or parts of resolutions inconsistent with any Supplemental Indenture or this Master Indenture are hereby repealed to the extent of such inconsistency.

Section 12.09.Counterparts. This Indenture may be signed in several counterparts. Each will be an original, but all of them together constitute the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Master Indenture to be duly executed, all as of the date first above written.

ONTARIO INTERNATIONAL AIRPORT  
AUTHORITY

By: 

Kelly J. Fredericks, P.E. A.A.E  
Chief Executive Officer

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A., as Trustee

By: 

Mark A. Golder  
Vice President/Senior Transaction Manager

**First Supplemental Trust Indenture**

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**FIRST SUPPLEMENTAL TRUST INDENTURE**

**By and Between**

**ONTARIO INTERNATIONAL AIRPORT AUTHORITY**

**and**

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,  
as Trustee**

**Dated as of November 1, 2016**

**Relating to**

**\$52,015,000  
Ontario International Airport Authority  
Ontario International Airport Revenue Bonds,  
Series 2016 (Taxable)**

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(This table of contents is not part of the First Supplemental Indenture and is only for convenience of reference. The captions herein are of no legal effect and do not vary the meaning or legal effect of any part of this First Supplemental Indenture.)

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## FIRST SUPPLEMENTAL TRUST INDENTURE

This FIRST SUPPLEMENTAL TRUST INDENTURE (this “First Supplemental Indenture”) dated as of November 1, 2016 is between the ONTARIO INTERNATIONAL AIRPORT AUTHORITY (the “Authority”), a joint powers authority established under Article I, Chapter 5, Division 7, of Title 1 of the California Government Code and pursuant to a Joint Exercise of Powers Agreement dated as of August 21, 2012 (the “Joint Powers Agreement”), by and between the City of Ontario, California, a general law city and municipal corporation duly organized and existing under the Constitution and laws of the State of California and the County of San Bernardino, California, a political subdivision of the State of California duly organized and existing under the Constitution and laws of such state, and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association organized and existing under the laws of the United States of America, as trustee (the “Trustee”), and supplements that Master Trust Indenture dated as of November 1, 2016, which is also by and between the Authority and the Trustee (as supplemented and amended from time to time, including hereby, the “Master Indenture”).

WHEREAS, the Master Indenture provides, in Section 2.09 thereof, for the issuance of Bonds in multiple series and, in Section 10.02 thereof, for the execution and delivery of Supplemental Indentures setting forth the terms of such Bonds; and

WHEREAS, the Authority now, for the purpose of paying and discharging the Department of Airports of the City of Los Angeles, California’s (the “Department”) outstanding \$83,720,000 Ontario International Airport Refunding Revenue Bonds, Series 2006A (Tax Exempt) (AMT) (the “2006A LAWA Bonds”) and its \$6,435,000 Ontario International Airport Refunding Revenue Bonds (Taxable) (the “2006B LAWA Bonds” and, together with the 2006A LAWA Bonds, the “2006 LAWA Bonds”), currently outstanding in the aggregate principal amount of \$55,505,000, in accordance with the Settlement Agreement (as defined in the Indenture), by execution and delivery of this First Supplemental Indenture and in compliance with the provisions of the Indenture, sets forth the terms of its \$52,015,000 Ontario International Airport Revenue Bonds, Series 2016 (Taxable) (the “2016 Bonds”), provides for the deposit and use of the proceeds of the 2016 Bonds and makes other provisions relating to the 2016 Bonds.

### ARTICLE I

#### DEFINITIONS; INTERPRETATIONS

Section 1.01. Definitions. The following definitions shall apply to terms used in this First Supplemental Indenture unless the context clearly requires otherwise:

“2006 LAWA Bonds” means, collectively, the 2006A LAWA Bonds and the 2006B LAWA Bonds.

“2006A LAWA Bonds” means the Department of Airports of the City of Los Angeles, California’s Ontario International Airport Revenue Bonds, Series 2006A (Tax Exempt; Alternative Minimum Tax), issued pursuant to the 2006 LAWA Indenture.

“2006B LAWA Bonds” means the Department of Airports of the City of Los Angeles, California’s Ontario International Airport Refunding Revenue Bonds, Series. 2006B (Taxable), issued pursuant to the 2006 LAWA Indenture.

“2006 LAWA Escrow Fund” means the fund held by the Escrow Agent under the terms of the Escrow Agreement, which fund is established and held for the purpose of paying the redemption price of the 2006 LAWA Bonds.

“2006 LAWA Indenture” means the Amended and Restated Master Trust Indenture dated as of October 1, 2006, by and between the Department and the Trustee, as amended and supplemented, including as amended and supplemented by the First Supplemental Trust Indenture dated as of October 1, 2006, pursuant to which the 2006 LAWA Bonds were issued.

“2016 Bond Insurer” means Assured Guaranty Municipal Corp., a New York stock insurance company, or any successor thereto or assignee thereof. The 2016 Bond Insurer shall be deemed to be a Credit Provider for purposes of the Master Indenture.

“2016 Bond Reserve Surety Bond” means the municipal bond debt service reserve insurance policy issued on the date of issuance of the 2016 Bonds by the 2016 Surety Provider guaranteeing certain payments into the 2016 Bond Reserve Fund with respect to the 2016 Bonds as provided therein and subject to the limitations set forth therein.

“2016 Bonds” means the Ontario International Airport Authority’s \$52,015,000 Ontario International Airport Revenue Bonds, Series 2016 (Taxable) issued under the Master Indenture and this First Supplemental Indenture.

“2016 Costs of Issuance Fund” means the costs of issuance fund created in Section 4.01 of this First Supplemental Indenture and into which money is to be deposited to pay Costs of Issuance with respect to the issuance of the 2016 Bonds and the redemption of the 2006 LAWA Bonds.

“2016 Interest Subaccount” shall mean the 2016 Interest Subaccount established within the Interest Account of the Debt Service Fund pursuant to section 4.01(b)(i) hereof.

“2016 Municipal Bond Insurance Policy” means the insurance policy issued by the 2016 Bond Insurer guaranteeing the scheduled payment of principal of and interest on the 2016 Bonds when due. The 2016 Municipal Bond Insurance Policy shall be deemed to be a Credit Facility for purposes of the Indenture.

“2016 Paying Agent” means The Bank of New York Mellon Trust Company, N.A., as paying agent for the 2006 LAWA Bonds.

“2016 Principal Subaccount” shall mean the 2016 Principal Subaccount established within the Principal Account of the Debt Service Fund pursuant to section 4.01(b)(ii) hereof.

“2016 Reserve Subaccount” shall mean the Bond Reserve Subaccount, Series 2016 established within the General Account of the Reserve Fund pursuant to Section 4.01(a)(i) hereof.

“2016 Surety Provider” shall mean Assured Guaranty Municipal Corp., a New York stock insurance company, or any successor thereto or assignee thereof.

“Authorized Denominations” means \$5,000 principal amount and integral multiples thereof.

“Bond Year” means a “Bond Year” as defined in the Tax Certificate.

“Book-Entry Bonds” shall mean the 2016 Bonds held by DTC (or its nominee) as the registered owner thereof pursuant to the terms and provisions of Section 2.05 hereof.

“Cede & Co.” shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

“Comparable Treasury Issue” means, with respect to any redemption date for a particular 2016 Bond, the United States Treasury security or securities selected by the Designated Investment Banker which has an actual or interpolated maturity comparable to the remaining average life of the 2016 Bond to be redeemed, and that would be utilized in accordance with customary financial practice in pricing new issues of debt securities of comparable maturity to the remaining average life of the 2016 Bonds to be redeemed.

“Comparable Treasury Price” means, with respect to any redemption date for a particular 2016 Bond, the average of four Reference Treasury Dealer Quotations for that redemption date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or if the Designated Investment Banker obtains fewer than four Reference Treasury Dealer Quotations, the average of all quotations obtained by the Designated Investment Banker.

“Continuing Disclosure Certificate” shall mean the Continuing Disclosure Certificate executed by the Authority with respect to the 2016 Bonds.

“Costs of Issuance” means all costs and expenses incurred by the Authority in connection with the issuance of the 2016 Bonds associated with the redemption of the 2006 LAWA Bonds, including, but not limited to, costs and expenses of printing and copying documents, the official statement, and the 2016 Bonds and the fees, costs and expenses of rating agencies, the Trustee, the Escrow Agent, legal counsel, accountants, financial advisors, feasibility consultants and other consultants.

“Debt Service Fund” means the Debt Service Fund created in Section 4.03 of the Master Indenture and into which money is to be deposited to pay debt service on the Bonds.

“Designated Investment Banker” means one of the Reference Treasury Dealers appointed by the Authority.

“DTC” shall mean The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns.

“Escrow Agent” means The Bank of New York Mellon Trust Company, N.A., or any successor Escrow Agent appointed under the Escrow Agreement.

“Escrow Agreement” means that Escrow Agreement dated as of November 1, 2016, by and among the Authority, the Department, the 2006 Paying Agent and the Escrow Agent, under which a portion of the proceeds of the 2016 Bonds, along with other moneys, are to be deposited and used to pay the redemption price of the 2006 LAWA Bonds on the redemption date therefor.

“First Supplemental Indenture” means this First Supplemental Trust Indenture dated as of November 1, 2016, between the Authority and the Trustee and which sets forth the terms of the 2016 Bonds.

“Holder” or “Bondholder” shall mean the registered owner of any 2016 Bond including DTC or its nominee as the sole registered owner of Book-Entry Bonds.

“Insured Bonds” means the 2016 Bonds maturing May 15, 2021 in the principal amount of \$5,145,000; (ii) May 15, 2022 in the principal amount of \$5,290,000; (iii) May 15, 2023 in the principal amount of \$5,455,000; (iv) May 15, 2024 in the principal amount of \$5,645,000; (v) May 15, 2025 in the principal amount of \$5,820,000; and (iv) May 15, 2026 in the principal amount of \$6,040,000.

“Interest Payment Date” means each May 15 and November 15, commencing May 15, 2017, the dates upon which interest on the Bonds becomes due and payable.

“Late Payment Rate” means the lesser of (x) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate (“Prime Rate”) (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then-applicable highest rate of interest on the 2016 Bonds, and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event that JPMorgan Chase ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the 2016 Bond Insurer shall specify. If the interest provisions described above shall result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the 2016 Bonds, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any such excess shall be applied upon principal immediately upon receipt of such moneys by the 2016 Bond Insurer, with the same force and effect as if the Authority had specifically designated such extra sums to be so applied and the 2016 Bond Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event will any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by law applicable to the issuance of the 2016 Bonds or the creation and use of the Reserve Fund for the use or detention of money or for forbearance in seeking its collection.

“Make-Whole Redemption Price” means the greater of (i) 100% of the principal amount of the 2016 Bonds to be redeemed or (ii) the sum of the present value of the remaining scheduled

payments of principal and interest on the 2016 Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date fixed for redemption of such 2016 Bonds to be redeemed, the present value of which will be determined by discounting the amount of each such interest and principal payment from the date that each such payment would have been payable but for the redemption to the date fixed for redemption on a semi-annual basis, assuming a 360-day year containing twelve 30-day months, at the Treasury Rate plus 15 basis points, plus, in each case, accrued and unpaid interest on the 2016 Bonds to be redeemed to the redemption date

“Master Indenture” means the Master Trust Indenture dated as of November 1, 2016, between the Authority and the Trustee under which the 2016 Bonds are authorized and secured, as supplemented and amended from time to time, including hereby.

“Opinion of Bond Counsel” means a written opinion of counsel, acceptable to the Authority, nationally recognized for its experience in matters relating to the tax exemption of interest on obligations issued by states and their political subdivisions.

“Participants” mean the participants of DTC which include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations.

“Paying Agent” for purposes of this First Supplemental Indenture, shall mean the Trustee.

“Policy Costs” means repayment of any draws under the 2016 Bond Reserve Surety Bond, plus related reasonable expenses incurred by the 2016 Surety Provider and interest thereon from the date of payment or incurrence by the 2016 Surety Provider at the Late Payment Rate. Policy Costs shall qualify as Repayment Obligations under the Master Indenture (subject to the priority of payment provisions set forth in the Master Indenture)

“Record Date” means for a May 15 Interest Payment Date the preceding May 1 and for a November 15 Interest Payment Date the preceding November 1.

“Redemption Date” means any date fixed for redemption prior to maturity of Bonds.

“Redemption Price” means, with respect to any Bond (or portion thereof), the principal amount with respect to such Bond (or portion) plus the applicable premium, if any, payable upon redemption thereof pursuant to the provisions of such Bond and the Master Indenture.

“Reference Treasury Dealer” means each of the four firms, specified by the Authority from time to time, that are primary United States Government securities dealers in the City of New York (each a “Primary Treasury Dealer”); provided, however, that if any of them ceases to be a Primary Treasury Dealer, the Authority will substitute another Primary Treasury Dealer.

“Reference Treasury Dealer Quotations” means, with respect to each Reference Treasury Dealer and any redemption date for a particular 2016 Bond, the average, as determined by the Designated Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the

Designated Investment Banker by such Reference Treasury Dealer at 3:30 P.M., New York City time, on the third Business Day preceding that redemption date.

“Registrar” for purposes of this First Supplemental Indenture, shall mean the Trustee.

“Representation Letter” means the Letter of Representations from the Authority and the Trustee to DTC with respect to the Bonds.

“Treasury Rate” means, with respect to any redemption date for a particular 2016 Bond, (i) the yield to maturity of U.S. Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519)) that has become publicly available as of the most recent date that is not more than forty-five (45) calendar days prior to the redemption date (excluding inflation indexed securities) or, if such Statistical Release is no longer published, any publicly available source of similar market data reasonably selected by the Fiscal Agent, most nearly equal to the remaining average life of such 2016 Bond, or if the remaining average life is less than one year, the weekly average yield on actually traded U.S. Treasury securities adjusted to a constant maturity of one year, (ii) if the yield described in (i) above is not reported as of such time or the yield reported as of such time is not ascertainable, the rate per annum truncated to the fifth decimal, equal to the semiannual equivalent yield to maturity or interpolated maturity of the Comparable Treasury Issue, computed as of the second business day immediately preceding a date that is not more than forty-five (45) calendar days prior to the redemption date, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount), equal to the Comparable Treasury Price for that redemption date as calculated by the Designated Investment Banker.

Section 1.02. Incorporation of Definitions Contained in the Master Indenture. Except as otherwise provided in Section 1.01 of this First Supplemental Indenture, all words, terms and phrases defined in the Master Indenture shall have the same meanings herein as in the Master Indenture.

Section 1.03. Article and Section References. Except as otherwise indicated, references to Articles and Sections are to Articles and Sections of this First Supplemental Indenture.

## ARTICLE II

### THE 2016 BONDS

Section 2.01. Designation of the 2016 Bonds; Principal Amount. The 2016 Bonds authorized to be issued under the Master Indenture and this First Supplemental Indenture shall be designated as Ontario International Airport Authority Ontario International Airport Revenue Bonds, Series 2016 (Taxable), which shall be issued in the original principal amount of \$52,015,000.

Section 2.02. Bonds Under the Master Indenture; Security; Parity. The 2016 Bonds are issued under and subject to the terms of the Master Indenture and are secured by and payable from the Net Pledged Revenues and other security provided in the Granting Clause of the Master Indenture and in accordance with the terms of the Master Indenture.

Section 2.03. General Terms of the 2016 Bonds. The 2016 Bonds shall, upon initial issuance, be dated November 1, 2016. Each 2016 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof unless such date of authentication is an Interest Payment Date, in which event such 2016 Bond shall bear interest from such date of authentication, or unless such date of authentication is after a Record Date and before the next succeeding Interest Payment Date, in which event such 2016 Bond shall bear interest from such succeeding Interest Payment Date, or unless such date of authentication is on or prior to November 1, 2016, in which event such 2016 Bond shall bear interest from its date of delivery. If interest on the 2016 Bonds shall be in default, Bonds issued in exchange for 2016 Bonds surrendered for transfer or exchange shall bear interest from the Interest Payment Date to which interest has been paid in full on the 2016 Bonds surrendered. The 2016 Bonds shall be issued in denominations of \$5,000 original principal amount or integral multiples thereof.

Interest on the 2016 Bonds shall be paid on May 15, 2017 and semiannually thereafter on November 15 and May 15.

Interest on the 2006 Bonds shall be calculated on the basis of a year of 360 days and twelve 30-day months.

The 2016 Bonds shall mature in the years and in the amounts and bear interest at the annual rates set forth in the following schedule:

May 15 of the Year	Principal Amount	Interest Rate
2017	\$ 3,895,000	1.290%
2018	4,805,000	1.557
2019	4,910,000	1.818
2020	5,010,000	2.084
2021	5,145,000	2.184
2022	5,290,000	2.484
2023	5,455,000	2.634
2024	5,645,000	2.798
2025	5,820,000	2.898
2026	6,040,000	2.998

Payment of principal of the 2016 Bonds shall be made upon surrender of the 2016 Bonds to the Trustee or its agent; provided that with respect to the 2016 Bonds which are Book-Entry Bonds, the Trustee may make other arrangements for payment of principal as provided in the Representation Letter. Payment of interest on the 2016 Bonds which are not Book-Entry Bonds shall be paid by check or draft of the Trustee mailed on the applicable Interest Payment Date by first-class mail to the person who is the registered Owner thereof on the Record Date, and such payment shall be mailed to such Owner at his address as it appears on the registration books of the Registrar. The payment of interest on Book-Entry Bonds shall be made as provided in Section 2.05 hereof. With respect to all 2016 Bonds, interest due and payable on any Interest Payment Date shall be paid to the person who is the registered owner as of the Record Date. The 2016 Bonds shall be substantially in the form of Exhibit A, which is part of this First Supplemental Indenture.

If the principal of a 2016 Bond becomes due and payable, but shall not have been paid as a result of a default hereunder, and no provision is made for its payment, then such 2016 Bond shall bear interest at the same rate after such default as on the day before the default occurred.

Section 2.04. Exchange of 2016 Bonds. The 2016 Bonds which are delivered to the Registrar for exchange may be exchanged for an equal total principal amount of Bonds of the same Series, interest rate and maturity date. The Registrar will not, however, be required to transfer or exchange any such 2016 Bond during the period established by the Registrar for selection of the 2016 Bonds for redemption or any 2016 Bond which has been selected for redemption.

Section 2.05. Book-Entry Bonds.

(a) Except as provided in subparagraph (c) of this Section 2.05, the registered owner of all of the 2016 Bonds shall be DTC and the 2016 Bonds shall be registered in the name of Cede & Co., as nominee for DTC. Payment of principal or interest for any 2016 Bond registered in the name of Cede & Co. shall be made by wire transfer of New York clearing house or equivalent next day funds or by wire transfer of same day funds to the account of Cede & Co. at the address indicated on the Record Date or special record date for Cede & Co. in the registration books of the Registrar.

(b) The 2016 Bonds shall be initially issued in the form of separate single authenticated fully registered Bonds for each separate stated maturity of the 2016 Bonds of each Series. Upon initial issuance, the ownership of such 2016 Bonds shall be registered in the registration books of the Registrar in the name of Cede & Co., as nominee of DTC. The Trustee, the Registrar, and the Authority may treat DTC (or its nominee) as the sole and exclusive owner of the 2016 Bonds registered in its name for the purposes of payment of the principal or redemption price of or interest on the 2016 Bonds, selecting the 2016 Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders under the Master Indenture or this First Supplemental Indenture, registering the transfer of 2016 Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever, and neither the Trustee, the Registrar nor the Authority shall be affected by any notice to the contrary. Neither the Trustee, the Registrar nor the Authority shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the 2016 Bonds under or through DTC or any Participant, or any other person which is not shown on the registration books as being a Bondholder, with respect to the accuracy of any records maintained by DTC or any Participant; the payment by DTC or any Participant of any amount in respect of the principal of, redemption price of or interest on the 2016 Bonds; any notice which is permitted or required to be given to Bondholders under the Master Indenture; the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the 2016 Bonds; any consent given or other action taken by DTC as Bondholder; or any other purpose. The Trustee shall pay all principal of and premium, if any, and interest on the 2016 Bonds only to or "upon the order of" (as that term is used in the Uniform Commercial Code as adopted in the State of California) DTC, and all such payments shall be valid and effective to fully satisfy and discharge the Authority's obligations with respect to the principal of and premium, if any, and interest on the 2016 Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated 2016 Bond evidencing the obligation of

the Authority to make payments of principal of and premium, if any, and interest pursuant to the Master Indenture. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to Record Dates, the word "Cede & Co." in this First Supplemental Indenture shall refer to such new nominee of DTC.

(c) In the event the Authority determines that it is in the best interest of the beneficial owners that they be able to obtain 2016 Bond certificates, and notifies DTC, the Trustee and the Registrar of such determination, then DTC will notify the Participants of the availability through DTC of 2016 Bond certificates. In such event, the Trustee shall authenticate and the Registrar shall transfer and exchange 2016 Bond certificates as requested by DTC and any other Bondholders in appropriate amounts. DTC may determine to discontinue providing its services with respect to the 2016 Bonds at any time by giving notice to the Authority and the Trustee and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the Authority and the Trustee shall be obligated to deliver 2016 Bond certificates as described in this First Supplemental Indenture. In the event 2016 Bond certificates are issued, the provisions of the Master Indenture and this First Supplemental Indenture shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of and interest on such certificates. Whenever DTC requests the Authority and the Trustee to do so, the Trustee and the Authority will cooperate with DTC in taking appropriate action after reasonable notice (a) to make available one or more separate certificates evidencing the Bonds to any DTC Participant having 2016 Bonds credited to its DTC account or (b) to arrange for another securities depository to maintain custody of certificates evidencing the 2016 Bonds.

(d) Notwithstanding any other provision of the Master Indenture and this First Supplemental Indenture to the contrary, so long as any 2016 Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal of and premium, if any, and interest on such Bond and all notices with respect to such 2016 Bond shall be made and given, respectively, to DTC as provided in the Representation Letter.

(e) In connection with any notice or other communication to be provided to Bondholders pursuant to the Master Indenture and this First Supplemental Indenture by the Authority, the Authority or the Trustee with respect to any consent or other action to be taken by Bondholders, the Authority or the Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than 15 calendar days in advance of such record date to the extent possible. Notice to DTC shall be given only when DTC is the sole Bondholder.

(f) NEITHER THE AUTHORITY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS WITH RESPECT TO: THE PAYMENT BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT OF THE PRINCIPAL OF OR INTEREST ON THE 2016 BONDS; THE PROVIDING OF NOTICE TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS; THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DTC PARTICIPANT OR

ANY INDIRECT PARTICIPANT; OR ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS OWNER OF THE 2016 BONDS.

### ARTICLE III

#### REDEMPTION OF BONDS

##### Section 3.01. Terms of Redemption.

(a) Optional Redemption of 2016 Bonds. The 2016 Bonds shall be subject to redemption at the option of the Authority prior to their respective maturity dates, as a whole or in part, on any date as directed by the Authority, at the Make-Whole Redemption Price to be calculated by the Authority.

Section 3.02. Selection of Bonds for Redemption. Whenever provision is made in this First Supplemental Indenture for the redemption of less than all of the 2016 Bonds of a maturity, the Trustee shall select such 2016 Bonds for redemption pro rata. The Trustee shall promptly notify the Authority in writing of the numbers of the 2016 Bonds or portions thereof so selected for redemption by mailing it a copy of the notice of redemption. Notwithstanding the foregoing, so long as the 2016 Bonds are in book-entry form, if less than all of the 2016 Bonds of any maturity are to be redeemed, the selection of the 2016 Bonds to be redeemed shall be made in accordance with operational arrangements of DTC or the applicable successor depository, as the case may be.

Section 3.03. Notice of Redemption. In the case of an optional redemption, the Authority will provide notice of the redemption of any Series 2016 Bonds to the Trustee no fewer than forty (40) days before the date fixed for such redemption (or such later date as is agreed to by the Trustee), which notice to the Trustee shall include any information required by the Trustee in order to provide the required notice of redemption to the affected Owners of any applicable 2016 Bonds pursuant to this Section 3.03. Notice of redemption shall be mailed by first-class mail not less than thirty (30) days before any Redemption Date, to the respective Owners of any 2016 Bonds designated for redemption at their addresses appearing on the registration books, and shall be submitted to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system. Each notice of redemption shall state the Redemption Date, the place or places of redemption, whether less than all of the 2016 Bonds are to be redeemed, the distinctive numbers of the Bonds to be redeemed, and in the case of 2016 Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on the Redemption Date there will become due and payable on each of said 2016 Bonds or parts thereof designated for redemption the Redemption Price thereof, plus accrued interest thereon, and that from and after such Redemption Date interest thereon shall cease to accrue, and shall require that such 2016 Bonds be surrendered. Neither the failure to receive any notice nor any defect therein shall affect the validity of the proceedings for such redemption or the cessation of accrual of interest from and after the Redemption Date. Notice of redemption of 2016 Bonds shall be given by the Trustee, at the expense of the Authority, for and on behalf of the Authority.

With respect to any notice of redemption of 2016 Bonds hereunder, unless upon the giving of such notice such 2016 Bonds shall be deemed to have been paid within the meaning of Article VII of the Master Indenture or the Trustee has received amounts sufficient to pay the principal of, and premium, if any, and interest on, such 2016 Bonds to be redeemed, such notice shall state that such redemption shall be conditional upon the receipt by the Trustee on or prior to the Redemption Date of amounts sufficient to pay the principal of, and premium, if any, and interest on, such 2016 Bonds to be redeemed, and that if such amounts shall not have been so received said redemption notice shall be of no force and effect and such 2016 Bonds shall not be subject to redemption on such date. In the event that such notice of redemption contains such a condition and such amounts are not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, to the persons and in the manner in which the notice of redemption was given, that such amounts were not so received and the redemption was not made.

Section 3.04. Partial Redemption of 2016 Bonds. Upon surrender of any 2016 Bond redeemed in part only, the Authority shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Authority, a new 2016 Bond or 2016 Bonds of authorized denominations equal in aggregate principal amount to the unredeemed portion of the 2016 Bonds surrendered and of the same interest rate, maturity and Series.

Section 3.05. Effect of Redemption. Notice of redemption having been duly given as aforesaid, and moneys for payment of the Redemption Price of, together with interest accrued to the date fixed for redemption on, the 2016 Bonds (or portions thereof) so called for redemption being held by the Trustee, on the Redemption Date designated in such notice, the 2016 Bonds (or portions thereof) so called for redemption shall become due and payable, interest on the 2016 Bonds so called for redemption shall cease to accrue, said 2016 Bonds (or portions thereof) shall cease to be entitled to any benefit or security under the Master Indenture, and the Owners of said 2016 Bonds shall have no rights in respect thereof except to receive payment of the Redemption Price thereof. The Trustee shall, upon surrender for payment of any of the 2016 Bonds to be redeemed on their Redemption Dates, pay such 2016 Bonds at the Redemption Price.

All 2016 Bonds redeemed pursuant to the provisions of this Article shall be canceled upon surrender thereof.

## ARTICLE IV

### ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

Section 4.01. Establishment of Funds and Accounts. (a) The following funds and accounts are hereby established to be held and administered by the Trustee in accordance with the Master Indenture and as set forth herein:

- (i) the Bond Reserve Subaccount, Series 2016 (the “2016 Reserve Subaccount”) within the General Account of the Reserve Fund; and
- (ii) the Costs of Issuance Fund, Series 2016 (the “2016 Costs of Issuance Fund”).

(b) The following funds and accounts are hereby established to be held and administered by the Treasurer in accordance with the Master Indenture and as set forth herein:

(i) an Interest Subaccount for the 2016 Bonds (the "2016 Interest Subaccount"), within the Interest Account of the Debt Service Fund; and

(ii) a Principal Subaccount for the 2016 Bonds (the "2016 Principal Subaccount"), within the Principal Account of the Debt Service Fund.

The Treasurer shall keep and maintain records and reports in respect of the foregoing funds, accounts and subaccounts and make such records and reports available to the Authority and the Trustee, as if such records and reports were subject to Section 9.15 of the Master Indenture. Upon and during an Event of Default, the Treasurer shall immediately transfer the foregoing funds, accounts and subaccounts and the deposits therein to the Trustee (together with the Treasurer's records and reports relating thereto), and such funds, accounts and subaccounts shall be held and administered by the Trustee for so long as any Event of Default continues, following which the Trustee shall, but only upon the request of the Authority, transfer such funds, accounts and subaccounts and the deposits therein back to the Treasurer (together with the Trustee's records and reports relating thereto) to hold and administer in accordance with the provisions of the Master Indenture.

Section 4.02. Application of Proceeds and Other Funds and Securities. (a) The net proceeds of the sale of the 2016 Bonds, being the amount of \$51,412,578.47 (representing the \$52,015,000 aggregate principal amount of the 2016 Bonds, less (i) \$366,988.21 of Underwriter's discount, (ii) \$115,798.82 transferred by the Authorized Authority Representative to the 2016 Bond Insurer on behalf of the Authority as payment of the premium for the 2016 Municipal Bond Insurance Policy, and (iii) \$119,634.50 transferred by the Authorized Authority Representative to the 2016 Surety Provider on behalf of the Authority as payment of the premium for the 2016 Bond Reserve Surety Bond), plus the amount of \$8,850,511.83 of funds previously held pursuant to the 2006 LAWA Indenture or otherwise provided by the Authority, all received by the Trustee, shall be deposited or paid by the Trustee as follows:

(i) the sum of \$58,111,225.19 shall be paid to the Escrow Agent for credit to the 2006 LAWA Escrow Fund; and

(ii) the sum of \$2,151,865.11 shall be deposited in the 2016 Costs of Issuance Account.

The 2016 Bond Reserve Surety Bond in the amount of \$5,201,500 is hereby credited to the 2016 Reserve Subaccount.

The Trustee is hereby authorized to establish an account as it deems appropriate to facilitate the transfer to the Escrow Agent as described in clause (i) above.

Section 4.03. Debt Service Fund. For so long as the Treasurer holds and administers the Debt Service Fund and the accounts and subaccounts therein, the Authority shall instruct the Treasurer to transfer funds from the Airport Revenue Fund into the Debt Service Fund at the times and in the amounts required by Sections 4.04(b)(2) and (3) of the Master Indenture in

respect to the 2016 Bonds. To the extent the Trustee holds and administers the Debt Service Fund and the accounts and subaccounts therein, the Authority shall instruct the Treasurer to withdraw funds and make payments from the Airport Revenue Fund to the Trustee for deposit into the Debt Service Fund at the times and in the amounts required by Sections 4.04(b) (2) and (3) of the Master Indenture in respect to the 2016 Bonds. With the funds made available to it pursuant to Sections 4.04(b) (2) and (3) of the Master Indenture for such purpose, the Trustee or the Treasurer, as applicable, shall make deposits or transfers into the Debt Service Fund as follows:

(a) 2016 Interest Subaccount. The Treasurer or the Trustee, as applicable, shall deposit or transfer into the 2016 Interest Subaccount amounts as instructed in writing by or as received from the Authority, as provided in the Master Indenture, to be used to pay interest on the 2016 Bonds. The Treasurer or the Trustee, as applicable, shall also deposit into the 2016 Interest Subaccount any other amounts deposited with it for deposit in the 2016 Interest Subaccount or transferred from other funds and accounts for deposit therein.

(b) 2016 Principal Subaccount. The Treasurer or the Trustee, as applicable, shall deposit into the 2016 Principal Subaccount amounts as instructed in writing by or as received from the Authority, as provided in the Master Indenture, to be used to pay principal of the 2016 Bonds at maturity or to pay the redemption price of the 2016 Bonds being redeemed as provided in Section 3.01 of this First Supplemental Indenture. The Treasurer or the Trustee, as applicable, shall also deposit into the 2016 Principal Subaccount any other amounts deposited with it for deposit into the 2016 Principal Subaccount or transferred from other funds and accounts for deposit therein.

The Debt Service Fund shall be invested and reinvested as directed by an Authorized Authority Representative in Permitted Investments. Earnings on the 2016 Interest Subaccount and the 2016 Principal Subaccount shall be transferred into the Airport Revenue Fund unless an Event of Default exists under the Master Indenture, in which event the earnings shall be retained in such account pursuant to Section 4.04 (c) of the Master Indenture.

For so long as the 2016 Bond Reserve Surety Bond is outstanding, the Trustee shall notify the 2016 Surety Provider (or, if the Treasurer holds and administers the Debt Service Fund, the Treasurer shall notify the 2016 Surety Provider) of any failure of deposits or transfers into the Debt Service Fund to be made, which notice shall be made within two business days of the date due. If a claim upon the 2016 Bond Reserve Surety Bond shall be required with respect to any payment of principal or interest on the 2016 Bonds, the Trustee shall notify the 2016 Surety Provider at least five business days prior to the date upon which such interest or principal is due on the 2016 Bonds.

Amounts to be disbursed from the Debt Service Fund to the Trustee or applicable Paying Agent pursuant to Section 4.05 of the Master Indenture for the payment of debt service shall be disbursed from the Debt Service Fund not later than the fifth Business Day prior to the applicable payment date for such debt service payment, and the Trustee shall deliver to the Treasurer written demand for such transfer not later than the sixth Business Day prior to the applicable payment date.

Section 4.04. Reserve Fund.

(a) (i) As a condition of issuance of the 2016 Bonds, the 2016 Bond Reserve Surety Bond will be credited to the 2016 Reserve Subaccount, such that the aggregate amount credited to the 2016 Reserve Account will be equal to the Required Reserve. The 2016 Reserve Account shall be held, invested and used as provided in Section 4.04(b)(4) of the Master Indenture.

(b) A Reserve Fund Surety Policy shall be acceptable in lieu of a deposit of cash or securities into the 2016 Reserve Account, or may be substituted for amounts on deposit in the 2016 Reserve Account, only if at the time of such deposit (i) such Reserve Fund Surety Policy extends to the maturity of the 2016 Bonds of the longest maturity then Outstanding, or the Authority has agreed, by Supplemental Indenture, that it will replace such Reserve Fund Surety Policy prior to its expiration with another Reserve Fund Surety Policy which shall have no adverse effect on the ratings, if any, then in effect on the 2016 Bonds, or with cash; and (ii) the face amount of the Reserve Fund Surety Policy, together with amounts on deposit in the General Account, including the face amount of any other Reserve Fund Surety Policy, is at least equal to the Required Reserve; and (iii) other than with respect to the 2016 Bond Reserve Surety Bond, prior written consent from the 2016 Bond Insurer both as to the Credit Provider of such Reserve Fund Surety Policy and as to its structure.

(c) Notwithstanding anything to the contrary contained in the Master Indenture, at any time one or more surety bonds, including the 2016 Bond Reserve Surety Bond, or insurance policies (collectively, "Reserve Fund Surety Policies") are on deposit in the General Account of the Reserve Fund, the Trustee shall: (i) withdraw and use all cash and investments, if any, on deposit in the General Account prior to using and withdrawing any amounts derived from payments under any Reserve Fund Surety Policies; and (ii) draw on all Reserve Fund Surety Policies on a pro rata basis based on the coverage then available under each such Reserve Fund Surety Policy, if there is more than one Reserve Fund Surety Policy on deposit in the General Account, after applying all available cash and investments in the General Account of the Reserve Fund. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable Reserve Fund Surety Policy without regard to the legal or financial ability or willingness of the provider of such Reserve Fund Surety Policy to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw. Amounts received by the Trustee from the Authority pursuant to Section 4.04(d) of this First Supplemental Indenture as a replenishment of amounts withdrawn from the General Account shall be applied (i) first on a pro rata basis to reimburse draws on any Reserve Fund Surety Policy (including the payment of Policy Costs with respect to the 2016 Bond Reserve Surety Bond), and (ii) to replenish cash withdrawn from the General Account.

(d) If moneys have been withdrawn from the General Account or a payment has been made under a Reserve Fund Surety Policy constituting all or a portion of the General Account, and deposited into an account or subaccount of the Debt Service Fund to prevent a default on the 2016 Bonds, then the Authorized Authority Representative will pay to the Trustee but only as provided in this Section 4.04, the full amount so withdrawn, together with any Policy Costs due with respect to the 2016 Bond Reserve Surety Bond, if applicable, and the expenses and interest, if any, required under the terms of any other Reserve Fund Surety Policy, or so much as shall be required to restore the General Account to the Required Reserve and to pay such interest, if any.

Such repayment shall be made in 12 substantially equal monthly installments each due on the first Business Day of the month commencing with the first month after such withdrawal occurs. If such repayment is with respect to a draw under a Reserve Fund Surety Policy, the Trustee shall pay to the provider of such Reserve Fund Surety Policy the amount received by the Trustee from the Authority which is designated to be used to reimburse the provider of such Reserve Fund Surety Policy. The Trustee shall immediately notify the paying agent for the Reserve Fund Surety Policy, if any, of such reimbursement, and the amount available to be drawn under the Reserve Fund Surety Policy shall increase by the amount of such reimbursement, provided that, with respect to the 2016 Bond Reserve Surety Bond, amounts paid by the Authority with respect to Policy Costs shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the 2016 Surety Provider on account of principal due, then coverage under the 2016 Bond Reserve Surety Bond will be increased in a like amount, subject to the terms of the 2016 Bond Reserve Surety Bond.

(e) Moneys in the General Account shall be invested and reinvested by the Trustee at the written direction of the Authorized Authority Representative in Permitted Investments. Earnings on the General Account shall be paid pro rata to the related principal and interest subaccounts of the Debt Service Fund to be applied as a credit against the Authority's obligation to make its next deposit unless an amount has been withdrawn from the General Account as a result of a deficiency in a related Debt Service Fund and such withdrawal has not been repaid or, as of the most recent valuation of the Reserve Fund, the amount therein was valued at less than the Required Reserve and the deficiency has not yet been restored, in either of which events the earnings shall be retained in the Reserve Fund until the deficiency therein has been eliminated.

(f) All money remaining in the General Account related to the 2016 Bonds on the final Payment Date, in excess of the amount required to make provisions for the payment in full of the interest and/or the principal of the 2016 Bonds and the amount required to be held by any Supplemental Indenture shall be transferred to the Authority for deposit in the Airport Revenue Fund.

(g) With respect to the 2016 Bond Reserve Surety Bond:

(i) If the Authority shall fail to pay any Policy Costs as required herein, the 2016 Surety Provider shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Master Indenture, other than (i) acceleration of the maturity of the 2016 Bonds or (ii) remedies that would adversely affect Owners of the Bonds.

(ii) The Master Indenture shall not be discharged until all Policy Costs owing to the 2016 Surety Provider have been paid in full. The Authority's obligation to pay such amounts shall survive payment in full of the 2016 Bonds.

Section 4.05. 2016 Costs of Issuance Fund. There shall be deposited into the 2016 Costs of Issuance Fund the amount provided in Section 4.02(a)(ii) above. The Trustee shall make payments or disbursements from the 2016 Costs of Issuance Fund upon receipt from the Authority of a written requisition executed by an Authorized Authority Representative, which requisition shall state, with respect to each amount requested thereby, (i) that such amount is to

be paid from the 2016 Costs of Issuance Fund, (ii) the number of the requisition from such account, (iii) the amount to be paid, the name of the entity to which the payment is to be made, and (iv) a description of the Costs of Issuance represented by such payment. Each such requisition shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. On May 1, 2017, all amounts remaining on deposit in the 2016 Costs of Issuance Fund shall be transferred to the Authority to be used for any lawful purpose.

Section 4.06. Sources of Payment of 2016 Bonds. The 2016 Bonds shall be secured by and payable from the Net Pledged Revenues as provided in the Master Indenture and moneys and other investments held by the Trustee in the Reserve Fund. The Authority may, but is not obligated to, provide for payment of principal and interest on the 2016 Bonds from any other source or from any other funds of the Authority.

#### ARTICLE V

RESERVED

#### ARTICLE VI

RESERVED

#### ARTICLE VII

#### CONTINUING DISCLOSURE

The Authority hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate applicable to such party. Notwithstanding any other provision of the Master Indenture, failure of the Authority to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default under the Master Indenture; however, the Trustee may (and, at the request of any Participating Underwriter or the Holders of at least 25% aggregate principal amount of Outstanding Bonds, after indemnification to its satisfaction, shall) or any Bondholder or Beneficial Owner of the 2016 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Authority to comply with its obligations under this Article VII. For purposes of this Article VII, "Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any 2016 Bond (including persons holding 2016 Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes. Notwithstanding anything to the contrary, in no event shall the Trustee be deemed to have breached its fiduciary duty or any other duty or obligation arising hereunder or under any related document in connection with the performance of any of the terms contained in the Continuing Disclosure Certificate.

## ARTICLE VIII

### MISCELLANEOUS

#### Section 8.01. Notices.

(a) Any notice, request, direction, designation, consent, acknowledgment, certification, appointment, waiver or other communication required or permitted by this First Supplemental Indenture or the 2016 Bonds must be in writing except as expressly provided otherwise in this First Supplemental Indenture or the 2016 Bonds.

(b) Any notice or other communication, unless otherwise specified, shall be sufficiently given and deemed given when mailed by first-class mail, postage prepaid, addressed to the Authority or the Trustee at the addresses provided in the Master Indenture or when delivered by hand and received by the Authority or the Trustee at the addresses provided in the Master Indenture. Any addressee may designate additional or different addresses for purposes of this Section.

Section 8.02. Modification of Master Indenture and this First Supplemental Indenture. The Authority may, from time to time and at any time, execute and deliver Supplemental Indentures supplementing and/or amending the Master Indenture and this First Supplemental Indenture in the manner set forth in Article X of the Master Indenture.

Section 8.03. Limitation of Rights. Nothing expressed or implied in this First Supplemental Indenture or the 2016 Bonds shall give any person other than the Trustee, the Authority and the Bondholders any right, remedy or claim under or with respect to this First Supplemental Indenture.

Section 8.04. Severability. If any provision of this First Supplemental Indenture shall be determined to be unenforceable, that shall not affect any other provision of this First Supplemental Indenture.

Section 8.05. Payments or Actions Occurring on Non-Business Days. If a payment date is not a Business Day at the place of payment or if any action required hereunder is required on a date that is not a Business Day, then payment may be made at that place on the next Business Day or such action may be taken on the next Business Day with the same effect as if payment were made or the action taken on the stated date, and no interest shall accrue for the intervening period.

Section 8.06. Governing Law. This First Supplemental Indenture shall be governed by and construed in accordance with the laws of the State.

Section 8.07. Captions. The captions in this First Supplemental Indenture are for convenience only and do not define or limit the scope or intent of any provisions or Sections of this First Supplemental Indenture.

Section 8.08. Counterparts. This First Supplemental Indenture may be signed in several counterparts. Each will be an original, but all of them together constitute the same instrument.

Section 8.09. Bond Insurance Provisions. The payment when due of the principal of and interest on the Insured Bonds shall be insured by the 2016 Municipal Bond Insurance Policy. As long as the 2016 Municipal Bond Insurance Policy shall be in full force and effect, and notwithstanding anything to the contrary in the Master Indenture, the Authority and the Trustee agree to comply with the following provisions with respect to the Insured Bonds:

(a) So long as the 2016 Bond Insurer is not in default under the 2016 Municipal Bond Insurance Policy, the 2016 Bond Insurer shall be deemed to be the sole holder of the Insured Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of the Insured Bonds are entitled to take pursuant to the Master Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of the Master Indenture and each Insured Bond, each Holder of an Insured Bond appoints the 2016 Bond Insurer as their agent and attorney-in-fact and agrees that the 2016 Bond Insurer may at any time during the continuation of any proceeding by or against the Authority under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, so long as the 2016 Bond Insurer is not in default under the 2016 Municipal Bond Insurance Policy, each Holder of an Insured Bond delegates and assigns to the 2016 Bond Insurer, to the fullest extent permitted by law, the rights of each such Bondholder in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. The Trustee acknowledges such appointment, delegation and assignment by each Holder of an Insured Bond for the 2016 Bond Insurer's benefit, and agrees to cooperate with the 2016 Bond Insurer in taking any action reasonably necessary or appropriate in connection with such appointment, delegation and assignment. Remedies granted to the Holders of the Insured Bonds shall expressly include mandamus.

(b) So long as the 2016 Bond Insurer is not in default under the 2016 Municipal Bond Insurance Policy, if acceleration is permitted under the Master Indenture, the maturity of Insured Bonds shall not be accelerated without the consent of the 2016 Bond Insurer, and in the event the maturity of the Insured Bonds is accelerated, the 2016 Bond Insurer may elect, in its sole discretion, to pay accelerated principal and interest accrued, on such principal to the date of acceleration (to the extent unpaid by the Authority) and the Trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, the 2016 Bond Insurer's obligations under the 2016 Municipal Bond Insurance Policy with respect to such Insured Bonds shall be fully discharged.

(c) So long as the 2016 Bond Insurer is not in default under the 2016 Municipal Bond Insurance Policy, no grace period for a covenant default shall exceed thirty (30) days or be extended for more than sixty (60) days, without the prior written consent of the 2016 Bond Insurer, and no grace period shall be permitted for payment defaults.

(d) The 2016 Bond Insurer shall be included as a third party beneficiary to the Master Indenture.

(e) So long as the 2016 Bond Insurer is not in default under the 2016 Municipal Bond Insurance Policy, (i) upon the occurrence of an extraordinary optional, special, or extraordinary mandatory redemption in part, the selection of Insured Bonds to be redeemed shall be subject to the approval of the 2016 Bond Insurer, and (ii) the exercise of any provision of the Indenture that permits the purchase of Insured Bonds in lieu of redemption shall require the prior written approval of the 2016 Bond Insurer if any Insured Bond so purchased is not cancelled upon purchase.

(f) So long as the 2016 Bond Insurer is not in default under the 2016 Municipal Bond Insurance Policy, any amendment, supplement, modification to, or waiver of, the Master Indenture or any other transaction document, including any underlying security agreement (each a "Related Document"), that requires the consent of the holders of Insured Bonds or adversely affects the rights and interests of the 2016 Bond Insurer shall be subject to the prior written consent of the 2016 Bond Insurer.

(g) The rights granted to the 2016 Bond Insurer under the Master Indenture or any other Related Document to request, consent to or direct any action are rights granted to the 2016 Bond Insurer in consideration of its issuance of the 2016 Municipal Bond Insurance Policy. Any exercise by the 2016 Bond Insurer of such rights is merely an exercise of the 2016 Bond Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Holders of the Insured Bonds and such action does not evidence any position of the 2016 Bond Insurer, affirmative or negative, as to whether the consent of the Holders of the Insured Bonds or any other person is required in addition to the consent of the 2016 Bond Insurer.

(h) So long as the 2016 Bond Insurer is not in default under the 2016 Municipal Bond Insurance Policy, only (1) cash, (2) non-callable direct obligations of the United States of America ("Treasuries"), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) subject to the prior written consent of the 2016 Bond Insurer, pre-refunded municipal obligations rated "AAA" and "Aaa" by S&P and Moody's respectively, or (5) subject to the prior written consent of the 2016 Bond Insurer, securities eligible for "AAA" defeasance under then-existing criteria of S & P or any combination thereof, shall be used to effect defeasance of the Insured Bonds unless the 2016 Bond Insurer otherwise approves.

So long as the 2016 Bond Insurer is not in default under the 2016 Municipal Bond Insurance Policy, to accomplish defeasance, the Authority shall cause to be delivered to the 2016 Bond Insurer (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the 2016 Bond Insurer ("Accountant") verifying the sufficiency of the escrow established to pay the Insured Bonds in full on the maturity or redemption date ("Verification"), (ii) an Escrow Deposit Agreement

(which shall be acceptable in form and substance to the 2016 Bond Insurer), and (iii) an opinion of nationally recognized bond counsel to the effect that the Insured Bonds are no longer "Outstanding" under the Indenture; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Authority, the Trustee and 2016 Bond Insurer. The 2016 Bond Insurer shall be provided with final drafts of the above-referenced documentation not less than five business days prior to the funding of the escrow.

Insured Bonds shall be deemed "Outstanding" under the Indenture unless and until they are in fact paid and retired or the above criteria are met.

(i) Amounts paid by the 2016 Bond Insurer under the 2016 Municipal Bond Insurance Policy shall not be deemed paid for purposes of the Indenture and the Insured Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Authority in accordance with the Indenture. The Indenture shall not be discharged unless all amounts due or to become due to the 2016 Bond Insurer have been paid in full or duly provided for.

(j) The Authority covenants and agrees to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to preserve the priority of the pledge of the Trust Estate under applicable law.

(k) Claims Upon the 2016 Municipal Bond Insurance Policy and Payments by and to the 2016 Bond Insurer.

If, on the third Business Day prior to the related scheduled interest payment date or principal payment date ("Payment Date") there is not on deposit with the Trustee, after making all transfers and deposits required under the Indenture, moneys sufficient to pay the principal of and interest on the Insured Bonds due on such Payment Date, the Trustee shall give notice to the 2016 Bond Insurer and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone or teletype of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Insured Bonds due on such Payment Date, the Trustee shall make a claim under the 2016 Municipal Bond Insurance Policy and give notice to the 2016 Bond Insurer and the Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Insured Bonds and the amount required to pay principal of the Insured Bonds, confirmed in writing to the 2016 Bond Insurer and the Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Insurance Policy.

The Trustee shall designate any portion of payment of principal on Insured Bonds paid by the 2016 Bond Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Insured Bonds registered to the then current Bondholder, whether DTC or its nominee or otherwise, and shall issue a replacement Insured Bond to the 2016 Bond

Insurer, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement Insured Bond shall have no effect on the amount of principal or interest payable by the Authority on any Insured Bond or the subrogation rights of the 2016 Bond Insurer.

The Trustee shall keep a complete and accurate record of all funds deposited by the 2016 Bond Insurer into the Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Insured Bond. The 2016 Bond Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

Upon payment of a claim under the 2016 Municipal Bond Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Holders of the Insured Bonds referred to herein as the "Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Insurance Policy in trust on behalf of Holders of the Insured Bonds and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to the applicable Bondholders in the same manner as principal and interest payments are to be made with respect to the Insured Bonds under the sections hereof regarding payment of 2016 Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Authority agrees to pay to the 2016 Bond Insurer (i) a sum equal to the total of all amounts paid by the 2016 Bond Insurer under the 2016 Municipal Bond Insurance Policy (the "Insurer Advances"); and (ii) interest on such Insurer Advances from the date paid by the Insurer until payment thereof in full, payable to the 2016 Bond Insurer at the Late Payment Rate per annum (collectively, the "Insurer Reimbursement Amounts"). The Authority hereby covenants and agrees that the Insurer Reimbursement Amounts are secured by a lien on and pledge of the Net Pledged Revenues and payable from such Net Pledged Revenues on a parity with debt service due on the 2016 Bonds. Insurer Reimbursement Amounts shall qualify as Repayment Obligations under the Master Indenture.

Funds held in the Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Policy Payments Account following a payment date for the Insured Bonds shall promptly be remitted to the 2016 Bond Insurer.

(l) The 2016 Bond Insurer shall, to the extent it makes any payment of principal or interest on the Insured Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the 2016 Municipal Bond Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Authority to the 2016 Bond Insurer under the Related Documents shall survive discharge or termination of such Related Documents.

(m) The Authority shall pay or reimburse the 2016 Bond Insurer any and all charges, fees, costs and expenses that the 2016 Bond Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in any Related Document; (ii) the pursuit of any remedies under the Master Indenture or any other Related Document or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Master Indenture or any other Related Document whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Indenture or any other Related Document or the transactions contemplated thereby, other than costs resulting from the failure of the 2016 Bond Insurer to honor its obligations under the 2016 Municipal Bond Insurance Policy. The 2016 Bond Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Master Indenture or any other Related Document.

(n) The 2016 Bond Insurer shall be entitled to pay principal or interest on the Insured Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the 2016 Municipal Bond Insurance Policy) and any amounts due on the Insured Bonds as a result of acceleration of the maturity thereof in accordance with the Indenture, whether or not the 2016 Bond Insurer has received a Notice of Nonpayment (as such terms are defined in the Insurance Policy) or a claim upon the Insurance Policy.

(o) The notice address of the 2016 Bond Insurer is: Assured Guaranty Municipal Corp., 1633 Broadway, New York, New York 10019, Attention: Managing Director-Surveillance, Re: Policy No. 217867-N, Telephone: (212) 974-0100; Telecopier: (212) 339-3556. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the Deputy General Counsel - Public Finance and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

(p) So long as the 2016 Bond Insurer is not in default under the 2016 Municipal Bond Insurance Policy, the 2016 Bond Insurer shall be provided with the following information by the Authority or Trustee, as the case may be:

(i) Annual audited financial statements within 180 days after the end of the Authority's fiscal year (together with a certification of the Authority that it is not aware of any default or Event of Default under the Master Indenture), and the Authority's annual budget within 30 days after the approval thereof together with such other information, data or reports as the 2016 Bond Insurer shall reasonably request from time to time;

(ii) Notice of any draw upon the Reserve Fund within two (2) Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Required Reserve and (ii) withdrawals in connection with a refunding of 2016 Bonds;

(iii) Notice of any default actually known to the Trustee or Authority within five (5) Business Days after knowledge thereof;

- (iv) Prior notice of any advance refunding or redemption of any of the 2016 Bonds, including the principal amount, maturities and CUSIP numbers thereof;
- (v) Notice of the resignation or removal of the Trustee and Bond Registrar and the appointment of, and acceptance of duties by, any successor thereto;
- (vi) Notice of the commencement of any proceeding by or against the Authority commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding");
- (vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Insured Bonds;
- (viii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Related Documents;
- (ix) All reports, notices and correspondence to be delivered to the Holders of the Insured Bonds under the terms of the Related Documents; and
- (x) All information furnished pursuant to any continuing disclosure agreement, covenant or undertaking with respect to the Insured Bonds, shall also be provided to the 2016 Bond Insurer, simultaneously with the furnishing of such information.
- (q) So long as the 2016 Bond Insurer is not in default under the 2016 Municipal Bond Insurance Policy, the 2016 Bond Insurer shall have the right to receive such additional information as it may reasonably request.
- (r) The Authority will permit the 2016 Bond Insurer to discuss the affairs, finances and accounts of the Authority or any information the 2016 Bond Insurer may reasonably request regarding the security for the Insured Bonds with appropriate officers of the Authority and will use commercially reasonable efforts to enable the 2016 Bond Insurer to have access to the facilities, books and records of the Authority on any business day upon reasonable prior notice;
- (s) The Trustee shall notify the 2016 Bond Insurer of any failure of the Authority to provide notices, certificates and other information to it under the transaction documents;
- (t) Notwithstanding satisfaction of the other conditions to the issuance of Additional Bonds set forth in the Indenture, no such issuance may occur (1) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (2) unless the Reserve Fund is fully funded at the Required Reserve (including the proposed issue) upon the issuance of such Additional Bonds, in either case unless otherwise permitted by the 2016 Bond Insurer.
- (u) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under the Indenture would adversely affect the security for

the Insured Bonds or the rights of the Holders of the Insured Bonds, the effect of any such amendment, consent, waiver action or inaction shall be considered as if there were no 2016 Municipal Bond Insurance Policy.

(v) So long as the 2016 Bond Insurer is not in default under the 2016 Municipal Bond Insurance Policy, no contract shall be entered into or any action taken by which the rights of the 2016 Bond Insurer or security for or sources of payment of the Insured Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the 2016 Bond Insurer.

(w) Any Qualified Swap entered into by the Authority, secured by and payable from Net Pledged Revenues, shall meet the following conditions: (i) the Qualified Swap must be entered into to manage interest costs related to, or a hedge against (a) assets then held, or (b) debt then outstanding, or (iii) debt reasonably expected to be issued within the next twelve (12) months, and (ii) the Qualified Swap shall not contain any leverage element or multiplier component greater than 1.0x unless there is a matching hedge arrangement which effectively offsets the exposure from any such element or component. Unless otherwise consented to in writing by the 2016 Bond Insurer, any uninsured net settlement, breakage or other termination amount then in effect shall be subordinate to debt service on the 2016 Bonds and on any debt on parity with the 2016 Bonds. The Authority shall not terminate a Swap Agreement unless it demonstrates to the satisfaction of the 2016 Bond Insurer prior to the payment of any such termination amount that such payment will not cause the Authority to be in default under the Related Documents, including but not limited to, any monetary obligations thereunder. All counterparties or guarantors to any Swap Agreement must have a rating of at least "A-" and "A3" by Standard & Poor's ("S&P") and Moody's Investors Service ("Moody's"). If the counterparty or guarantor's rating falls below "A-" or "A3" by either S&P or Moody's, the counterparty or guarantor shall execute a credit support annex to the Swap Agreement, which credit support annex shall be acceptable to the Insurer. If the counterparty or the guarantor's long term unsecured rating falls below "Baa1" or "BBB+" by either Moody's or S&P, a replacement counterparty or guarantor, acceptable to the 2016 Bond Insurer, shall be required.

(x) For so long as any Insured Bonds are Outstanding, the investments described in clause (6) of the definition of "Permitted Investments" in the Master Indenture shall not constitute Permitted Investments for purposes of the Master Indenture.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this First Supplemental Indenture to be duly executed all as of the date first above written.

ONTARIO INTERNATIONAL AIRPORT  
AUTHORITY

By: 

Kelly J. Fredericks, P.E. A.A.E.  
Chief Executive Officer

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A., as Trustee

By: 

Mark A. Golder  
Vice President/Senior Transaction Manager

EXHIBIT A

FORM OF BOND

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

UNITED STATES OF AMERICA  
STATE OF CALIFORNIA

No.R-\_\_

\$ \_\_\_\_\_

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

ONTARIO INTERNATIONAL AIRPORT  
REVENUE BOND  
SERIES 2016 (Taxable)

INTEREST RATE:	MATURITY DATE:	DATED DATE:	CUSIP:
____%	May 15, 20__	Date of Delivery	683042 ____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY OF ONTARIO, CALIFORNIA, THE COUNTY OF SAN BERNARDINO, CALIFORNIA, THE STATE OF CALIFORNIA (THE "STATE") OR ANY PUBLIC AGENCY, OTHER THAN THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY TO THE EXTENT OF THE NET PLEDGED REVENUES, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON, THIS BOND. THE AUTHORITY HAS NO TAXING POWER.

The Ontario International Airport Authority (the "Authority"), for value received, hereby promises to pay to the Registered Owner specified above or registered assigns (the "Registered Owner"), on the Maturity Date specified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount specified above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date next preceding the date of authentication of this Bond (unless (i) this Bond is authenticated after the fifteenth day of the month preceding an Interest Payment Date (the "Record Date") and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before November 1, 2016, in which event it shall bear interest from the Dated Date identified above; provided, however, that

if as of the date of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond), at the Interest Rate per annum specified above, payable semiannually on May 15 and November 15 in each year, commencing May 15, 2017 (each, an "Interest Payment Date"), calculated on the basis of a 360-day year composed of twelve 30-day months. Principal hereof shall be paid upon surrender of this Bond to The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee") or its agent. Interest hereon is payable by check of the Trustee sent by first-class mail on each Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books of the Trustee as of the Record Date immediately preceding each Interest Payment Date (except that in the case of a Registered Owner of one million dollars (\$1,000,000) or more in principal amount, such payment may, at such Registered Owner's option, be made by wire transfer of immediately available funds in accordance with written instructions provided to the Trustee by such Registered Owner prior to the Record Date).

This Bond is one of a duly authorized issue of bonds of the Authority designated as the "Ontario International Airport Authority Ontario International Airport Revenue Bonds, Series 2016 (Taxable)" (the "2016 Bonds"), of an aggregate principal amount of Fifty-Two Million Fifteen Thousand Dollars (\$52,015,000), all of like tenor and date (except for such variation, if any, as may be required to designate varying numbers or interest rates) and all issued pursuant to Joint Exercise of Powers Act, California Government Code Section 6500, et seq. (the "Joint Powers Act") and pursuant to the Master Trust Indenture (the "Master Trust Indenture") as amended and supplemented by the First Supplemental Trust Indenture (the "First Supplemental Indenture," and together with the Master Indenture, collectively, the "Indenture"), each dated as of November 1, 2016, each by and between the Authority and the Trustee and the Resolution authorizing the issuance of the Bonds. All bonds and other indebtedness issued under the Indenture and secured thereby equally and ratably with the 2016 Bonds are collectively referred to herein as "Bonds." Reference is hereby made to the Indenture (copies of which are on file at the office of the Authority) and all supplements thereto for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Revenues, and the rights thereunder of the Owners of the Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Authority hereunder, to all of the provisions of which the Registered Owner of this Bond, by acceptance hereof, assents and agrees. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Indenture.

The Indenture provides for the incurrence of additional debt, including the issuance of additional bonds, to be secured under the Indenture equally and ratably with the 2016 Bonds. The 2016 Bonds have been issued by the Authority (i) to refund the Department of Airports of the City of Los Angeles, California (the "Department") outstanding Ontario International Airport Refunding Revenue Bonds, Series 2006A (Tax-Exempt) (the "2006A Bonds") and Series 2006B (Taxable) (the "2006B Bonds"), (ii) to purchase a reserve fund surety policy for the 2016 Bonds, (iii) to purchase a bond insurance policy for a portion of the 2016 Bonds, and (iv) to pay certain costs of issuance related to the 2016 Bonds.

The 2016 Bonds have been issued in fully registered form without coupons in denominations of \$5,000 or any integral multiple thereof.

The 2016 Bonds, as provided in the Indenture, together with all other Bonds, are secured by and payable from the Net Pledged Revenues, as described below and as defined in the Indenture. The Authority agrees under the Indenture that it will not issue any additional bonds or other obligations with a lien on or security interest granted in Net Pledged Revenues which is senior to the 2016 Bonds. The Indenture pledges the Net Pledged Revenues to secure payment of all Bonds issued under the Indenture. "Net Pledged Revenues" are defined in the Indenture to mean the Pledged Revenues less the Maintenance and Operation Expenses.

"Pledged Revenues" are defined in the Indenture to mean, except to the extent specifically excluded therefore, Airport Revenues, as well as such additional revenues, if any, as are designated as "Pledged Revenues" under the terms of any Supplemental Indenture. "Airport Revenues" are defined in the Indenture to mean, except to the extent specifically excluded therefrom, all income, receipts, earnings and revenues received by the Authority from the Ontario International Airport, for any given period, as determined in accordance with generally accepted accounting principles, as modified from time to time, including, but not limited to: (1) all rates, tolls, fees, rentals, charges and other payments made to or owed to the Authority for the use or availability of property or facilities at Ontario International Airport; (2) all amounts received or owed from the sale or provision of supplies, materials, goods and services provided by or made available by the Authority at Ontario International Airport; (3) all rental or business interruption insurance proceeds, received by, held by, accrued to or entitled to be received by the Authority or any successor thereto from the possession, management, charge, superintendence and control of Ontario International Airport (or any Ontario Airport Facilities or activities and undertakings related thereto) or from any other facilities wherever located with respect to which the Authority receives payments which are attributable to Ontario Airport Facilities or activities or undertakings related thereto, (4) all income, receipts and earnings from the investment of amounts held in the Airport Revenue Fund, any Construction Fund allowed to be pledged by the terms of a Supplemental Indenture, the Reserve Fund and earnings on the Maintenance and Operation Reserve Fund, and (5) the amount, if any, related to coverage paid in a prior Fiscal Year that is available to be spent in the current Fiscal Year and that is credited by the Authority against requirements in calculating for the given Fiscal Year terminal rentals and landing fees charged to airline users of Ontario International Airport pursuant to any residual methodology employed by the Authority in calculating such rentals and fees; provided, however, that for purposes of calculating Airport Revenues for a given Fiscal Year, such amount may not exceed 25% of Debt Service for the Fiscal Year for which such determination is being made.

The following, including any investment earnings thereon, are specifically excluded from Pledged Revenues: (i) any amounts received by the Authority from the imposition of ad valorem taxes, (ii) gifts, grants and other income (including any investment earnings thereon) otherwise included in the definition of "Airport Revenues" which are restricted by their terms to purposes inconsistent with the payment of debt service on the Bonds, (iii) Net Proceeds and other insurance proceeds to the extent the use of such Net Proceeds or other proceeds is restricted by the terms of the policy under which they are paid to a use inconsistent with the payment of debt service on the Bonds, and (iv) Ontario Airport Special Facilities Revenue. In addition, the following, including any investment earnings thereon, are specifically excluded from "Pledged Revenues," unless designated as "Pledged Revenues" under the terms of a Supplemental Indenture: (a) any Swap Termination Payments paid to the Authority pursuant to a Qualified Swap, (b) Facilities Construction Credits, and (c) Passenger Facility Charges and Customer

Facility Charges unless otherwise so pledged under the terms of any Supplemental Indenture. The First Supplemental Indenture does not designate such revenues as Pledged Revenues. Further, interest earnings or other investment earnings on any Construction Fund established by any Supplemental Indenture are specifically excluded from "Pledged Revenues," unless otherwise provided for in such Supplemental Indenture.

All defined terms used in such description shall have the meaning assigned to them in the Indenture. Pledged Revenues shall also include such additional sources of revenue, if any, subsequently pledged by the Authority to pay the Bonds. The Authority is not required to provide for the payment of the Bonds from any other source.

The Indenture and the rights and obligations of the Authority, of the Trustee and the Owners of the Bonds may also be modified or amended from time to time at any time in the manner, to the extent and upon the terms provided in the Indenture. Any consent given by the owner of this Bond shall bind any subsequent owner of this Bond or any Bond delivered in substitution for this Bond.

The 2016 Bonds will be subject to redemption at the option of the Authority prior to their respective maturity dates, as a whole or in part, on any date as directed by the Authority, at the Make-Whole Redemption Price to be calculated by the Authority. The "Make-Whole Redemption Price" is the greater of (i) 100% of the principal amount of the 2016 Bonds to be redeemed or (ii) the sum of the present value of the remaining scheduled payments of principal and interest on the 2016 Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date fixed for redemption of such 2016 Bonds to be redeemed, the present value of which will be determined by discounting the amount of each such interest and principal payment from the date that each such payment would have been payable but for the redemption to the date fixed for redemption on a semi-annual basis, assuming a 360-day year containing twelve 30-day months, at the Treasury Rate plus 15 basis points, plus, in each case, accrued and unpaid interest on the 2016 Bonds to be redeemed to the redemption date.

Notice of redemption shall be mailed by first-class mail not less than thirty (30) days before any Redemption Date, to the respective Owners of any 2016 Bonds designated for redemption at their addresses appearing on the registration books, and to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, but neither the failure to receive any notice nor any defect therein shall affect the validity of the proceedings for such redemption or the cessation of accrual of interest from and after the redemption date. Notice of redemption of 2016 Bonds shall be given by the Trustee, at the expense of the Authority, for and on behalf of the Authority.

If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, interest shall cease to accrue hereon from and after the date fixed for redemption and this Bond shall cease to be entitled to any benefit or security under the Indenture.

With respect to any notice of redemption of 2016 Bonds, unless upon the giving of such notice such 2016 Bonds shall be deemed to have been paid or the Trustee has received amounts sufficient to pay the principal of, and premium, if any, and interest on, such 2016 Bonds to be redeemed, such notice shall state that such redemption shall be conditional upon the receipt by

the Trustee on or prior to the Redemption Date of amounts sufficient to pay the principal of, and premium, if any, and interest on, such 2016 Bonds to be redeemed, and that if such amounts shall not have been so received said redemption notice shall be of no force and effect and such 2016 Bonds shall not be subject to redemption on such date. In the event that such notice of redemption contains such a condition and such amounts are not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, to the persons and in the manner in which the notice of redemption was given, that such amounts were not so received and the redemption was not made.

This Bond is transferable by the Registered Owner hereof, in person or by his or her duly authorized attorney in writing, at the office of the Trustee designated pursuant to the Indenture but only in the manner subject to the limitations and upon payment of the taxes and charges provided in the Indenture and upon surrender and cancellation of this Bond. Upon registration of such transfer, a new Bond or Bonds, of authorized denomination or denominations, for a like aggregate principal amount of the same maturity will be issued to the transferee in exchange therefor.

Bonds may be exchanged at the office of the Trustee designated pursuant to the Indenture for a like aggregate principal amount of Bonds of other authorized denominations of the same maturity, but only in the manner, subject to the limitations and upon payment of the taxes and charges provided in the Indenture.

The Trustee shall not be required to register the transfer or exchange of any Bond during the period in which the Trustee is selecting Bonds for redemption or any Bond that has been selected for redemption.

The Authority and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Authority and the Trustee shall not be affected by any notice to the contrary.

No member, director, official, officer, agent or employee of the Authority shall have any personal liability for any obligations of the Authority under the Bonds, the Indenture or the First Supplemental Indenture or for any claim based on such obligations or their creation or be subject to any personal liability or accountability by reason of the issuance thereof. Each Bondholder, by accepting a Bond, waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Bond.

This Bond does not constitute or evidence an indebtedness of the City of Ontario, the County of San Bernardino, the State of California, or any subdivision thereof other than the Authority to the extent of the Net Pledged Revenues, or a lien or charge on any property or the general revenues of the City of Ontario, the County of San Bernardino, the State of California, or any subdivision thereof other than the Authority to the extent of the Net Pledged Revenues, but shall constitute and evidence an obligation of the Authority payable only from Net Pledged Revenues (as such term is defined in the Indenture) and other amounts pledged therefor under the Indenture.

It is hereby certified that all of the things, conditions and acts required to exist, to have

happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time, form and manner as required by the laws of the State of California and the Joint Powers Act and that the amount of this Bond, together with all other indebtedness of the Authority, does not exceed any limit under any laws of the State of California or the Joint Powers Act, and is not in excess of the amount of Bonds permitted to be issued under the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been signed by the Trustee.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the ONTARIO INTERNATIONAL AIRPORT AUTHORITY has caused this Bond to be executed in its name and on its behalf with the signature of its Chief Executive Officer as of this 1<sup>st</sup> day of November, 2016.

ONTARIO INTERNATIONAL AIRPORT  
AUTHORITY

By: \_\_\_\_\_  
Kelly J. Fredericks, P.E., A.A.E.  
Chief Executive Officer

(FORM OF TRUSTEE'S CERTIFICATE OF  
AUTHENTICATION TO APPEAR ON BONDS)

This is one of the Bonds described in the within-mentioned Indenture.

Dated: November 1, 2016

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A., as Trustee

By: \_\_\_\_\_  
Authorized Signatory

**ASSIGNMENT**

For value received the undersigned do(es) hereby sell, assign and transfer unto \_\_\_\_\_ the within-mentioned registered Bond and hereby irrevocably constitute(s) and appoint(s) \_\_\_\_\_ attorney, to transfer the same on the books of the Indenture Trustee with full power of substitution in the premises.

**NOTICE:** The signature on this Assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Dated: \_\_\_\_\_

Signature Guaranteed By:

**NOTICE:** Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

Social Security or Other Taxpayer  
Identification Number of Transferee:

\_\_\_\_\_

Addressee of Transferee:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Second Supplemental Trust Indenture**

## SECOND SUPPLEMENTAL TRUST INDENTURE

This SECOND SUPPLEMENTAL TRUST INDENTURE (this “Second Supplemental Indenture”) dated as of February 1, 2021 is between the ONTARIO INTERNATIONAL AIRPORT AUTHORITY (the “Authority”), a joint powers authority established under Article I, Chapter 5, Division 7, of Title 1 of the California Government Code and pursuant to a Joint Exercise of Powers Agreement dated as of August 21, 2012 (the “Joint Powers Agreement”), by and between the City of Ontario, California, a general law city and municipal corporation duly organized and existing under the Constitution and laws of the State of California and the County of San Bernardino, California, a political subdivision of the State of California duly organized and existing under the Constitution and laws of such state, and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association organized and existing under the laws of the United States of America, as trustee (the “Trustee”), and supplements that Master Trust Indenture dated as of November 1, 2016, which is also by and between the Authority and the Trustee (as heretofore supplemented and amended and as hereafter supplemented and amended from time to time, including hereby, the “Master Indenture”).

WHEREAS, Section 10.02(b) of the Master Indenture provides that the Authority may, from time to time and at any time, without the consent of or notice to the Bondholders, execute and deliver Supplemental Indentures supplementing and/or amending this Master Indenture or any Supplemental Indenture to cure any formal defect, omission, inconsistency or ambiguity in, or answer any questions arising under, the Master Indenture or any Supplemental Indenture, provided such supplement or amendment is not materially adverse to the Bondholders; and

WHEREAS, this Second Supplemental Indenture sets forth amendments to the Master Indenture not requiring Bondholder consent; and

WHEREAS, Section 10.02 of the Master Indenture provides that before the Authority shall execute any Supplemental Indenture making changes to the Master Indenture not requiring Bondholder consent, there shall have been delivered to the Authority and Trustee an opinion of Bond Counsel (the “Required Opinion”) to the effect that such Supplemental Indenture is authorized or permitted by the Master Indenture, the Joint Powers Agreement and other applicable law, complies with their respective terms, will, upon the execution and delivery thereof, be valid and binding upon the Authority in accordance with its terms and will not cause interest on any of the Bonds which is then excluded from gross income of the recipient thereof for federal income tax purposes to be included in gross income for federal income tax purposes; and

WHEREAS, Bond Counsel has delivered the Required Opinion with respect to this Second Supplemental Indenture,

Section 1.01. Amendment to definition of the definition of Maximum Aggregate Annual Debt Service. The definition of Maximum Aggregate Annual Debt Service is hereby amended to read as follows:

“Maximum Aggregate Annual Debt Service” shall mean (a) for the purposes of Section 2.11 unless otherwise specified therein, the maximum amount of Aggregate Annual Debt Service with respect to all Outstanding Bonds and Unissued Program Bonds in the then current or any future Fiscal Year, and (b) with respect to the Required Reserve for the General Account, the maximum amount of Aggregate Annual Debt Service with respect to the Initial Bonds and any Additional Bonds secured by the General Account within the Reserve Fund pursuant to Section 4.04(b)(4).

Section 1.02. Amendment to the definition of Aggregate Annual Debt Service. The clause (ix) of the definition of Aggregate Annual Debt Service is hereby amended to read as follows:

“(ix) if moneys, including moneys that are not Pledged Revenues, or Permitted Investments derived therefrom have been or will be irrevocably deposited with and are or will be held by the Trustee or another fiduciary or Capitalized Interest has been set aside exclusively to be used to pay principal and/or interest on specified Bonds, then the principal and/or interest to be paid from such moneys, Permitted Investments, or Capitalized Interest or from the earnings thereon shall be disregarded and not included in calculating Annual Debt Service.”

Section 1.03. Amendments Effective Immediately. The amendments in Sections 1.01 and 1.02 shall take effect immediately without bondholder consent in accordance with Section 10.02(b) of the Master Indenture.

Section 1.04. Governing Law. This Second Supplemental Indenture shall be governed by and construed in accordance with the laws of the State.

Section 1.05. Definitions. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Master Indenture.

Section 1.06. Counterparts. This Second Supplemental Indenture may be signed in several counterparts. Each will be an original, but all of them together constitute the same instrument.


IN WITNESS WHEREOF, the parties hereto have caused this Second Supplemental Indenture to be duly executed all as of the date first above written:

ONTARIO INTERNATIONAL AIRPORT  
AUTHORITY

By:   
Mark Thorpe  
Chief Executive Officer

02/04/2021

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A., as Trustee

By:   
Mark A. Golder  
Vice President/Senior Transaction Manager

THIRD SUPPLEMENTAL TRUST INDENTURE

By and Between

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,  
as Trustee

Dated as of April 1, 2021

Relating to

\$57,750,000  
Ontario International Airport Authority  
Ontario International Airport Revenue Bonds,  
Series 2021A (Non-AMT)

and

\$41,685,000  
Ontario International Airport Authority  
Ontario International Airport Revenue Bonds,  
Series 2021B (AMT)

and

\$3,905,000  
Ontario International Airport Authority  
Ontario International Airport Revenue Bonds,  
Series 2021C (Taxable)

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(This table of contents is not part of the Third Supplemental Indenture and is only for convenience of reference. The captions herein are of no legal effect and do not vary the meaning or legal effect of any part of the Third Supplemental Indenture.)

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### THIRD SUPPLEMENTAL TRUST INDENTURE

This THIRD SUPPLEMENTAL TRUST INDENTURE (this “Third Supplemental Indenture”) dated as of April 1, 2021 is between the ONTARIO INTERNATIONAL AIRPORT AUTHORITY (the “Authority”), a joint powers authority established under Article I, Chapter 5, Division 7, of Title 1 of the California Government Code and pursuant to a Joint Exercise of Powers Agreement dated as of August 21, 2012 (the “Joint Powers Agreement”), by and between the City of Ontario, California, a general law city and municipal corporation duly organized and existing under the Constitution and laws of the State of California and the County of San Bernardino, California, a political subdivision of the State of California duly organized and existing under the Constitution and laws of such state, and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association organized and existing under the laws of the United States of America, as trustee (the “Trustee”), and supplements that Master Trust Indenture dated as of November 1, 2016, which is also by and between the Authority and the Trustee (as heretofore supplemented and amended and as hereafter supplemented and amended from time to time, including hereby, the “Master Indenture”).

WHEREAS, the Authority has previously issued its \$52,015,000 Ontario International Airport Authority Ontario International Airport Revenue Bonds, Series 2016 (Taxable) (the “Initial Bonds”) pursuant to the Master Indenture and a First Supplemental Indenture, dated as of November 1, 2016, between the Authority and the Trustee of which \$33,395,000 of the Initial Bonds remain outstanding; and

WHEREAS, the Authority has previously issued its \$34,370,500 Subordinated Revenue Note, Series 2019 pursuant to a Note Purchase Agreement, dated May 22, 2019, between the Bank of America, N.A. and the Authority to finance portions of the 2021 Project hereinafter defined; and

WHEREAS, the Master Indenture provides, in Section 2.09 thereof, for the issuance of Bonds in multiple series and, in Section 10.02 thereof, for the execution and delivery of Supplemental Indentures setting forth the terms of such Bonds and, in Section 2.11 thereof, the conditions for issuing Additional Bonds after the issuance of the Initial Bonds; and

WHEREAS, the Authority now, for the purpose of paying the Costs of the 2021 Project, by execution and delivery of this Third Supplemental Indenture and in compliance with the provisions of the Master Indenture, sets forth the terms of its \$57,750,000 Ontario International Airport Revenue Bonds, Series 2021A (Non-AMT) (the “2021A Bonds”), its \$41,685,000 Ontario International Airport Revenue Bonds, Series 2021B (AMT) (the “2021B Bonds”) and its \$3,905,000 Ontario International Airport Revenue Bonds, Series 2021C (Taxable) (the “2021C Bonds” and, together with the 2021A Bonds and 2021B Bonds, the “2021 Bonds”), provides for the deposit and use of the proceeds of the 2021 Bonds and makes other provisions relating to the 2021 Bonds; and

WHEREAS, Section 10.03(a) of the Master Indenture provides the Authority may enter into Supplemental Indentures deemed necessary or desirable for the purposes of modifying, altering, amending, supplementing or rescinding, in any particular, any of the terms or provisions

contained in the Master Indenture with the approval of the holders of not less than a majority in aggregate Principal Amount of the Bonds then Outstanding; and

WHEREAS, Article VI of this Third Supplemental Indenture sets forth amendments to the Master Indenture requiring Bondholder consent; and

WHEREAS, Section 10.03(d)(ii) of the Master Indenture provides that before the Authority shall execute any Supplemental Indenture making changes to the Master Indenture requiring Bondholder consent, there shall have been delivered to the Authority and Trustee an opinion of Bond Counsel (the "Required Opinion") to the effect that such Supplemental Indenture is authorized or permitted by the Master Indenture, the Joint Powers Agreement and other applicable law, complies with their respective terms, will, upon the execution and delivery thereof, be valid and binding upon the Authority in accordance with its terms and will not cause interest on any of the Bonds which is then excluded from gross income of the recipient thereof for federal income tax purposes to be included in gross income for federal income tax purposes; and

WHEREAS, Bond Counsel has delivered the Required Opinion with respect to this Third Supplemental Indenture,

## ARTICLE I

### DEFINITIONS; INTERPRETATIONS

Section 1.01. Definitions. The following definitions shall apply to terms used in this Third Supplemental Indenture unless the context clearly requires otherwise:

"Authorized Denominations" shall mean \$5,000 principal amount and integral multiples thereof.

"Bond Year" shall mean a "Bond Year" as defined in the Tax Certificate.

"Book-Entry Bonds" shall mean the 2021 Bonds held by DTC (or its nominee) as the registered owner thereof pursuant to the terms and provisions of Section 2.05 hereof.

"Cede & Co." shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

"Continuing Disclosure Certificate" shall mean the Continuing Disclosure Certificate executed by the Authority with respect to the 2021 Bonds.

"Costs" shall have the meaning set forth in the Master Indenture, including any costs referred to in Government Code § 6585(e).

"Costs of Issuance" shall mean all costs and expenses incurred by the Authority in connection with the issuance of the 2021 Bonds, including, but not limited to, costs and expenses of printing and copying documents, the official statement, and the 2021 Bonds and the fees, costs

and expenses of rating agencies, the Trustee, legal counsel, accountants, financial advisors, feasibility consultants and other consultants.

“Debt Service Fund” shall mean the Debt Service Fund created in Section 4.03 of the Master Indenture and into which money is to be deposited to pay debt service on the Bonds.

“DTC” shall mean The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns.

“Holder” or “Bondholder” shall mean the registered owner of any 2021 Bond including DTC or its nominee as the sole registered owner of Book-Entry Bonds.

“Interest Payment Date” shall mean each May 15 and November 15, commencing November 15, 2021, the dates upon which interest on the Bonds becomes due and payable.

“Late Payment Rate” means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate (“Prime Rate”) (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3% with respect to Insurer Reimbursement Amounts and plus 5% with respect to Policy Costs, and (ii) the then applicable highest rate of interest on the 2021 Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the 2021 Insurer shall specify.

“LAWA” shall mean Los Angeles World Airports.

“LAWA Payment” shall mean the payment of \$23,342,238.07 payable by the Authority to LAWA pursuant to the Settlement Agreement, effective as of July 30, 2015, between LAWA and the Authority.

“Make-Whole Redemption Price” shall mean the greater of: (a) 100% of the principal amount of the 2021C Bonds to be redeemed; or (b) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the 2021C Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the 2021C Bonds are to be redeemed, discounted to the date on which the 2021C Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate, plus 15 basis points, plus, in each case, accrued interest on the 2021C Bonds to be redeemed to the redemption date. The Make-Whole Redemption Price shall be determined by an independent accounting firm, investment banking firm or financial advisor retained by the Authority at the Authority’s expense to calculate such Make-Whole Redemption Price. The Trustee and the Authority may conclusively rely on such determination of redemption price by such independent accounting firm, investment banking firm or financial advisor and will not be liable for such reliance.

“Master Indenture” shall mean the Master Trust Indenture dated as of November 1, 2016, between the Authority and the Trustee, as heretofore supplemented and amended, and as supplemented and amended from time to time, including hereby.

“Note” shall mean the \$34,370,500 Subordinated Revenue Note, Series 2019 pursuant to a Note Purchase Agreement, dated May 22, 2019, between the Bank of America, N.A. and the Authority.

“Policy Costs” shall mean any unreimbursed draws under the 2021 Reserve Policy and all related reasonable expenses incurred by the 2021 Insurer together with interest thereon from the date of payment by the 2021 Insurer at the Late Payment Rate.

“Opinion of Bond Counsel” shall mean a written opinion of counsel, acceptable to the Authority, nationally recognized for its experience in matters relating to the tax exemption of interest on obligations issued by states and their political subdivisions.

“Participants” mean the participants of DTC which include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations.

“Paying Agent” for purposes of this Third Supplemental Indenture, shall mean the Trustee.

“Principal Amount” shall mean Principal Amount as defined in the Master Indenture and shall include any mandatory sinking fund installment payment.

“Record Date” shall mean for a May 15 Interest Payment Date the preceding May 1 and for a November 15 Interest Payment Date the preceding November 1, whether or not such day is a Business Day.

“Redemption Date” shall mean any date fixed for redemption prior to maturity of Bonds.

“Redemption Price” shall mean, with respect to any Bond (or portion thereof), the principal amount with respect to such Bond (or portion) plus the applicable premium, if any, payable upon redemption thereof pursuant to the provisions of such Bond and the Master Indenture.

“Registrar” for purposes of this Third Supplemental Indenture, shall mean the Trustee.

“Representation Letter” shall mean the Letter of Representations from the Authority and the Trustee to DTC with respect to the Bonds.

“Reserve Fund Surety Policy” shall mean with respect to 2021 Bonds an insurance policy or surety bond, or a letter of credit, deposited with the Trustee for the credit of the Reserve Fund or any accounts or subaccounts therein in lieu of or partial substitution for cash or securities on deposit therein. The entity providing such Reserve Fund Surety Policy shall be rated at the time such instrument is provided in one of the two highest Rating Categories by at least one Rating Agency which is then maintaining a rating on the 2021 Bonds.

“Third Supplemental Indenture” shall mean this Third Supplemental Trust Indenture dated as of April 1, 2021, between the Authority and the Trustee and which sets forth the terms of the 2021 Bonds.

“Treasury Rate” shall mean, with respect to any redemption date for a particular 2021C Bond, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity, excluding inflation indexed securities (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days but not more than 45 calendar days prior to the redemption date or, if such Statistical Release is no longer published, any publicly available source of similar market data) most nearly equal to the period from the redemption date to the maturity date of the 2021C Bond to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

“2016 Trustee Debt Service Deposit Fund” shall mean the Trustee Debt Service Fund, Series 2016 established pursuant to Section 4.03(b)(5) of the Master Indenture and Section 4.01(a)(xi) hereof to receive transfers and to be held and applied as provided in Section 4.10 hereof.

“2021 Bonds” shall mean, collectively, the 2021A Bonds, the 2021B Bonds and the Series 2021C Bonds.

“2021A Bonds” shall mean the Ontario International Airport Authority’s \$57,750,000 Ontario International Airport Revenue Bonds, Series 2021A (Non-AMT) issued under the Master Indenture and this Third Supplemental Indenture.

“2021B Bonds” shall mean the Ontario International Airport Authority’s \$41,685,000 Ontario International Airport Revenue Bonds, Series 2021B (AMT) issued under the Master Indenture and this Third Supplemental Indenture.

“2021C Bonds” shall mean the Ontario International Airport Authority’s \$3,905,000 Ontario International Airport Revenue Bonds, Series 2021C (Taxable) issued under the Master Indenture and this Third Supplemental Indenture.

“2021A Construction Fund” shall mean the Construction Fund, Series 2021A established pursuant to Section 4.03(b)(4) of the Master Indenture and Section 4.01(a)(ii) hereof with respect to the 2021A Project.

“2021B Construction Fund” shall mean the Construction Fund, Series 2021B established pursuant to Section 4.03(b)(4) of the Master Indenture and Section 4.01(a)(iii) hereof with respect to the 2021B Project.

“2021A Construction Interest Fund” shall mean the Construction Interest Fund, 2021A established pursuant to Section 4.03(b)(5) of the Master Indenture and Section 4.01(a)(iv) hereof with respect to the 2021A Project.

“2021B Construction Interest Fund” shall mean the Construction Interest Fund, 2021B established pursuant to Section 4.03(b)(5) of the Master Indenture and Section 4.01(a)(v) with respect to the 2021B Project.

“2021A Costs of Issuance Fund” shall mean the costs of issuance fund created in Section 4.01(a)(vi) hereof and into which money is to be deposited to pay Costs of Issuance with respect to the issuance of the 2021A Bonds.

“2021B Costs of Issuance Fund” shall mean the costs of issuance fund created in Section 4.01(a)(vii) hereof and into which money is to be deposited to pay Costs of Issuance with respect to the issuance of the 2021B Bonds.

“2021C Costs of Issuance Fund” shall mean the costs of issuance fund created in Section 4.01(a)(viii) hereof and into which money is to be deposited to pay Costs of Issuance with respect to the issuance of the 2021C Bonds.

“2021 Insurance Policy” shall mean the insurance policy issued by the 2021 Insurer guaranteeing the scheduled payment of principal of and interest on the 2021 Bonds when due. The 2021 Insurance Policy shall constitute a Credit Facility for all purposes of the Master Indenture.

“2021 Insurer” shall mean Assured Guaranty Municipal Corp., a New York stock insurance company, or any successor thereto or assignee thereof. The 2021 Insurer shall constitute a Credit Provider for all purposes of the Master Indenture.

“2021A Interest Subaccount” shall mean the 2021A Interest Subaccount established within the Interest Account of the Debt Service Fund pursuant to Section 4.01(b)(i) hereof.

“2021B Interest Subaccount” shall mean the 2021B Interest Subaccount established within the Interest Account of the Debt Service Fund pursuant to Section 4.01(b)(ii) hereof.

“2021C Interest Subaccount” shall mean the 2021C Interest Subaccount established within the Interest Account of the Debt Service Fund pursuant to Section 4.01(b)(iii) hereof.

“2021 LAWA Payment Fund” shall mean the 2021 LAWA Payment Fund established pursuant to Section 4.01(a)(x) hereof.

“2021 Note Payment Fund” shall mean the 2021 Note Payment Fund established pursuant to Section 4.01(a)(ix) hereof.

“2021A Principal Subaccount” shall mean the 2021A Principal Subaccount established within the Principal Account of the Debt Service Fund pursuant to Section 4.01(b)(iv) hereof.

“2021B Principal Subaccount” shall mean the 2021B Principal Subaccount established within the Principal Account of the Debt Service Fund pursuant to Section 4.01(b)(v) hereof.

“2021C Principal Subaccount” shall mean the 2021C Principal Subaccount established within the Principal Account of the Debt Service Fund pursuant to Section 4.01(b)(vi) hereof.

“2021 Project” shall mean, collectively, the 2021A Project, the 2021B Project and the 2021C Project.

“2021A Project” shall mean improvements at Ontario International Airport, including design, construction, upgrade, expansion and rehabilitation of runways, taxiways, ramps and aprons, airfield improvements, airport administrative facilities, aircraft rescue and firefighting (ARFF), training and other airport vehicles, airport security infrastructure, airport circulatory road rehabilitation, airport layout planning, a portion of the LAWA Payment, or such other improvements as directed by an Authorized Authority Representative upon the advice of Bond Counsel.

“2021B Project” shall mean improvements at Ontario International Airport, including cargo facilities, common use terminal facility equipment, terminal retail facilities, design, construction, equipping and modernization of, and infrastructure improvements to, terminal facilities, terminal escalators, parking improvements, a portion of the LAWA Payment, or such other improvements as directed by an Authorized Authority Representative upon the advice of Bond Counsel.

“2021C Project” shall mean the improvements at Ontario International Airport, including terminal lounges and other airport costs and improvements.

“2021 Rebate Fund” shall mean the Rebate Fund, Series 2021 established pursuant to Section 4.01(b)(vii) hereof.

“2021 Reimbursement Fund” shall mean the Reimbursement Fund, Series 2021 established pursuant to Section 4.03(b)(5) of the Master Indenture and Section 4.01(a)(xiii) hereof.

“2021 Reserve Account” shall mean the Bond Reserve Account, Series 2021 established pursuant to Section 4.01(a)(i) hereof.

“2021 Reserve Policy” shall mean the debt service reserve insurance policy issued by the 2021 Insurer and deposited in the 2021 Reserve Account. The 2021 Reserve Policy shall constitute a Reserve Fund Surety Policy for all purposes of the Master Indenture and this Third Supplemental Indenture.

“2021 Trustee Debt Service Deposit Fund” shall mean the Trustee Debt Service Fund, Series 2021 established pursuant to Section 4.03(b)(5) of the Master Indenture and Section 4.01(a)(xii) hereof to receive transfers and to be held and applied as provided in Section 4.10 hereof.

Section 1.02. Incorporation of Definitions Contained in the Master Indenture. Except as otherwise provided in Section 1.01 of this Third Supplemental Indenture, all words, terms and phrases defined in the Master Indenture shall have the same meanings herein as in the Master Indenture.

Section 1.03. Article and Section References. Except as otherwise indicated, references to Articles and Sections are to Articles and Sections of this Third Supplemental Indenture.

## ARTICLE II

### THE 2021 BONDS

#### Section 2.01. Designation of the 2021 Bonds; Principal Amount; Purpose.

(a) The 2021A Bonds authorized to be issued under the Master Indenture and this Third Supplemental Indenture shall be designated as Ontario International Airport Authority Ontario International Airport Revenue Bonds, Series 2021A (Non-AMT), which shall be issued in the original principal amount of \$57,750,000 for the purposes set forth in Section 4.02(a) hereof.

(b) The 2021B Bonds authorized to be issued under the Master Indenture and this Third Supplemental Indenture shall be designated as Ontario International Airport Authority Ontario International Airport Revenue Bonds, Series 2021B (AMT), which shall be issued in the original principal amount of \$41,685,000 for the purposes set forth in Section 4.02(b) hereof.

(c) The 2021C Bonds authorized to be issued under the Master Indenture and this Third Supplemental Indenture shall be designated as Ontario International Airport Authority Ontario International Airport Revenue Bonds, Series 2021C (Taxable), which shall be issued in the original principal amount of \$3,905,000 for the purposes set forth in Section 4.02(c) hereof.

Section 2.02. Bonds Under the Master Indenture; Security; Parity. The 2021 Bonds are issued under and subject to the terms of the Master Indenture and are secured by and payable from the Net Pledged Revenues and other security provided in the Granting Clause of the Master Indenture and in accordance with the terms of the Master Indenture.

Section 2.03. General Terms of the 2021 Bonds. The 2021 Bonds shall, upon initial issuance, be dated April 21, 2021. Each 2021 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof unless such date of authentication is an Interest Payment Date, in which event such 2021 Bond shall bear interest from such date of authentication, or unless such date of authentication is after a Record Date and before the next succeeding Interest Payment Date, in which event such 2021 Bond shall bear interest from such succeeding Interest Payment Date, or unless such date of authentication is on April 21, 2021, in which event such 2021 Bond shall bear interest from its date of delivery. If interest on the 2021 Bonds shall be in default, Bonds issued in exchange for 2021 Bonds surrendered for transfer or exchange shall bear interest from the Interest Payment Date to which interest has been paid in full on the 2021 Bonds surrendered. The 2021 Bonds shall be issued in denominations of \$5,000 original principal amount or integral multiples thereof.

Interest on the 2021 Bonds shall be paid on November 15, 2021 and semiannually thereafter on November 15 and May 15.

Interest on the 2021 Bonds shall be calculated on the basis of a year of 360 days and twelve 30-day months.

The 2021A Bonds shall mature in the years and in the amounts and bear interest at the annual rates set forth in the following schedule:

May 15 of the Year	Principal Amount	Interest Rate
2041	\$ 2,790,000	4.00%
2046	24,415,000	5.00
2051	30,545,000	4.00

The 2021B Bonds shall mature in the years and in the amounts and bear interest at the annual rates set forth in the following schedule:

May 15 of the Year	Principal Amount	Interest Rate
2028	\$910,000	5.00%
2029	2,505,000	5.00
2030	2,630,000	5.00
2031	2,765,000	5.00
2032	2,900,000	5.00
2033	3,045,000	5.00
2034	3,200,000	5.00
2035	3,360,000	4.00
2036	3,490,000	4.00
2037	3,630,000	4.00
2038	3,775,000	4.00
2039	3,930,000	4.00
2040	4,085,000	4.00
2041	1,460,000	4.00

The 2021C Bonds shall mature in the years and in the amounts and bear interest at the annual rates set forth in the following schedule:

May 15 of the Year	Principal Amount	Interest Rate
2027	\$2,385,000	1.875%
2028	1,520,000	2.050

Payment of principal of the 2021 Bonds shall be made upon surrender of the 2021 Bonds to the Trustee or its agent; provided that with respect to the 2021 Bonds which are Book-Entry Bonds, the Trustee may make other arrangements for payment of principal as provided in the Representation Letter. Payment of interest on the 2021 Bonds which are not Book-Entry Bonds shall be paid by check or draft of the Trustee mailed on the applicable Interest Payment Date by first-class mail to the person who is the registered Owner thereof on the Record Date, and such payment shall be mailed to such Owner at his address as it appears on the registration books of the Registrar. The payment of interest on Book-Entry Bonds shall be made as provided in Section 2.05 hereof. With respect to all 2021 Bonds, interest due and payable on any Interest Payment Date shall be paid to the person who is the registered owner as of the Record Date. The

2021 Bonds shall be substantially in the form of Exhibit A, which is part of this Third Supplemental Indenture. The 2021 Bonds shall be executed by the Chief Executive Officer by either his manual or facsimile signature.

If the principal of a 2021 Bond becomes due and payable, but shall not have been paid as a result of a default hereunder, and no provision is made for its payment, then such 2021 Bond shall bear interest at the same rate after such default as on the day before the default occurred.

Section 2.04. Exchange of 2021 Bonds. The 2021 Bonds which are delivered to the Registrar for exchange may be exchanged for an equal total principal amount of Bonds of the same Series, interest rate and maturity date. Prior to any transfer of the 2021 Bonds outside the book-entry system (including, but not limited to, the initial transfer outside the book-entry system) the transferor shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045, as amended. The Trustee shall conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information. The Registrar will not, however, be required to transfer or exchange any such 2021 Bond during the period established by the Registrar for selection of the 2021 Bonds for redemption or any 2021 Bond which has been selected for redemption.

Section 2.05. Book-Entry Bonds.

(a) Except as provided in subparagraph (c) of this Section 2.05, the registered owner of all of the 2021 Bonds shall be DTC and the 2021 Bonds shall be registered in the name of Cede & Co., as nominee for DTC. Payment of principal or interest for any 2021 Bond registered in the name of Cede & Co. shall be made by wire transfer of New York clearing house or equivalent next day funds or by wire transfer of same day funds to the account of Cede & Co. at the address indicated on the Record Date or special record date for Cede & Co. in the registration books of the Registrar.

(b) The 2021 Bonds shall be initially issued in the form of separate single authenticated fully registered Bonds for each separate stated maturity of the 2021 Bonds of each Series. Upon initial issuance, the ownership of such 2021 Bonds shall be registered in the registration books of the Registrar in the name of Cede & Co., as nominee of DTC. The Trustee, the Registrar, and the Authority may treat DTC (or its nominee) as the sole and exclusive owner of the 2021 Bonds registered in its name for the purposes of payment of the principal or redemption price of or interest on the 2021 Bonds, selecting the 2021 Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders under the Master Indenture or this Third Supplemental Indenture, registering the transfer of 2021 Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever, and neither the Trustee, the Registrar nor the Authority shall be affected by any notice to the contrary. Neither the Trustee, the Registrar nor the Authority shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the 2021 Bonds under or through DTC or any Participant, or any other person which is not shown on the registration books as being a Bondholder, with respect to the accuracy of any records maintained by DTC or any Participant; the payment by DTC or any Participant of any

amount in respect of the principal of, redemption price of or interest on the 2021 Bonds; any notice which is permitted or required to be given to Bondholders under the Master Indenture; the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the 2021 Bonds; any consent given or other action taken by DTC as Bondholder; or any other purpose. The Trustee shall pay all principal of and premium, if any, and interest on the 2021 Bonds only to or “upon the order of” (as that term is used in the Uniform Commercial Code as adopted in the State of California) DTC, and all such payments shall be valid and effective to fully satisfy and discharge the Authority’s obligations with respect to the principal of and premium, if any, and interest on the 2021 Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated 2021 Bond evidencing the obligation of the Authority to make payments of principal of and premium, if any, and interest pursuant to the Master Indenture. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to Record Dates, the word “Cede & Co.” in this Third Supplemental Indenture shall refer to such new nominee of DTC.

(c) In the event the Authority determines that it is in the best interest of the beneficial owners that they be able to obtain 2021 Bond certificates, and notifies DTC, the Trustee and the Registrar of such determination, then DTC will notify the Participants of the availability through DTC of 2021 Bond certificates. In such event, the Trustee shall authenticate and the Registrar shall transfer and exchange 2021 Bond certificates as requested by DTC and any other Bondholders in appropriate amounts. DTC may determine to discontinue providing its services with respect to the 2021 Bonds at any time by giving notice to the Authority and the Trustee and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the Authority and the Trustee shall be obligated to deliver 2021 Bond certificates as described in this Third Supplemental Indenture. In the event 2021 Bond certificates are issued, the provisions of the Master Indenture and this Third Supplemental Indenture shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of and interest on such certificates. Whenever DTC requests the Authority and the Trustee to do so, the Trustee and the Authority will cooperate with DTC in taking appropriate action after reasonable notice (a) to make available one or more separate certificates evidencing the Bonds to any DTC Participant having 2021 Bonds credited to its DTC account or (b) to arrange for another securities depository to maintain custody of certificates evidencing the 2021 Bonds.

(d) Notwithstanding any other provision of the Master Indenture and this Third Supplemental Indenture to the contrary, so long as any 2021 Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal of and premium, if any, and interest on such Bond and all notices with respect to such 2021 Bond shall be made and given, respectively, to DTC as provided in the Representation Letter.

(e) In connection with any notice or other communication to be provided to Bondholders pursuant to the Master Indenture and this Third Supplemental Indenture by the Authority, the Authority or the Trustee with respect to any consent or other action to be taken by Bondholders, the Authority or the Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than 15 calendar

days in advance of such record date to the extent possible. Notice to DTC shall be given only when DTC is the sole Bondholder.

(f) NEITHER THE AUTHORITY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS WITH RESPECT TO: THE PAYMENT BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT OF THE PRINCIPAL OF OR INTEREST ON THE 2021 BONDS; THE PROVIDING OF NOTICE TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS; THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT; OR ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS OWNER OF THE 2021 BONDS.

Section 2.06. Additional Security.

(a) As provided in the Granting Clause of the Master Indenture, to secure the payment of the interest, principal and premium, if any, on the 2021A Bonds and the performance and observance by the Authority of all the covenants, agreements and conditions expressed or implied herein or contained in the 2021A Bonds, the Authority hereby pledges and assigns to the Trustee and grants to the Trustee a lien on and security interest in all right, title and interest of the Authority in and to moneys and securities held in the 2021A Construction Fund and 2021A Construction Interest Fund.

(b) As provided in the Granting Clause of the Master Indenture, to secure the payment of the interest, principal and premium, if any, on the 2021B Bonds and the performance and observance by the Authority of all the covenants, agreements and conditions expressed or implied herein or contained in the 2021B Bonds, the Authority hereby pledges and assigns to the Trustee and grants to the Trustee a lien on and security interest in all right, title and interest of the Authority in and to moneys and securities held in the 2021B Construction Fund and 2021B Construction Interest Fund.

Section 2.07. Passenger Facility Charges and Customer Facility Charges. Passenger Facility Charges and Customer Facility Charges budgeted to pay principal or interest on 2021 Bonds shall be deposited in the appropriate subaccount in the Debt Service Fund in the same manner as Pledged Revenues. Transfers of such amounts to the Trustee pursuant to Section 4.04(b)(2) or (3) and Section 4.05 of the Master Indenture shall be irrevocable.

ARTICLE III

REDEMPTION OF BONDS

Section 3.01. Terms of Redemption.

(a) Optional Redemption of 2021A Bonds and the 2021B Bonds. The 2021A Bonds and the 2021B Bonds maturing on or after May 15, 2032 shall be subject to redemption prior to maturity, at the option of the Authority, in whole or in part at any time on or after May 15, 2031 at a price of 100% of the principal amount redeemed plus accrued interest thereon to the date fixed for redemption and, if in part, among such maturities, as determined by the Authority.

(b) Make-Whole Optional Redemption of 2021C Bonds. The 2021C Bonds shall be subject to redemption prior to their respective maturity dates, at the option of the Authority, from any source of available funds, in whole or in part on any date, at the Make-Whole Redemption Price and, if in part, among such maturities, as determined by the Authority.

(c) Mandatory Sinking Fund Redemption of 2021A Bonds Maturing May 15, 2046. The 2021A Bonds maturing May 15, 2046 shall be redeemed by sinking fund installments which shall be accumulated in the 2021A Principal Subaccount in amounts sufficient to redeem on May 15 of each year the principal amount of such 2021A Bonds specified for the year set forth below:

<u>Year</u>	<u>Principal Amount</u>
2042	\$4,420,000
2043	4,640,000
2044	4,870,000
2045	5,115,000
2046*	5,370,000

\* Maturity

(d) Mandatory Sinking Fund Redemption of 2021A Bonds Maturing May 15, 2051. The 2021A Bonds maturing May 15, 2051 shall be redeemed by sinking fund installments which shall be accumulated in the 2021A Principal Subaccount in amounts sufficient to redeem on May 15 of each year the principal amount of such 2021A Bonds specified for the year set forth below:

<u>Year</u>	<u>Principal Amount</u>
2047	\$5,640,000
2048	5,865,000
2049	6,100,000
2050	6,345,000
2051*	6,595,000

\* Maturity

### Section 3.02. Selection of Bonds for Redemption.

(a) Whenever provision is made in this Third Supplemental Indenture for the redemption of less than all of the 2021A Bonds or the Series 2021B Bonds of a maturity, the Trustee shall select such the 2021A Bonds or the Series 2021B Bonds for redemption by lot. The Trustee shall promptly notify the Authority in writing of the numbers of the 2021A Bonds or 2021B Bonds or portions thereof so selected for redemption by mailing it a copy of the notice of redemption. 2021A Bonds or 2021B Bonds subject to mandatory sinking fund redemption shall be selected by lot. If the Authority redeems less than all of a maturity of 2021A Bonds or 2021B Bonds subject to mandatory sinking fund redemption pursuant to Section 3.01(a) hereof, the Authority may allocate the principal amount of 2021A Bonds or 2021B Bonds being redeemed against its scheduled sinking fund redemption for such 2021A Bonds or 2021B Bonds and may modify its scheduled sinking fund installments thereafter payable with respect to such 2021A Bonds or 2021B Bonds in any manner the Authority may determine. In the event of redemption

pursuant to Section 3.01(a), the Authority shall provide the Trustee with a revised sinking fund schedule (if applicable) giving effect to the redemption so completed.

(b) If the 2021C Bonds are registered in book-entry only form and so long as DTC or a successor securities depository is the sole registered owner of the 2021C Bonds, the particular 2021C Bonds of a maturity shall be redeemed on a “Pro-Rata Pass-Through Distribution of Principal” basis in accordance with DTC procedures, provided further, that such redemption is made in accordance with the operational arrangements of DTC then in effect. DTC will be responsible for distributing the principal and accrued interest among its direct participants, as applicable, pro rata in accordance with its rules and procedures for a pro rata pass-through distribution of principal based upon the beneficial interest in the 2021C Bonds being redeemed that DTC records list as owned by each DTC direct participant as of the record date for such payment. Any failure of the Trustee to make such selection or of DTC or its participants or any other intermediary, to make such selection or proportional allocation, for whatever reason, will not affect the sufficiency or the validity of the redemption of the 2021C Bonds.

(c) If DTC’s operational arrangements do not allow for allocation of such redemption on a pro rata pass-through distribution of principal basis, the portion of the 2021C Bonds to be redeemed on such dates will be selected in accordance with DTC’s then existing rules and procedures and may be by lot.

Section 3.03. Notice of Redemption. In the case of an optional redemption, the Authority will provide notice of the redemption of any 2021 Bonds to the Trustee no fewer than thirty (30) days before the date fixed for such redemption (or such later date as is agreed to by the Trustee), which notice to the Trustee shall include any information required by the Trustee in order to provide the required notice of redemption to the affected Owners of any applicable 2021 Bonds pursuant to this Section 3.03. Notice of redemption shall be mailed by first-class mail or sent electronically if to DTC not less than twenty (20) days before any Redemption Date, to the respective Owners of any 2021 Bonds designated for redemption at their addresses appearing on the registration books, and shall be submitted to the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access system. Each notice of redemption shall state the Redemption Date, the place or places of redemption, whether less than all of the 2021 Bonds are to be redeemed, the distinctive numbers of the Bonds to be redeemed, and in the case of 2021 Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on the Redemption Date there will become due and payable on each of said 2021 Bonds or parts thereof designated for redemption the Redemption Price thereof, plus accrued interest thereon, and that from and after such Redemption Date interest thereon shall cease to accrue, and shall require that such 2021 Bonds be surrendered. Neither the failure to receive any notice nor any defect therein shall affect the validity of the proceedings for such redemption or the cessation of accrual of interest from and after the Redemption Date. Notice of redemption of 2021 Bonds shall be given by the Trustee, at the expense of the Authority, for and on behalf of the Authority.

With respect to any notice of redemption of 2021 Bonds pursuant to Section 3.01(a) or (b) hereof, unless upon the giving of such notice such 2021 Bonds shall be deemed to have been paid within the meaning of Article VII of the Master Indenture or the Trustee has received amounts sufficient to pay the principal of, and premium, if any, and interest on, such 2021 Bonds

to be redeemed, such notice shall state that such redemption shall be conditional upon the receipt by the Trustee on or prior to the Redemption Date of amounts sufficient to pay the principal of, and premium, if any, and interest on, such 2021 Bonds to be redeemed, and that if such amounts shall not have been so received said redemption notice shall be of no force and effect and such 2021 Bonds shall not be subject to redemption on such date. In the event that such notice of redemption contains such a condition and such amounts are not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, to the persons and in the manner in which the notice of redemption was given, that such amounts were not so received and the redemption was not made.

Section 3.04. Partial Redemption of 2021 Bonds. Upon surrender of any 2021 Bond redeemed in part only, the Authority shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Authority, a new 2021 Bond or 2021 Bonds of authorized denominations equal in aggregate principal amount to the unredeemed portion of the 2021 Bonds surrendered and of the same interest rate, maturity and Series.

Section 3.05. Effect of Redemption. Notice of redemption having been duly given as aforesaid, and moneys for payment of the Redemption Price of, together with interest accrued to the date fixed for redemption on, the 2021 Bonds (or portions thereof) so called for redemption being held by the Trustee, on the Redemption Date designated in such notice, the 2021 Bonds (or portions thereof) so called for redemption shall become due and payable, interest on the 2021 Bonds so called for redemption shall cease to accrue, said 2021 Bonds (or portions thereof) shall cease to be entitled to any benefit or security under the Master Indenture, and the Owners of said 2021 Bonds shall have no rights in respect thereof except to receive payment of the Redemption Price thereof. The Trustee shall, upon surrender, for payment of any of the 2021 Bonds to be redeemed on their Redemption Dates, pay such 2021 Bonds at the Redemption Price.

All 2021 Bonds redeemed pursuant to the provisions of this Article shall be canceled upon surrender thereof.

Section 3.06. Purchase of 2021 Bonds Subject to Redemption. Prior to notice of redemption for any 2021 Bonds, moneys in the Debt Service Fund relating to such 2021 Bonds may be applied at the direction of the Authority to the purchase of such 2021 Bonds and, if any such purchased 2021 Bonds are Term Bonds, the Authority may allocate the principal amount of 2021 Bonds being redeemed against its scheduled sinking fund redemption for such 2021 Bonds and may modify its scheduled sinking fund installments thereafter payable with respect to such 2021 Bonds in any manner the Authority may determine. In the event scheduled sinking fund installments are modified by the Authority pursuant to this Section 3.06, the Authority shall provide the Trustee with such a revised sinking fund schedule.

## ARTICLE IV

### ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

Section 4.01. Establishment of Funds and Accounts. (a) The following funds and accounts are hereby established to be held and administered by the Trustee in accordance with the Master Indenture and as set forth herein:

- (i) the Bond Reserve Account, Series 2021 (the “2021 Reserve Account”);
- (ii) the Construction Fund, Series 2021A (the “2021A Construction Fund”);
- (iii) the Construction Fund, Series 2021B (the “2021B Construction Fund”);
- (iv) the Construction Interest Fund, Series 2021A (the “2021A Construction Interest Fund”);
- (v) the Construction Interest Fund, Series 2021B (the “2021B Construction Interest Fund”);
- (vi) the Costs of Issuance Fund, Series 2021A (the “2021A Costs of Issuance Fund”);
- (vii) the Costs of Issuance Fund, Series 2021B (the “2021B Costs of Issuance Fund”);
- (viii) the Costs of Issuance Fund, Series 2021C (the “2021C Costs of Issuance Fund”);
- (ix) the Bank of America, N.A. Note Payment Fund, Series 2021 (the “2021 Note Payment Fund”);
- (x) the LAWA Payment Fund, Series 2021 (the “2021 LAWA Payment Fund”);
- (xi) the Trustee Debt Service Fund, Series 2016 (the “2016 Trustee Debt Service Deposit Fund”); and
- (xii) the Trustee Debt Service Fund, Series 2021 (the “2021 Trustee Debt Service Deposit Fund”); and
- (xiii) the Reimbursement Fund, Series 2021 (the “2021 Reimbursement Fund”).

(b) The following funds and accounts are hereby established to be held and administered by the Treasurer in accordance with the Master Indenture and as set forth herein:

- (i) an Interest Subaccount for the 2021A Bonds (the “2021A Interest Subaccount”), within the Interest Account of the Debt Service Fund;

- (ii) an Interest Subaccount for the 2021B Bonds (the “2021B Interest Subaccount”), within the Interest Account of the Debt Service Fund;
- (iii) an Interest Subaccount for the 2021C Bonds (the “2021C Interest Subaccount”), within the Interest Account of the Debt Service Fund;
- (iv) a Principal Subaccount for the 2021A Bonds (the “2021A Principal Subaccount”), within the Principal Account of the Debt Service Fund;
- (v) a Principal Subaccount for the 2021B Bonds (the “2021B Principal Subaccount”), within the Principal Account of the Debt Service Fund; and
- (vi) a Principal Subaccount for the 2021C Bonds (the “2021C Principal Subaccount”), within the Principal Account of the Debt Service Fund; and
- (vii) a Rebate Fund, Series 2021 for the 2021A Bonds and Series 2021B Bonds (the “2021 Rebate Fund”).

The Treasurer shall keep and maintain records and reports in respect of the foregoing funds, accounts and subaccounts and make such records and reports available to the Authority and the Trustee, as if such records and reports were subject to Section 9.15 of the Master Indenture. Upon and during an Event of Default, the Treasurer shall immediately transfer the foregoing funds, accounts and subaccounts and the deposits therein to the Trustee (together with the Treasurer’s records and reports relating thereto), and such funds, accounts and subaccounts shall be held and administered by the Trustee for so long as any Event of Default continues, following which the Trustee shall, but only upon the request of the Authority, transfer such funds, accounts and subaccounts and the deposits therein back to the Treasurer (together with the Trustee’s records and reports relating thereto) to hold and administer in accordance with the provisions of the Master Indenture.

Section 4.02. Application of Proceeds and Other Funds and Securities. (a) The net proceeds of the sale of the 2021A Bonds, being the amount of \$69,018,510.06 (representing the \$57,750,000 aggregate principal amount of the 2021A Bonds, plus premium of \$12,094,471.90, less \$256,836.61 of Underwriter’s discount, and less a portion of the premium for the 2021 Insurance Policy in the amount of \$453,820.82 and a portion of the premium for the 2021 Reserve Policy in the amount of \$115,304.41 paid by the Underwriter to the 2021 Insurer on behalf of the Authority), all received by the Trustee, shall be deposited or paid by the Trustee as follows:

- (i) the sum of \$8,785,755.25 representing the portion of the principal of and interest on the Note allocable to the 2021A Project and \$6,009,071.00 representing the unexpended proceeds of the Note, shall be deposited in the 2021 Note Payment Fund and shall be immediately paid to Bank of America, N.A., together with the amounts referred to in Section 4.02(b)(i) and Section 4.02(c)(i), to redeem the Note and pay interest thereon;

(ii) the sum of \$21,523,943.00, representing a portion of the LAWA Payment, shall be deposited in the 2021 LAWA Payment Fund and shall be immediately paid to LAWA together with the amounts referred to in Section 4.02(b)(ii);

(iii) the sum of \$3,408,930.00, representing the cash advances made by the Authority to finance the 2021A Project which are to be reimbursed from the proceeds of the Series 2021A Bonds, shall be deposited in the 2021 Reimbursement Fund and shall be immediately paid to the Authority together with the amounts referred to in Section 4.02(b)(iii) and Section 4.02(c)(ii);

(iv) the sum of \$33,869,268.00 shall be deposited in the 2021A Construction Fund and applied as provided in accordance with Article V hereof to the 2021A Project;

(v) the sum of \$1,043,898.14 shall be deposited in the 2021A Construction Interest Fund and applied as provided in accordance with Article V hereof; and

(vi) the sum of \$386,715.67 shall be deposited in the 2021A Costs of Issuance Fund.

(b) The net proceeds of the sale of the 2021B Bonds, being the amount of \$50,474,368.40 (representing the \$41,685,000 aggregate principal amount of the 2021B Bonds, plus premium of \$9,296,745.60, less \$174,703.64 of Underwriter's discount, and less a portion of the premium for the 2021 Insurance Policy in the amount of \$248,509.13 and a portion of the premium for the 2021 Reserve Policy in the amount of \$84,164.43 paid by the Underwriter to the 2021 Insurer on behalf of the Authority), all received by the Trustee, shall be deposited or paid by the Trustee as follows:

(i) the sum of \$19,750,889.78, a representing the portion of the principal of the Note allocable to the 2021B Project, shall be deposited in the 2021 Note Payment Fund and shall be immediately paid to Bank of America, N.A., together with the amounts referred to in Section 4.02(a)(i) and Section 4.02(c)(i), to redeem the Note and pay interest thereon;

(ii) the sum of \$1,818,295.07, representing a portion of the LAWA Payment, shall be deposited in the 2021 LAWA Payment Fund and shall be immediately paid to LAWA together with the amounts referred to in Section 4.02(a)(ii);

(iii) the sum of \$5,627,785.00, representing the cash advances made by the Authority to finance the 2021B Project which are to be reimbursed from the proceeds of the 2021B Bonds, shall be deposited in the 2021 Reimbursement Fund and shall be immediately paid to the Authority together with the amounts referred to in Section 4.02(a)(iii) and Section 4(c)(ii);

(iv) the sum of \$22,859,252.00 shall be deposited in the 2021B Construction Fund and applied as provided in accordance with Article V hereof to the 2021B Project;

(v) the sum of \$136,152.54 shall be deposited in the 2021B Construction Interest Fund and applied as provided in accordance with Article V hereof; and

(vi) the sum of \$281,994.01 shall be deposited in the 2021B Costs of Issuance Fund.

(c) The net proceeds of the sale of the 2021C Bonds, being the amount of \$3,870,272.10 (representing the \$3,905,000 aggregate principal amount of the 2021C Bonds, less \$12,014.22 of Underwriter's discount, and less a portion of the premium for the 2021 Insurance Policy in the amount of \$16,267.02 and a portion of the premium for the 2021 Reserve Policy in the amount of \$6,446.66 paid by the Underwriter to the 2021 Insurer on behalf of the Authority), all received by the Trustee, shall be deposited or paid by the Trustee as follows:

(i) the sum of \$236,714.41, representing the portion of the interest on the Note allocable to the 2021B Project, shall be deposited in the 2021 Note Payment Fund and shall be immediately paid to Bank of America, N.A., together with the amounts referred to in Section 4.02(a)(i) and Section 4.02(b)(i), to redeem the Note and pay interest thereon;

(ii) the sum of \$3,611,798.00, representing the cash advances made by the Authority to finance the 2021C Project which are to be reimbursed from the proceeds of the 2021C Bonds shall be immediately paid to the Authority together with the amounts referred to in Section 4.02(a)(iii) and Section 4.02(b)(iii); and

(iii) the sum of \$21,759.69 shall be deposited in the 2021C Costs of Issuance Fund.

(d) The Trustee hereby acknowledges receipt of a Closing Memorandum setting forth wiring instructions for the payment of amounts in the 2021 LAWA Payment Fund to LAWA, amounts in the 2021 Note Payment Fund to Bank of America, N.A. and amounts in the 2021 Reimbursement Fund to the Authority and hereby agrees to comply with such instructions.

(e) Unexpended proceeds of the Note in the amount of \$6,009,071.00 are currently being held pursuant the Custodial Agreement, dated as of April 14, 2021 between the Authority and The Bank of New York Mellon Trust Company, N.A., as custodian. In accordance with such agreement, such amount will, immediately upon the closing of the 2021 Bonds, be transferred to the 2021 Note Payment Fund to be applied in accordance with Section 4.02(a)(i).

Section 4.03. Debt Service Fund. For so long as the Treasurer holds and administers the Debt Service Fund and the accounts and subaccounts therein, the Authority shall instruct the Treasurer to transfer funds from the Airport Revenue Fund into the Debt Service Fund at the times and in the amounts required by Sections 4.03(a) through (f) hereof in respect to the 2021 Bonds. To the extent the Trustee holds and administers the Debt Service Fund and the accounts and subaccounts therein, the Authority shall instruct the Treasurer to withdraw funds and make payments from the Airport Revenue Fund to the Trustee for deposit into the Debt Service Fund at the times and in the amounts required by Sections 4.03(a) through (f) hereof in respect to the 2021 Bonds. With the funds made available to it pursuant to Sections 4.03(a) through (d) hereof for such purpose, the Trustee or the Treasurer, as applicable, shall make deposits or transfers into the Debt Service Fund as follows (ratably among interest subaccounts and ratably among principal subaccounts):

(a) 2021A Interest Subaccount. On or before the first day of each month, the Treasurer or the Trustee, as applicable, shall deposit into the 2021A Interest Subaccount an amount equal to at least one-sixth of the aggregate amount of interest becoming due and payable on the 2021A Bonds during the next ensuing six months (taking into account amounts to be deposited in the 2021A Interest Subaccount pursuant to Section 2.07 or credited to the 2021A Interest Subaccount pursuant to Section 5.03(a) hereof), until the requisite half-yearly amount of interest on all such 2021A Bonds is on deposit in the 2021A Interest Subaccount. Amounts on deposit in the 2021A Interest Subaccount shall be used to pay interest on the 2021A Bonds. The Treasurer or the Trustee, as applicable, shall also deposit into the 2021A Interest Subaccount any other amounts required by this Third Supplemental Indenture to be deposited in the 2021A Interest Subaccount or transferred from other funds and accounts for deposit therein.

(b) 2021B Interest Subaccount. On or before the first day of each month, the Treasurer or the Trustee, as applicable, shall deposit into the 2021B Interest Subaccount an amount equal to at least one-sixth of the aggregate amount of interest becoming due and payable on the 2021B Bonds during the next ensuing six months (taking into account amounts to be deposited in the 2021B Interest Subaccount pursuant to Section 2.07 or credited to the 2021B Interest Subaccount pursuant to Section 5.03(b) hereof), until the requisite half-yearly amount of interest on all such 2021B Bonds is on deposit in the 2021B Interest Subaccount. Amounts on deposit in the 2021B Interest Subaccount shall be used to pay interest on the 2021B Bonds. The Treasurer or the Trustee, as applicable, shall also deposit into the 2021B Interest Subaccount any other amounts required by this Third Supplemental Indenture to be deposited in the 2021B Interest Subaccount or transferred from other funds and accounts for deposit therein.

(c) 2021C Interest Subaccount. On or before the first day of each month, the Treasurer or the Trustee, as applicable, shall deposit into the 2021C Interest Subaccount an amount equal to at least one-sixth of the aggregate amount of interest becoming due and payable on the 2021C Bonds during the next ensuing six months (taking into account amounts to be deposited in the 2021C Interest Subaccount pursuant to Section 2.07 hereof), until the requisite half-yearly amount of interest on all such 2021C Bonds is on deposit in the 2021C Interest Subaccount. Amounts on deposit in the 2021C Interest Subaccount shall be used to pay interest on the 2021C Bonds. The Treasurer or the Trustee, as applicable, shall also deposit into the 2021C Interest Subaccount any other amounts required by this Third Supplemental Indenture to be deposited in the 2021C Interest Subaccount or transferred from other funds and accounts for deposit therein.

(d) 2021A Principal Subaccount. On or before the first day of each month, the Treasurer or the Trustee, as applicable, shall deposit into the 2021A Principal Subaccount an amount equal to at least one-twelfth of the aggregate Principal Amounts becoming due and payable on the 2021A Bonds on the next succeeding May 15 (taking into account amounts to be deposited in the 2021A Principal Subaccount pursuant to Section 2.07). Amounts on deposit in the 2021A Principal Subaccount shall be used to pay principal on the 2021A Bonds. The Treasurer or the Trustee, as applicable, shall also deposit into the 2021A Principal Subaccount any other amounts required by this Third Supplemental Indenture to be deposited in the 2021A Principal Subaccount or transferred from other funds and accounts for deposit therein.

(e) 2021B Principal Subaccount. On or before the first day of each month, the Treasurer or the Trustee, as applicable, shall deposit into the 2021B Principal Subaccount an amount equal to at least one-twelfth of the aggregate Principal Amounts becoming due and payable on the 2021B Bonds on the next succeeding May 15 (taking into account amounts to be deposited in the 2021B Principal Subaccount pursuant to Section 2.07). Amounts on deposit in the 2021B Principal Subaccount shall be used to pay principal on the 2021B Bonds. The Treasurer or the Trustee, as applicable, shall also deposit into the 2021B Principal Subaccount any other amounts required by this Third Supplemental Indenture to be deposited in the 2021B Principal Subaccount or transferred from other funds and accounts for deposit therein.

(f) 2021C Principal Subaccount. On or before the first day of each month, the Treasurer or the Trustee, as applicable, shall deposit into the 2021C Principal Subaccount an amount equal to at least one-twelfth of the aggregate Principal Amounts becoming due and payable on the 2021C Bonds on the next succeeding May 15 (taking into account amounts to be deposited in the 2021C Principal Subaccount pursuant to Section 2.07). Amounts on deposit in the 2021C Principal Subaccount shall be used to pay principal on the 2021C Bonds. The Treasurer or the Trustee, as applicable, shall also deposit into the 2021C Principal Subaccount any other amounts required by this Third Supplemental Indenture to be deposited in the 2021C Principal Subaccount or transferred from other funds and accounts for deposit therein.

The Debt Service Fund shall be invested and reinvested as directed by an Authorized Authority Representative in Permitted Investments. Earnings on the 2021A Interest Subaccount, 2021B Interest Subaccount, 2021C Interest Subaccount, the 2021A Principal Subaccount, 2021B Principal Subaccount and the 2021C Principal Subaccount shall be transferred into the Airport Revenue Fund unless an Event of Default exists under the Master Indenture, in which event the earnings shall be retained in such account pursuant to Section 4.04 (c) of the Master Indenture.

Amounts to be disbursed from the Debt Service Fund to the Trustee or applicable Paying Agent pursuant to Section 4.05 of the Master Indenture for the payment of debt service shall be disbursed from the Debt Service Fund not later than the fifth Business Day prior to the applicable payment date for such debt service payment, and the Trustee shall deliver to the Treasurer written demand for such transfer not later than the sixth Business Day prior to the applicable payment date.

#### Section 4.04. Reserve Fund.

(a) In accordance with the penultimate paragraph of Section 4.04(b)(4) of the Master Indenture, the 2021 Reserve Account shall be a separate account within the Reserve Fund available only for the payment of the 2021 Bonds, which account shall have its own Required Reserve. As provided in the Granting Clause of the Master Indenture, the 2021 Reserve Account shall constitute additional security for the 2021 Bonds.

(b) The Required Reserve for the 2021 Bonds shall be an amount equal to the lesser of (i) the greatest amount of principal and interest payable on the 2021 Bonds in the then current or any future Fiscal Year, (ii) 125% of the average annual principal and interest payable on the 2021 Bonds, or (iii) 10% of the proceeds of the 2021 Bonds.

(c) A Reserve Fund Surety Policy shall be acceptable in lieu of a deposit of cash or securities into the 2021 Reserve Account, or may be substituted for amounts on deposit in either the 2021 Reserve Account. The Required Reserve for the 2021 Bonds shall be initially satisfied with the 2021 Reserve Policy which shall be deposited in the 2021 Reserve Account.

(d) The Authority shall pay Policy Costs from Net Pledged Revenues in accordance with Section 4.04(b)(4) of the Master Indenture commencing in the first month following each unreimbursed draw on the 2021 Reserve Policy, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such unreimbursed draw.

(e) Amounts in respect of Policy Costs paid to the 2021 Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the 2021 Insurer on account of principal due, the coverage under the 2021 Reserve Policy will be increased by a like amount, subject to the terms of the 2021 Reserve Policy.

(f) All cash and investments, if any, in the 2021 Reserve Account shall be transferred to the applicable subaccount or subaccounts of the Debt Service Fund for payment of debt service on the 2021 Bonds before any drawing may be made on the 2021 Reserve Policy or any other credit facility credited to the 2021 Reserve Account in lieu of cash (herein, a "Reserve Facility"). Payment of any Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Reserve Facilities (including the 2021 Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the 2021 Reserve Account. Payment of Policy Costs and reimbursement of amounts with respect to other Reserve Facilities shall be made on a pro-rata basis prior to replenishment of any cash drawn from the 2021 Reserve Account. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(g) The prior written consent of the 2021 Insurer shall be a condition precedent to the deposit of any Reserve Facilities provided in substitution of the 2021 Reserve Policy or in lieu of a cash deposit into the 2021 Reserve Account. Notwithstanding anything to the contrary set forth in the Master Indenture and this Third Supplemental Indenture, amounts on deposit in the 2021 Reserve Account shall be applied solely to the payment of debt service due on the 2021 Bonds.

(h) If the Authority shall fail to pay any Policy Costs in accordance with the requirements of subparagraph (d) hereof, the 2021 Insurer shall be entitled to exercise any and all legal and equitable remedies available to it as issuer of the 2021 Reserve Policy, including those provided under the Master Indenture other than (i) acceleration of the maturity of the Bonds or (ii) remedies which would adversely affect Holders of the Bonds.

(i) The Master Indenture shall not be discharged until all Policy Costs owing to the 2021 Insurer shall have been paid in full. The Authority's obligation to pay such amounts shall expressly survive payment in full of the 2021 Bonds.

(j) The Authority shall include any Policy Costs then due and owing the 2021 Insurer in the calculations made pursuant to Section 2.11 and Section 5.04 of the Master Indenture.

(k) The Authority shall notify the Trustee in writing of the necessity for a claim upon the 2021 Reserve Policy and provide notice to the 2021 Insurer in accordance with the terms of the 2021 Reserve Policy at least five Business Days prior to each date upon which interest or principal is due on the 2021 Bonds.

(l) The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. If the interest provisions of Late Payment Rate shall result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the 2021 Insurer, with the same force and effect as if the Authority had specifically designated such extra sums to be so applied and the 2021 Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

(m) The following provisions shall apply in addition to the provisions of paragraphs (a) through (l) above if and when any moneys or a Reserve Fund Surety Policy other than the 2021 Reserve Policy are on deposit in the 2021 Reserve Account:

(i) If moneys have been withdrawn from the 2021 Reserve Account or a payment has been made under a Reserve Fund Surety Policy constituting all or a portion of the 2021 Reserve Account, and deposited into an account or subaccount of the Debt Service Fund to prevent a default on the 2021 Bonds, then the Treasurer shall transfer to the Trustee pursuant to Section 4.04(b)(4) of the Master Indenture in accordance with the next succeeding sentence, the full amount so withdrawn and the expenses and interest, if any, required under the terms of any other Reserve Fund Surety Policy, or so much as shall be required to restore the 2021 Reserve Account to the Required Reserve for the 2021 Bonds and to pay such interest, if any. Repayments of money advanced from the 2021 Reserve Account shall be made in 12 substantially equal monthly installments each due on the first Business Day of the month commencing with the first month after such withdrawal occurs and if repayment are with respect to a draw under a Reserve Fund Surety Policy other than the 2021 Reserve Account, the Trustee shall pay to the provider of such Reserve Fund Surety Policy the amount received by the Trustee from the Authority which is designated to be used to reimburse the provider of such Reserve Fund Surety Policy. The Trustee shall immediately notify the paying agent for the Reserve Fund Surety Policy, if any, of such reimbursement, and the amount available to be drawn under the Reserve Fund Surety Policy shall increase by the amount of such reimbursement.

(ii) Moneys in the 2021 Reserve Account, if any, shall be invested and reinvested by the Trustee at the written direction of the Authorized Authority Representative in Permitted Investments. Earnings on the 2021 Reserve Account, if any, shall be retained therein to be applied as a credit against the Authority's obligation to make its next deposit unless an amount has been withdrawn from the 2021 Reserve Account as a result of a deficiency in a related Debt Service Fund and such withdrawal has not been repaid or, as of the most recent valuation of the Reserve Fund, the amount therein was valued at less than the Required Reserve and the deficiency has not yet been restored, in either of which events the earnings shall be retained in the Reserve Fund until the deficiency therein has been eliminated.

(iii) Notwithstanding anything to the contrary in the Master Indenture or this Third Supplemental Indenture, investment earnings, if any, on amounts on deposit in the 2021 Reserve Account prior to the completion date of the 2021A Project or the 2021B Project shall be applied to the costs of the 2021A Project or the 2021B Project as directed by the Authority upon the advice of Bond Counsel.

(iv) All money remaining in 2021 Reserve Account on the final Payment Date for the 2021 Bonds, in excess of the amount required to make provisions for the payment in full of the interest and/or the principal of the 2021 Bonds and the amount required to be held by any Supplemental Indenture as a Required Reserve for 2021 Bonds shall be transferred to the Authority for deposit in the Airport Revenue Fund.

Section 4.05. 2021A Costs of Issuance Fund. There shall be deposited into the 2021A Costs of Issuance Fund the amount provided in Section 4.02(a)(vii) above. The Trustee shall make payments or disbursements from the 2021A Costs of Issuance Fund upon receipt from the Authority of a written requisition executed by an Authorized Authority Representative, which requisition shall state, with respect to each amount requested thereby, (i) that such amount is to be paid from the 2021A Costs of Issuance Fund, (ii) the number of the requisition from such account, (iii) the amount to be paid, the name of the entity to which the payment is to be made, and (iv) a description of the Costs of Issuance represented by such payment. Each such requisition shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. On October 1, 2021, all amounts remaining on deposit in the 2021A Costs of Issuance Fund shall be transferred to the 2021A Construction Fund.

Section 4.06. 2021B Costs of Issuance Fund. There shall be deposited into the 2021B Costs of Issuance Fund the amount provided in Section 4.02(b)(vii) above. The Trustee shall make payments or disbursements from the 2021B Costs of Issuance Fund upon receipt from the Authority of a written requisition executed by an Authorized Authority Representative, which requisition shall state, with respect to each amount requested thereby, (i) that such amount is to be paid from the 2021B Costs of Issuance Fund, (ii) the number of the requisition from such account, (iii) the amount to be paid, the name of the entity to which the payment is to be made, and (iv) a description of the Costs of Issuance represented by such payment. Each such requisition shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. On October 1, 2021, all amounts

remaining on deposit in the 2021B Costs of Issuance Fund shall be transferred to the to the 2021B Construction Fund.

Section 4.07. 2021C Costs of Issuance Fund. There shall be deposited into the 2021C Costs of Issuance Fund the amount provided in Section 4.02(c)(iii) above. The Trustee shall make payments or disbursements from the 2021C Costs of Issuance Fund upon receipt from the Authority of a written requisition executed by an Authorized Authority Representative, which requisition shall state, with respect to each amount requested thereby, (i) that such amount is to be paid from the 2021C Costs of Issuance Fund, (ii) the number of the requisition from such account, (iii) the amount to be paid, the name of the entity to which the payment is to be made, and (iv) a description of the Costs of Issuance represented by such payment. Each such requisition shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. On October 1, 2021, all amounts remaining on deposit in the 2021C Costs of Issuance Fund shall be transferred to the to the 2021A Construction Fund.

Section 4.08. 2021 Rebate Fund.

(a) The 2021 Rebate Fund and the amounts deposited therein shall not be subject to a security interest, pledge, assignment, lien or charge in favor of the Trustee, any Bondholder or any other person.

(b) The Authority shall deposit or cause to be deposited in the 2021 Rebate Fund within sixty (60) days following each Computation Date (as defined in the Tax Certificate), an amount such that the amount held in the 2021 Rebate Fund after such deposit is equal to the Rebate Amount (as defined in the Tax Certificate) calculated as of such Computation Date by the Authority or a rebate consultant retain by the Authority. The amount deposited in the 2021 Rebate Fund pursuant to this section shall be withdrawn from the Airport Revenue Fund. The Trustee may rely conclusively upon the Authority's or rebate consultant's determinations, calculations and certifications required by this Section. The Trustee shall have no responsibility to independently make any calculation or determination or to review the Authority's or rebate consultant's calculations hereunder.

(c) If within sixty (60) days following any Computation Date, the amount on deposit in the 2021 Rebate Fund exceeds the Rebate Amount, the Authority shall withdraw such excess amount and deposit it in the Airport Revenue Fund.

(d) The Authority shall pay to the United States, out of amounts in the 2021 Rebate Fund, (i) not less frequently than once each five (5) years after the date of issuance of the 2021 Bonds, an amount such that, together with prior amounts paid to the United States, the total paid to the United States is equal to 90% of the Rebate Amount with respect to the 2021 Bonds as of the date of such payment and (ii) not later than thirty (30) days after the date on which all 2021 Bonds have been paid in full, 100% of the Rebate Amount as of the date of payment.

Section 4.09. Sources of Payment of 2021 Bonds. The 2021 Bonds shall be secured by and payable from the Net Pledged Revenues as provided in the Master Indenture and moneys and other investments held by the Trustee in the 2021 Reserve Account in the Reserve Fund.

The Authority may, but is not obligated to, provide for payment of principal and interest on the 2021 Bonds from any other source or from any other funds of the Authority.

Section 4.10. Trustee Debt Service Deposit Funds.

(a) Amounts transferred to the Trustee pursuant to Section 4.05 of the Master Indenture with respect to the Initial Bonds shall be deposited and held by the Trustee in the 2016 Trustee Debt Service Deposit Fund until applied by the Trustee in accordance with said Section 4.05.

(b) Amounts transferred to the Trustee pursuant to Section 4.05 of the Master Indenture with respect to the 2021 Bonds shall be deposited and held by the Trustee in the 2021 Trustee Debt Service Deposit Fund until applied by the Trustee in accordance with said Section 4.05.

(c) The Trustee may establish subaccounts in 2016 Trustee Debt Service Deposit Fund and the 2021 Trustee Debt Service Deposit Fund.

(d) Amounts in the 2016 Trustee Debt Service Deposit Fund and the 2021 Trustee Debt Service Deposit Fund or in any subaccounts therein shall be treated as held in the Debt Service Fund.

(e) The Trustee may establish temporary accounts in connection with the issuance of the 2021 Bonds.

ARTICLE V

CONSTRUCTION FUNDS AND  
CONSTRUCTION INTEREST FUNDS

Section 5.01. Construction Fund.

(a) Money in the 2021A Construction Fund shall be disbursed to pay Costs the 2021A Project.

(b) Money in the 2021B Construction Fund shall be disbursed to pay Costs the 2021B Project.

Section 5.02. Disbursements from Construction Funds. Money in the 2021A Construction Fund and 2021B Construction Fund shall be disbursed by the Trustee, to pay Costs for work acceptably completed on the Project, or materials incorporated therein as construction progresses, but only upon a written requisition from the Authority stating the following:

(i) a description of the expenditures on account of which such payment is to be made, in trade breakdown form;

(ii) that no part of such expenditures has been included in any request previously filed under the provisions hereof;

(iii) that the payment of such amount is a proper charge against such 2021A Construction Fund or 2021B Construction Fund, as applicable, and specifying the purpose and circumstances of such obligation in reasonable detail, accompanied by a bill or statement of account for such obligation;

(iv) that such expenditures have been made or incurred and were necessary for the acquisition, construction or equipping of the 2021A Project or 2021B Project, as applicable, in accordance with the construction contract and the approved plans and specifications therefor, or for the reimbursement of expenses incident to such construction or equipping;

(v) that the signer has or signers have no notice of any vendor's, mechanic's or other liens or rights to liens, or conditional sales contracts, or other contracts or obligations, which have not been released or will not be released simultaneously with such payment and which should be satisfied or discharged before such payment is made;

(vi) that the general contractor has obtained, or has made satisfactory arrangements for obtaining, waivers of liens with respect to such payment; and in case such payment is to constitute full or final payment for material, labor or services to any part, that the general contractor has obtained waivers of lien finally and fully waiving all rights to assert liens on the Project and the Ontario International Airport.

#### Section 5.03. Construction Interest Funds.

(a) Moneys on deposit in the 2021A Construction Interest Fund shall be credited to the 2021A Interest Subaccount and applied without further authorization or direction in the amount scheduled for each Interest Payment Date as established upon the issuance of the 2021 Bonds and provided to the Trustee by the Authority.

(b) Moneys on deposit in the 2021B Construction Interest Fund shall be credited to the 2021B Interest Subaccount and applied without further authorization or direction in the amount scheduled for each Interest Payment Date as established upon the issuance of the 2021 Bonds and provided to the Trustee by the Authority.

#### Section 5.04. Other Provisions Pertaining to Construction Funds and Construction Interest Funds.

(a) Earnings on the 2021A Construction Fund shall be retained therein to be applied to the Costs of the 2021A Project. Earnings on the 2021A Construction Interest Fund shall be transferred to the 2021A Construction Fund to be applied to the Costs of the 2021A Project. Earnings on the 2021B Construction Fund shall be retained therein to be applied to the Costs of the 2021B Project. Earnings on the 2021B Construction Interest Fund shall be transferred to the 2021B Construction Fund to be applied to the Costs of the 2021B Project.

(b) All moneys remaining in the 2021A Construction Fund after the date of completion, termination or abandonment of the 2021A Project, and with respect to the completion of the 2021A Project after payment or provision for payment of all other items provided for as Costs thereof, shall at the written direction of the Authority, be transferred to the

Authority by the Trustee and deposited by the Authority in the 2021A Principal Subaccount to be applied solely to the payment of principal of, and shall be invested at a yield not exceeding the yield on, the 2021A Bonds and 2021B Bonds. Except for amounts retained by the Authority with respect to the completion of the 2021A Project for payment of items included in the Costs thereof but not then due and payable, any balance remaining of such retained funds after full payment of the Costs of the 2021A Project shall at the written direction of the Authority, be transferred to the Authority by the Trustee and deposited by the Authority in the 2021A Principal Subaccount to be applied solely to the payment of principal of, and shall be invested at a yield not exceeding the yield on, the 2021A Bonds and 2021B Bonds. Notwithstanding the foregoing, transfers of moneys from the 2021A Construction Fund to the 2021A Principal Subaccount shall be required only to the extent required to comply with the provisions of Section 8.09 hereof and may be otherwise applied as directed in writing by an Authorized Authority Representative upon the advice of Bond Counsel.

(c) All moneys remaining in the 2021B Construction Fund after the date of completion, termination or abandonment of the 2021B Project, and with respect to the completion of the 2021B Project after payment or provision for payment of all other items provided for as Costs thereof, shall at the written direction of the Authority, be transferred to the Authority by the Trustee and deposited by the Authority in the 2021B Principal Subaccount to be applied solely to the payment of principal of, and shall be invested at a yield not exceeding the yield on, the 2021A Bonds and 2021B Bonds. Except for amounts retained by the Authority with respect to the completion of the 2021B Project for payment of items included in the Costs thereof but not then due and payable, any balance remaining of such retained funds after full payment of the Costs of the 2021B Project shall at the written direction of the Authority, be transferred to the Authority by the Trustee and deposited by the Authority in the 2021B Principal Subaccount to be applied solely to the payment of principal of, and shall be invested at a yield not exceeding the yield on, the 2021A Bonds and the 2021B Bonds. Notwithstanding the foregoing, transfers of moneys from the 2021B Construction Fund to the 2021B Principal Subaccount shall be required only to the extent required to comply with the provisions of Section 8.09 hereof and may be otherwise applied as in writing directed by an Authorized Authority Representative upon the advice of Bond Counsel.

(d) Upon the occurrence and continuance of an Event of Default described in Section 8.01 of the Master Indenture, all moneys remaining in the 2021A Construction Fund after payment or provision for payment of all other items committed for the payment of Costs of the 2021A Project, shall be deposited by the Trustee in the 2021A Principal Subaccount to be applied solely to the payment of principal of 2021A Bonds and shall be invested at a yield not exceeding the yield on the 2021A Bonds and 2021B Bonds.

(e) Upon the occurrence and continuance of an Event of Default described in Section 8.01 of the Master Indenture, all moneys remaining in the 2021B Construction Fund after payment or provision for payment of all other items committed for the payment of Costs of the 2021B Project, shall be deposited by the Trustee in the 2021B Principal Subaccount to be applied solely to the payment of principal of 2021B Bonds and shall be invested at a yield not exceeding the yield on the 2021A Bonds and 2021B Bonds.

(f) Notwithstanding the foregoing provisions of this Section 5.04, moneys in the 2021A Construction Fund or the 2021B Construction Fund may be applied to the payment of principal of or interest on 2021 Bonds and invested in such manner as determined by the Authority to the extent such application or investment will not result in a violation of the provisions of Section 8.09 hereof.

(g) To the extent required by this Section 5.04, the Authority shall cause the yield on the 2021A Bonds and 2021B Bonds to be calculated and the Trustee shall not be responsible for determining the yield on the 2021A Bonds and 2021B Bonds.

## ARTICLE VI

### AMENDMENTS TO MASTER INDENTURE

#### Section 6.01. Amendments to Section 2.11 of the Master Indenture.

(a) Subsection (a) and (b) of the first paragraph of Section 2.11 of the Master Indenture are hereby amended to read as follows:

(a) a certificate prepared by an Authorized Authority Representative showing that the Net Pledged Revenues, as calculated by the Authority, for any 12 consecutive months out of the 18 consecutive months immediately preceding the date of issuance of the proposed Series of Bonds or preceding the first issuance of the proposed Program Bonds were at least equal to 125% of average Aggregate Annual Debt Service calculated as if the proposed Series of Bonds and the full Authorized Amount of such proposed Program Bonds (as applicable) were then Outstanding; or

(b) a certificate prepared by a Consultant showing that the estimated Net Pledged Revenues for each of the first three complete Fiscal Years immediately following the last Estimated Completion Date or the date Refunding Bonds are issued, as certified to the Consultant by an Authorized Authority Representative, will be at least equal to 125% of Aggregate Annual Debt Service calculated as if the proposed Series of Bonds and the full Authorized Amount of such proposed Program Bonds (as applicable) were then Outstanding.

(b) The first sentence of the second paragraph of Section 2.11 is hereby amended by changing the reference to “subsections (b)(ii) and (iii) above” to “subsection (b) above” and the last sentence of the second paragraph of Section 2.11 is hereby amended by changing the reference to “Maximum Aggregate Annual Debt Service” to “Aggregate Annual Debt Service”.

(c) Subsection (i) of the fourth paragraph of Section 2.11 is hereby amended to read as follows:

- (i) if the Bonds being issued are for the purpose of refunding then Outstanding Bonds and there is delivered to the Trustee, instead, a certificate of the Authorized Authority Representative showing that Aggregate Annual Debt Service in each Fiscal Year after the issuance of such Refunding Bonds will not exceed Aggregate Annual Debt Service prior to the issuance of such Refunding Bonds in each such Fiscal Year and certifying that the final maturity of the Refunding Bonds will not be later than the final maturity of the Outstanding Bonds being refunded; or

Section 6.02. Addition of Definitions. The following additional definitions are added to Section 1.01 of the Master Indenture:

“Excluded Revenues” shall mean any revenues or amounts excluded (a) from the definition of Pledged Revenues (other than Ontario Airport Special Facilities Revenue which shall be applied only as provided in Section 5.07 hereof), or (b) from the definition of Airport Revenues, or any combination thereof.

“Released Revenues” shall mean any category of income, receipts or other revenues released from the definition of Airport Revenues pursuant to Section 2.16 hereof.

“Separate Improvements” shall mean any Separate Improvement as defined in Section 2.15 hereof.

Section 6.03. Amendment of the Definition of Airport Revenues. The definition of Airport Revenues is hereby amended to add the following sentence: “‘Airport Revenues’ shall not include (a) Released Revenues or (b) revenues from any Separate Improvement, including, but not limited to, payments under any contract or agreement with respect to such Separate Improvement, and accordingly any amounts referred to in the foregoing clause (a) or (b) shall not be required to be deposited in the Airport Revenue Fund pursuant to Section 4.04(a) hereof.”

Section 6.04. Separate Improvements. A new Section 2.15 shall be added to the Master Indenture to read as follows:

“Section 2.15. Separate Improvements. Nothing contained in this Master Indenture shall prevent the Authority from authorizing and issuing bonds, notes, warrants, certificates or other obligations or evidences of indebtedness, other than Bonds or Subordinated Obligations, and establish reserves in connection therewith, payable from and secured by a pledge of and lien on Excluded Revenues for the purpose of acquiring, constructing, renovating, remodeling or rehabilitating Separate Improvements, which (a) produce revenues (which shall be Excluded Revenues) or (b) have pledged or committed to the payment of all or a portion of the principal, premium, interest and other costs described below, Excluded Revenues, or combination of (a) and (b), sufficient to pay principal of, premium, if any, and interest on the bonds, notes, warrants, certificate or other obligations

or evidences of indebtedness issued with respect to any such Separate Improvement and all operation and maintenance and other costs connected with the ownership, operation, maintenance, repair, renewals and rehabilitation of any such Separate Improvement (including, without limitation, insurance, utilities, payments in lieu of taxes and assessments) and the administrative costs of the Authority associated with any such Separate Improvement. Any amount attributable to administrative costs shall be free and clear of all charges under any agreement or obligation entered into or issued as described herein, shall be in addition to all other amounts required to be provided for as described herein, and shall constitute Airport Revenues and be paid into the Airport Revenue Fund. A Separate Improvement ("Separate Improvement") shall be any facility or improvement at or related to the Ontario International Airport, including but not be limited to, roads, tunnels, stations, toll facilities, interchanges, multimodal facilities, property or property rights or other facilities, any of which (i) may be located off, adjacent to or on the Ontario International Airport to the extent necessary to provide services to or from the Ontario International Airport, (ii) may be owned in whole or in part by the Authority or other public or private entity or entities and (iii) shall not be treated as a part of the Ontario International Airport for the purposes of this Master Indenture. Nothing contained in this Master Indenture shall prevent the Authority from leasing, mortgaging, or entering into public private partnership, design build or similar arrangements with respect to the design, building, financing, operating and maintaining of any such Separate Improvement."

Section 6.05. Released Revenues. A new Section 2.16 shall be added to the Master Indenture to read as follows:

"Section 2.16. Released Revenues. The Authority may by a Supplemental Indenture cause a category of income, receipts or other revenues then included in the definition of "Airport Revenues" and "Pledged Revenues" as defined in Section 1.01 of the Master Indenture to be excluded from such definitions for all purposes of the Master Indenture, which exclusion shall be effective without Bondholder consent, from the date of adoption of such Supplemental Indenture after receipt by the Trustee of the following:

(a) a certificate of the Authorized Authority Representative that no Event of Default exists hereunder; and

(b) a certificate or report of the Authorized Authority Representative or a Consultant to the effect that Net Pledged Revenues for each of the two Fiscal Years for which audited financial statements are available immediately preceding the date of such certificate or report were sufficient to satisfy the rate covenant set forth in Section 5.04(b) hereof for each of such two

Fiscal Years, assuming for the purposes of complying with Section 5.04(b) one hundred fifty percent (instead of one hundred twenty-five percent).”

Section 6.06. Amendment to Section 5.11 of the Master Indenture. The phrase “Within 180 days after the close of each Fiscal Year” in Section 5.11 of the Master Indenture is hereby amended to read “Not later than the end of the ninth month following the end of the Authority’s Fiscal Year”.

Section 6.07. Consent to Amendment of Master Indenture. The Bondholders of the 2021 Bonds and any Bonds subsequently issued under the Master Indenture are hereby deemed to consent to all of the amendments to the Master Indenture set forth in Sections 6.01 through 6.06 of this Third Supplemental Indenture. The amendments to the Master Indenture set forth in Sections 6.01 through 6.06 of this Third Supplemental Indenture shall take effect at such time as either (a) the Initial Bonds are no longer Outstanding, or (b) the Bondholders of not less than a majority in aggregate Principal Amount of the Bonds then Outstanding, or any Credit Provider required to give such consents on behalf of such Bondholders, and any Credit Provider whose consent to amendments is required in addition to Bondholder consent, consent to such amendments. The Authority shall provide to the Trustee written confirmation of any required consent received pursuant to (b) above.

## ARTICLE VII

### CONTINUING DISCLOSURE

The Authority hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate applicable to such party. Notwithstanding any other provision of the Master Indenture, failure of the Authority to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default under the Master Indenture; however, the Trustee may (and, at the request of any Participating Underwriter or the Holders of at least 25% aggregate principal amount of Outstanding 2021 Bonds, after indemnification to its satisfaction, shall) or any Bondholder or Beneficial Owner of the 2021 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Authority to comply with its obligations under this Article VII. For purposes of this Article VII, “Beneficial Owner” means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any 2021 Bond (including persons holding 2021 Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any 2021 Bonds for federal income tax purposes. Notwithstanding anything to the contrary, in no event shall the Trustee be deemed to have breached its fiduciary duty or any other duty or obligation arising hereunder or under any related document in connection with the performance of any of the terms contained in the Continuing Disclosure Certificate.

## ARTICLE VIII

### MISCELLANEOUS

#### Section 8.01. Notices.

(a) Any notice, request, direction, designation, consent, acknowledgment, certification, appointment, waiver or other communication required or permitted by this Third Supplemental Indenture or the 2021 Bonds must be in writing except as expressly provided otherwise in this Third Supplemental Indenture or the 2021 Bonds.

(b) Any notice or other communication, unless otherwise specified, shall be sufficiently given and deemed given when mailed by first-class mail, postage prepaid, addressed to the Authority or the Trustee at the addresses provided in the Master Indenture or when delivered electronically to an email address provided by the addressee or when delivered by hand and received by the Authority or the Trustee at the addresses provided in the Master Indenture. Any addressee may designate additional or different addresses for purposes of this Section.

Section 8.02. Modification of Master Indenture and this Third Supplemental Indenture. The Authority may, from time to time and at any time, execute and deliver Supplemental Indentures supplementing and/or amending the Master Indenture and this Third Supplemental Indenture in the manner set forth in Article X of the Master Indenture.

Section 8.03. Limitation of Rights. Nothing expressed or implied in this Third Supplemental Indenture or the 2021 Bonds shall give any person other than the Trustee, the Authority and the Bondholders any right, remedy or claim under or with respect to this Third Supplemental Indenture.

Section 8.04. Severability. If any provision of this Third Supplemental Indenture shall be determined to be unenforceable, that shall not affect any other provision of this Third Supplemental Indenture.

Section 8.05. Payments or Actions Occurring on Non-Business Days. If a payment date is not a Business Day at the place of payment or if any action required hereunder is required on a date that is not a Business Day, then payment may be made at that place on the next Business Day or such action may be taken on the next Business Day with the same effect as if payment were made or the action taken on the stated date, and no interest shall accrue for the intervening period.

Section 8.06. Governing Law. This Third Supplemental Indenture shall be governed by and construed in accordance with the laws of the State.

Section 8.07. Captions. The captions in this Third Supplemental Indenture are for convenience only and do not define or limit the scope or intent of any provisions or Sections of this Third Supplemental Indenture.

Section 8.08. Counterparts. This Third Supplemental Indenture may be signed in several counterparts. Each will be an original, but all of them together constitute the same instrument.

Section 8.09. Tax Covenant. The Authority hereby covenants with the holders from time to time of the 2021A Bonds and 2021B Bonds, that so long as any the 2021A Bonds or 2021B Bonds shall be Outstanding under the Master Indenture and through the date that the final rebate, if any, must be made to the United States in accordance with Section 148 of the Code, it will comply with the provisions of Sections 103 and 141 through 150 of the Code and all regulations proposed and promulgated thereunder that must be satisfied in order that interest on the 2021A Bonds and 2021B Bonds shall be and continue to be excluded from gross income for federal income tax purposes under said Section 103.

Section 8.10. Appointments. The Trustee is hereby appointed Paying Agent and Registrar for the 2021 Bonds.

Section 8.11. Bond Insurance Provisions. The payment when due of the principal of and interest on the 2021 Bonds shall be insured by the 2021 Insurance Policy. As long as the 2021 Insurance Policy shall be in full force and effect, and notwithstanding anything to the contrary in the Master Indenture, the Authority and the Trustee agree to comply with the following provisions with respect to the 2021 Bonds:

(a) So long as the 2021 Insurer is not in default under the 2021 Insurance Policy, the 2021 Insurer shall be deemed to be the sole Holder of the 2021 Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Holders of the 2021 Bonds are entitled to take pursuant to of the Master Indenture pertaining to (i) defaults and remedies, (ii) the duties and obligations of the Trustee, and (iii) any supplements, amendments or waivers. In furtherance thereof and as a term of the Master Indenture and each Insured 2021 Bond, each Holder of the 2021 Bonds appoints the 2021 Insurer as its agent and attorney-in-fact with respect to the 2021 Bonds and each Holder of the 2021 Bonds further agrees that the 2021 Insurer may at any time during the continuation of any proceeding by or against the Authority under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, each Holder of the 2021 Bonds delegates and assigns to the 2021 Insurer, to the fullest extent permitted by law, the rights of each Holder of the 2021 Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. The Trustee acknowledges such appointment, delegation and assignment by each Holder of the 2021 Bonds for the 2021 Insurer's benefit, and agrees to cooperate with the 2021 Insurer in taking any action reasonably necessary or appropriate in connection with such appointment, delegation and assignment.

(b) The 2021 Insurer is a third party beneficiary of the Master Indenture and this Third Supplemental Indenture.

(c) Upon the occurrence of an extraordinary optional, special or extraordinary mandatory redemption in part, so long as the 2021 Insurer is not in default under the 2021 Insurance Policy, the selection of 2021 Bonds to be redeemed shall be subject to the approval of the 2021 Insurer. The exercise of any provision of the Master Indenture and this Third Supplemental Indenture which permits the purchase of 2021 Bonds in lieu of redemption shall require the prior written approval of the 2021 Insurer if any Insured 2021 Bond so purchased is not cancelled upon purchase.

(d) So long as the 2021 Insurer is not in default under the 2021 Insurance Policy, any amendment, supplement, modification to, or waiver of, the Master Indenture or this Third Supplemental Indenture that requires the consent of Holders of the 2021 Bonds or adversely affects the rights and interests of the 2021 Insurer shall be subject to the prior written consent of the 2021 Insurer.

(e) The rights granted to the 2021 Insurer under the Master Indenture or this Third Supplemental Indenture to request, consent to or direct any action are rights granted to the 2021 Insurer in consideration of its issuance of the 2021 Insurance Policy. Any exercise by the 2021 Insurer of such rights is merely an exercise of the 2021 Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Holders of the 2021 Bonds and such action does not evidence any position of the 2021 Insurer, affirmative or negative, as to whether the consent of the Holders of the 2021 Bonds or any other person is required in addition to the consent of the 2021 Insurer.

(f) So long as the 2021 Insurer is not in default under the 2021 Insurance Policy, to accomplish defeasance of the 2021 Bonds, the Authority shall cause to be delivered to the 2021 Insurer (i) a report of either a nationally-recognized verification agent or a firm of independent, nationally-recognized certified public accountants as shall be acceptable to the 2021 Insurer verifying the sufficiency of the escrow established to pay the 2021 Bonds in full on the maturity or redemption date ("Verification"), (ii) an escrow deposit agreement or other irrevocable written instructions (which shall be acceptable in form and substance to the 2021 Insurer), (iii) an opinion of nationally-recognized bond counsel to the effect that the 2021 Bonds are no longer Outstanding under the Master Indenture and (iv) a certificate of discharge of the Trustee with respect to the 2021 Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Authority, the Trustee and the 2021 Insurer. The 2021 Insurer shall be provided with final drafts of the above referenced documentation not less than five Business Days prior to the funding of the escrow.

(g) 2021 Bonds shall be deemed Outstanding under the Master Indenture unless and until they are in fact paid and retired or the above criteria are met.

(h) Amounts paid by the 2021 Insurer under the 2021 Insurance Policy shall not be deemed paid for purposes of the Master Indenture and the 2021 Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Authority in

accordance with the Master Indenture. The Master Indenture shall not be discharged unless all amounts due or to become due to the 2021 Insurer have been paid in full or duly provided for.

(i) Claims Upon the 2021 Insurance Policy and Payments by and to the 2021 Insurer.

If, on the third Business Day prior to the related scheduled interest payment date or principal payment date (“Payment Date”) there is not on deposit with the Authority, after making all transfers and deposits required under the Master Indenture, moneys sufficient to pay the principal of and interest on the 2021 Bonds due on such Payment Date, the Authority shall give notice to the 2021 Insurer and to its designated agent (if any) (the “Insurer’s Fiscal Agent”) by telephone or teletype of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the 2021 Bonds due on such Payment Date, the Trustee shall make a claim under the 2021 Insurance Policy and give notice to the 2021 Insurer and the Insurer’s Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the 2021 Bonds and the amount required to pay principal of the 2021 Bonds, confirmed in writing to the 2021 Insurer and the Insurer’s Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the 2021 Insurance Policy.

The Trustee shall designate any portion of payment of principal on 2021 Bonds paid by the 2021 Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of 2021 Bonds registered to the then current Holder of the 2021 Bonds, whether DTC or its nominee or otherwise, and shall issue a replacement Insured 2021 Bond to the 2021 Insurer, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee’s failure to so designate any payment or issue any replacement Insured 2021 Bond shall have no effect on the amount of principal or interest payable by the Authority on any Insured 2021 Bond or the subrogation rights of the 2021 Insurer.

The Trustee shall keep a complete and accurate record of all funds deposited by the 2021 Insurer into the Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Insured 2021 Bond. The 2021 Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

Upon payment of a claim under the 2021 Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Holders of the 2021 Bonds referred to herein as the “Policy Payments Account” and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee

shall receive any amount paid under the 2021 Insurance Policy in trust on behalf of Holders of the 2021 Bonds and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Holders of the 2021 Bonds in the same manner as principal and interest payments are to be made with respect to the 2021 Bonds under the sections of the Master Indenture and this Third Supplemental Indenture regarding payment of 2021 Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments.

Notwithstanding anything in the Master Indenture and this Third Supplemental Indenture to the contrary, the Authority agrees to pay to the 2021 Insurer (i) a sum equal to the total of all amounts paid by the 2021 Insurer under the 2021 Insurance Policy (the "Insurer Advances"); and (ii) interest on such Insurer Advances from the date paid by the 2021 Insurer until payment thereof in full, payable to the 2021 Insurer at the Late Payment Rate per annum (collectively, the "Insurer Reimbursement Amounts"). The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Authority hereby covenants and agrees that the Insurer Reimbursement Amounts are secured by a lien on and pledge of the Net Pledged Revenues and payable from such Net Pledged Revenues on a parity with debt service due on the 2021 Bonds. Insurer Reimbursement Amounts shall qualify as Repayment Obligations and, pursuant to Section 2.13 of the Master Indenture, shall be afforded the status of a Bond issued under Article II of the Master Indenture. For the avoidance of doubt, to the extent that any provision in Section 2.13 of the Master Indenture refers to a separate written agreement with the Authority, this Section 8.10 shall constitute such an agreement with the 2021 Insurer for all purposes of said Section 2.13.

Funds held in the Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. The Trustee shall notify the 2021 Insurer of any funds remaining in the Policy Payments Account after the Trustee has made the payments for which a claim was made to the Holders of the 2021 Bonds and shall, at the written direction of the 2021 Insurer, promptly remit such funds remaining to the 2021 Insurer.

(j) The 2021 Insurer shall, to the extent it makes any payment of principal or interest on the 2021 Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the 2021 Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Authority to the 2021 Insurer under the Master Indenture and this Third Supplemental Indenture shall survive discharge or termination of such Master Indenture and this Third Supplemental Indenture.

(k) The Authority shall pay or reimburse the 2021 Insurer any and all charges, fees, costs and expenses that the 2021 Insurer may reasonably pay or incur in connection with (i) the

administration, enforcement, defense or preservation of any rights or security in the Master Indenture and this Third Supplemental Indenture; (ii) the pursuit of any remedies under the Master Indenture or this Third Supplemental Indenture or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Master Indenture or this Third Supplemental Indenture whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Master Indenture or this Third Supplemental Indenture or the transactions contemplated thereby, other than costs resulting from the failure of the 2021 Insurer to honor its obligations under the 2021 Insurance Policy. The 2021 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Master Indenture or this Third Supplemental Indenture.

(l) The 2021 Insurer shall be entitled to pay principal or interest on the 2021 Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the 2021 Insurance Policy) and any amounts due on the 2021 Bonds as a result of acceleration of the maturity thereof, whether or not the 2021 Insurer has received a Notice of Nonpayment (as such terms are defined in the 2021 Insurance Policy) or a claim upon the 2021 Insurance Policy.

(m) Notices to the 2021 Insurer shall be sent to the following address (or such other address as the 2021 Insurer may designate in writing):

Assured Guaranty Municipal Corp.  
1633 Broadway  
New York, NY 10019  
Attention: Managing Director – Municipal Surveillance  
Re: Policy No. 221049-N (2021 Insurance Policy) and 221049-R (2021 Reserve Policy)  
Telephone: (212) 974-0100  
E-mail: munidisclosure@agltd.com

In each case in which the notice or other communication refers to a claim on the 2021 Insurance Policy, the Reserve Policy or an Event of Default, such notice or other communication shall be marked "URGENT MATERIAL ENCLOSED" and a copy shall also be sent to the attention of the General Counsel at the above address and at [generalcounsel@agltd.com](mailto:generalcounsel@agltd.com).

(n) The 2021 Insurer shall be provided with the following information by the Authority or the Trustee, as the case may be:

(i) To the extent not otherwise filed with the Municipal Securities Rulemaking Board's EMMA system, annual audited financial statements within nine months after the end of the Authority's fiscal year (together with a certification of the Authority that it is not aware of any default or Event of Default under the Master Indenture), and, upon request, the Authority's annual budget within 30 days after the approval thereof together with such other information, data or reports as the 2021 Insurer shall reasonably request from time to time;

- (ii) Notice of any draw upon the 2021 Reserve Account within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Required Reserve for the 2021 Bonds and (ii) withdrawals in connection with a refunding of 2021 Bonds;
- (iii) Notice of any default actually known to the Trustee or the Authority within five Business Days after knowledge thereof;
- (iv) Prior notice of the advance refunding or redemption of any of the 2021 Bonds, including the principal amount, maturities and CUSIP numbers thereof;
- (v) Notice of the resignation or removal of the Trustee and Bond Registrar and the appointment of, and acceptance of duties by, any successor thereto;
- (vi) Notice of the commencement of any Insolvency Proceeding (as defined in subsection (a) above);
- (vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the 2021 Bonds;
- (viii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Master Indenture and this Third Supplemental Indenture;
- (ix) All reports, notices and correspondence to be delivered to Holders under the terms of the Master Indenture and this Third Supplemental Indenture; and
- (x) To the extent not otherwise filed with the Municipal Securities Rulemaking Board's EMMA system, all information required to be furnished pursuant to a continuing disclosure agreement, covenant or undertaking with respect to the 2021 Bonds.
- (o) The 2021 Insurer shall have the right to receive such additional information as it may reasonably request.
- (p) The Authority will permit the 2021 Insurer to discuss the affairs, finances and accounts of the Authority or any information the 2021 Insurer may reasonably request regarding the security for the 2021 Bonds with appropriate officers of the Authority and will use commercially reasonable efforts to enable the 2021 Insurer to have access to the facilities, books and records of the Authority on any Business Day upon reasonable prior notice.
- (q) The Trustee shall notify the 2021 Insurer of any known failure of the Authority to provide notices, certificates and other information under the Master Indenture or this Third Supplemental Indenture.
- (r) Notwithstanding satisfaction of the other conditions to the issuance of Additional Bonds set forth in the Master Indenture, no such issuance may occur if an Event of Default (or

any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance, unless otherwise permitted by the 2021 Insurer.

(s) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under the Master Indenture would adversely affect the security for the Bonds or the rights of the Holders, the effect of any such amendment, consent, waiver, action or inaction shall be considered as if there were no 2021 Insurance Policy.

IN WITNESS WHEREOF, the parties hereto have caused this Third Supplemental Indenture to be duly executed all as of the date first above written:

ONTARIO INTERNATIONAL AIRPORT  
AUTHORITY

By:   
Mark Thorpe  
Chief Executive Officer

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A., as Trustee


By: \_\_\_\_\_  
Mark A. Golder  
Vice President/Senior Transaction Manager

IN WITNESS WHEREOF, the parties hereto have caused this Third Supplemental Indenture to be duly executed all as of the date first above written:

ONTARIO INTERNATIONAL AIRPORT  
AUTHORITY

By: \_\_\_\_\_  
**Mark Thorpe**  
Chief Executive Officer

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A., as Trustee

By:   
\_\_\_\_\_  
**Mark A. Golder**  
Vice President/Senior Transaction Manager