

**ADDITIONAL RESOLUTION PROVISIONS  
APPLICABLE TO MTA AND TBTA  
SENIOR LIEN PMT OBLIGATIONS AND SECOND LIEN PMT OBLIGATIONS**

# TABLE OF CONTENTS

Page

## ARTICLE C-I DEFINITIONS AND STATUTORY AUTHORITY

Section C-101.	Definitions.....	1
Section C-102.	Rules of Construction .....	5

## ARTICLE C-II GENERAL PROVISIONS FOR ISSUANCE OR INCURRENCE OF OBLIGATIONS, PARITY DEBT AND OBLIGATION ANTICIPATION NOTES

Section C-201.	Special Provisions for Issuance of Additional Obligations .....	6
Section C-202.	Special Provisions for Issuance of Refunding Obligations.....	7
Section C-203.	Special Provisions for Issuance of Additional Second Lien Obligations .....	9
Section C-204.	Special Provisions for Issuance of Refunding Second Lien Obligations .....	10
Section C-205.	Special Provisions for Other Subordinated Obligations .....	12

## ARTICLE C-III COVENANTS

Section C-301.	Compliance with Financing Agreement .....	12
Section C-302.	Notice as to Event of Default.....	12

## ARTICLE C-IV EVENTS OF DEFAULT AND REMEDIES

Section C-401.	Obligations Event of Default .....	13
Section C-402.	Powers of the Senior Lien Trustee(s).....	13
Section C-403.	Priority of Payments After Default on Obligations .....	14
Section C-404.	Second Lien Obligations Event of Default .....	16
Section C-405.	Powers of Second Lien Trustee(s) in Respect of a Second Lien Obligations Event of Default .....	16
Section C-406.	Priority of Payments After Default on Second Lien Obligations .....	18

## ARTICLE C-V SUPPLEMENTAL RESOLUTIONS

Section C-501.	General Provisions .....	19
Section C-502.	Supplemental Resolutions Effective Upon Filing with the Trustee and Second Lien Trustee .....	20

Table of Contents (continued)

Page

ARTICLE C-VI  
AMENDMENTS

Section C-601.	Amendments to the MTA PMT Resolution and the TBTA PMT Resolution .....	25
Section C-602.	Mailing .....	26
Section C-603.	Powers of Amendment.....	26
Section C-604.	Consent of Senior Lien Parity Owners and Second Lien Parity Owners .....	28
Section C-605.	Modifications by Unanimous Consent.....	29
Section C-606.	Notation on Obligations and/or Second Lien Obligations.....	30

**ADDITIONAL RESOLUTION PROVISIONS  
APPLICABLE TO MTA AND TBTA  
SENIOR LIEN PMT OBLIGATIONS AND SECOND LIEN PMT OBLIGATIONS**

**ARTICLE C-I**

**DEFINITIONS AND STATUTORY AUTHORITY**

**Section C-101. Definitions.** Capitalized terms used but not otherwise defined in this Annex C shall have the meanings set forth in the Resolution to which this Annex C is appended. The following terms shall, for all purposes herein and (except as the context may otherwise require) in the Resolution to which this Annex C is appended, have the following meanings:

**Additional Obligations** shall mean all MTA Senior Lien Obligations in the event that the MTA is defined in the Resolution as the Issuer or TBTA Senior Lien Obligations in the event that the TBTA is defined in the Resolution as the Issuer authenticated and delivered pursuant to Section C-201.

**Additional Second Lien Obligations** shall mean all MTA Second Lien Obligations in the event that the MTA is defined in the Resolution as the Issuer or TBTA Second Lien Obligations in the event that the TBTA is defined in the Resolution as the Issuer authenticated and delivered pursuant to Section C-203.

**Applicable Debt Service Payment Date** shall mean a Debt Service Payment Date on which an Applicable Trustee is required to make a payment of Debt Service from the MTA Second Lien Debt Service Fund, the MTA Senior Lien Debt Service Fund, the TBTA Second Lien Debt Service Fund or the TBTA Senior Lien Debt Service Fund, as the context requires.

**Applicable Trustee** shall mean the TBTA Second Lien Trustee, the TBTA Senior Lien Trustee, the MTA Second Lien Trustee or the MTA Senior Lien Trustee, as the context requires.

**ATA Receipts** shall mean amounts required to be deposited in the Corporate Transportation Account in the MTA Special Assistance Fund pursuant to paragraphs (b-1) and (c-3) of subdivision 2 of Section 503 and Article 17-C of the Vehicle and Traffic Law, as amended, and Article 29-A and Section 1166-a of the Tax Law, as amended, or any successor provisions of law, or any other provision of law directing or permitting the moneys to be pledged hereunder.

**Board** shall mean, when used with respect to the Issuer, the board of the Issuer acting as such pursuant to the provisions of the Issuer Act.

**Capital Costs** shall mean (i) the costs of the Issuer or any other Related Entity for the planning, design, acquisition, construction, reconstruction, rehabilitation or improvement of all or any part of the PMT Transit and Commuter Project, including costs of acquisition of real or personal property or any interests therein, legal, administrative, engineering, planning, design, studies, insurance, financing costs (including Costs of Issuance), and initial working capital

required for the commencement of operation of any such project and any capital contributions, whether or not represented by equity or debt securities or other evidences of indebtedness made by the Issuer or any other Related Entity to any Person participating in a PMT Transit and Commuter Project for the purpose of funding any costs described in this clause (i); (ii) amounts paid into any Fund or Account upon the issuance of any Obligations or Second Lien Obligations; and (iii) payment when due (whether at the maturity of principal or on the due date of interest or upon redemption or when otherwise due, including by purchase or through tender or exchange) on any indebtedness or obligation of the Issuer or any other Related Entity which was issued or incurred to finance costs that could at the time of such payment be funded directly hereunder, including Obligations, Obligation Anticipation Notes, Parity Debt, Second Lien Obligations, Second Lien Obligation Anticipation Notes, Second Lien Parity Debt, Other Subordinated Obligations, any termination or other payments for financial, fuel or other hedging arrangements, or any such indebtedness or obligation issued or incurred by any Related Entity in connection with the PMT Transit and Commuter Project.

**Corporate Transportation Account** shall mean the account bearing such name established by the MTA in the metropolitan transportation authority special assistance fund pursuant to Section 1270-a of the MTA Act, or any successor fund or account provided by law.

**Debt Service Year** shall mean, unless otherwise provided in a Supplemental Resolution, the twelve-month period commencing on May 16 of each calendar year and ending on May 15 of the next succeeding calendar year, except that the first Debt Service Year shall begin on the date specified in the Supplemental Resolution authorizing the first Series of Obligations or Second Lien Obligations to be issued under the Resolution.

**Financing Agreement** shall mean the Payroll Mobility Tax Financing Agreement to be entered into by and between the MTA and TBTA in the event that a resolution similar to the MTA PMT Resolution is adopted by TBTA and approved by the Metropolitan Transportation Authority Capital Program Review Board to enable TBTA to issue parity obligations secured under substantially the same terms and conditions as MTA is authorized to issue obligations under the Resolution, as amended and supplemented from time to time.

**Initial Interest Period** shall mean the period from the date of issuance of Senior Lien Indebtedness or Second Lien Indebtedness, as applicable, to the first Interest Payment Date.

**Initial Principal Period** shall mean the period from the date of issuance of Senior Lien Indebtedness or Second Lien Indebtedness, as applicable, to date of the first Principal Installment.

**Mobility Tax Receipts** shall mean all amounts required to be deposited into the Mobility Tax Trust Subaccount in the MTA Finance Fund pursuant to any provision of law directing or permitting the deposit of such amounts and the revenue, including taxes, interest and penalties collected in accordance with Article 23 of the Tax Law.

**Monthly Deposit Requirement** shall mean an amount equal to the sum of (i) the Monthly Senior Lien Deposit Requirement and (ii) the Monthly Second Lien Deposit Requirement attributable to and payable from PMT Receipts in the amounts for each Month.

**MTA PMT Resolution** shall mean Metropolitan Transportation Authority Payroll Mobility Tax Obligation Resolution, adopted on November 18, 2020, including Annex A – Standard Resolution Provisions Applicable to MTA and TBTA PMT Obligations and Parity Debt, Annex B – Standard Resolution Provisions Applicable to MTA and TBTA Second Lien PMT Obligations and Second Lien Parity Debt and Annex C – Additional Resolution Provisions Applicable to MTA and TBTA Senior Lien PMT Obligations and Second Lien PMT Obligations appended thereto, as amended and supplemented from time to time.

**MTA Second Lien Parity Debt** shall mean Second Lien Parity Debt issued under the MTA PMT Resolution.

**MTA Senior Lien Parity Debt** shall mean Parity Debt issued under the MTA PMT Resolution.

**MTA Second Lien Obligations** shall mean the Metropolitan Transportation Authority Payroll Mobility Tax Second Lien Revenue Obligations authorized to be issued under Section 203 of the MTA PMT Resolution.

**MTA Senior Lien Obligations** shall mean the Metropolitan Transportation Authority Payroll Mobility Tax Revenue Obligations authorized to be issued under Section 201 of the MTA PMT Resolution.

**MTA Second Lien Indebtedness** shall mean MTA Second Lien Obligations and MTA Second Lien Parity Debt.

**MTA Senior Lien Indebtedness** shall mean MTA Senior Lien Obligations and MTA Parity Debt.

**PMT Transit and Commuter Project** shall mean any Transportation District Project that may be financed with obligations the payment of which may be secured by and paid from the Mobility Tax Receipts and the ATA Receipts.

**Principal Installments** shall mean, as of any date of calculation and with respect to any Series of Obligations or any Parity Debt or Second Lien Obligations or Second Lien Parity Debt, as applicable, (a) the principal amount of Outstanding Obligations of such Series, due on the dates and in the amounts specified by Supplemental Resolution, reduced by the principal amount of such Obligations which would be retired by reason of the payment when due and application in accordance with the Resolution of Sinking Fund Installments payable before such dates, plus the unsatisfied balance (determined as provided in Section A-502 of Annex A) of any Sinking Fund Installments due on any certain future date for Obligations of such Series, together with such redemption premiums, if any, applicable on any such future date, (b) with respect to any Parity Debt, the amount due thereunder on the dates and in the amounts established in accordance with Section A-202 of Annex A as a principal component of such Parity Debt payable on a parity with the Obligations, (c) the principal amount of Outstanding Second Lien Obligations of such Series, due on the dates and in the amounts specified by Supplemental Resolution, reduced by the principal amount of such Second Lien Obligations which would be retired by reason of the payment when due and application in accordance with the Resolution of Sinking Fund Installments payable before such dates, plus the unsatisfied balance (determined as

provided in Section B-501 of Annex B) of any Sinking Fund Installments due on any certain future date for Second Lien Obligations of such Series, together with such redemption premiums, if any, applicable on any such future date, (b) with respect to any Second Lien Parity Debt, the amount due thereunder on the dates and in the amounts established in accordance with Section B-202 of Annex B as a principal component of such Parity Debt payable on a parity with the Obligations

**Responsible Second Lien Trustee** shall mean, in the event a modification or amendment to the MTA PMT Resolution or the TBTA PMT Resolution, as applicable, affects Second Lien Obligations only, or upon the occurrence of a Second Lien Obligations Event of Default, (a) in the event the modification or amendment or the Second Lien Obligations Event of Default affects either the MTA PMT Resolution or the TBTA PMT Resolution, but not both, the applicable Second Lien Trustee, and (b) in the event the modification or amendment or the Second Lien Obligations Event of Default affects both the MTA PMT Resolution and the TBTA PMT Resolution, the Second Lien Trustee who at the time of the proposed modification or amendment or occurrence of the Second Lien Trustee Event of Default has the greater principal amount of Second Lien Obligations Outstanding.

**Responsible Senior Lien Trustee** shall mean, in the event a modification or amendment to the MTA PMT Resolution or the TBTA PMT Resolution, as applicable, affects Obligations only or affects both Obligations and Second Lien Obligations, or upon the occurrence of an Obligations Event of Default, (a) in the event the modification or amendment or the Obligations Event of Default affects either the MTA PMT Resolution or the TBTA PMT Resolution, but not both, the applicable Senior Lien Trustee, and (b) in the event the modification or amendment or the Obligations Event of Default affects both the MTA PMT Resolution and the TBTA PMT Resolution, the Senior Lien Trustee who at the time of the proposed modification or amendment or the occurrence of the Obligations Event of Default has the greater principal amount of Obligations Outstanding.

**Second Lien Indebtedness** shall mean MTA Second Lien Indebtedness and TBTA Second Lien Indebtedness.

**Second Lien Parity Owners** shall mean the Owners of the Second Lien Obligations issued under the MTA PMT Resolution and the Owners of the Second Lien Obligations issued under the TBTA PMT Resolution that are affected by a modification or amendment of the MTA PMT Resolution or the TBTA PMT Resolution or the occurrence of a Second Lien Obligations Event of Default.

**Second Lien Trustees** shall mean the Trustee for the benefit of the Owners of the Second Lien Obligations issued under the MTA PMT Resolution and the Trustee for the benefit of the Owners of the Second Lien Obligations issued under the TBTA PMT Resolution that are affected by a modification or amendment of the MTA PMT Resolution or the TBTA PMT Resolution or the occurrence of a Second Lien Obligations Event of Default.

**Senior Lien Indebtedness** shall mean MTA Senior Lien Indebtedness and TBTA Senior Lien Indebtedness.

**Senior Lien Parity Owners** shall mean the Owners of the Obligations issued under the MTA PMT Resolution and the Owners of the Obligations issued under the TBTA PMT Resolution that are affected by a modification or amendment of the MTA PMT Resolution or the TBTA PMT Resolution or the occurrence of an Obligations Event of Default.

**Senior Lien Trustees** shall mean the Trustee for the benefit of the Owners of the Obligations issued under the MTA PMT Resolution and the Trustee for the benefit of the Owners of the Obligations issued under the TBTA PMT Resolution that are affected by a modification or amendment of the MTA PMT Resolution or the TBTA PMT Resolution or the occurrence of a Second Lien Obligations Event of Default.

**Supplemental Financing Agreement** shall mean an agreement supplemental to or amendatory of the Financing Agreement between the MTA and TBTA in accordance with provisions of Section 705 thereof.

**TBTA PMT Resolution** shall mean the Triborough Bridge and Tunnel Authority Payroll Mobility Tax Obligation Resolution, including Annex A – Standard Resolution Provisions Applicable to MTA and TBTA PMT Obligations and Parity Debt, Annex B – Standard Resolution Provisions Applicable to MTA and TBTA Second Lien PMT Obligations and Second Lien Parity Debt and Annex C – Additional Resolution Provisions Applicable to MTA and TBTA Senior Lien PMT Obligations and Second Lien PMT Obligations appended thereto, as such Resolution may be adopted and amended and supplemented from time to time.

**TBTA Second Lien Indebtedness** shall mean TBTA Second Lien Obligations and TBTA Second Lien Parity Debt.

**TBTA Second Lien Obligations** shall mean the Triborough Bridge and Tunnel Authority Payroll Mobility Tax Second Lien Revenue Obligations issued under the TBTA PMT Resolution.

**TBTA Second Lien Parity Debt** shall mean Second Lien Parity Debt issued under the TBTA PMT Resolution

**TBTA Senior Lien Indebtedness** shall mean TBTA Obligations and TBTA Parity Debt.

**TBTA Senior Lien Obligations** shall mean the Triborough Bridge and Tunnel Authority Payroll Mobility Tax Revenue Obligations issued under the TBTA PMT Resolution.

**TBTA Senior Lien Parity Debt** shall mean Senior Lien Parity Debt issued under the TBTA PMT Resolution.

#### **Section C-102. Rules of Construction.**

1. Except as otherwise specified herein, all references in the Resolution (including this Annex C) to Articles, Sections, and other subdivisions are to the corresponding Articles, Sections or subdivisions of the Resolution (including this Annex C), and the words herein, hereof, hereunder and other words of similar import refer to the Resolution as a whole (including this Annex C) and not to any particular Article, Section or subdivision of the Resolution or of



this Annex C. References in the Resolution to Articles or Sections with “A-” preceding the number of an Article or Section are to such Article or Section of Annex A, references in the Resolution to Articles or Sections with “B-” preceding the number of an Article or Section are to such Article or Section of Annex B and references in the Resolution to Articles or Sections with “C-” preceding the number of an Article or Section are to such Article or Section of this Annex C.

2. This Annex C constitutes an integral part of the Resolution and, except to the extent provided in the next 2 sentences, has the same force and effect as if set forth in the forepart of the Resolution. To the extent expressly provided in the Resolution (not including this Annex C, the Issuer may negate, amend or modify any provision of this Annex C. In the event of any conflict between this Annex C and the forepart of the Resolution, the forepart of the Resolution shall control.

## ARTICLE C-II

### GENERAL PROVISIONS FOR ISSUANCE OR INCURRENCE OF OBLIGATIONS, PARITY DEBT AND OBLIGATION ANTICIPATION NOTES

#### Section C-201. Special Provisions for Issuance of Additional Obligations.

1. Obligations of one or more Series or subseries may at any time, or from time to time, be authenticated and delivered by the Trustee for an Authorized Purpose only upon receipt by such Trustee, in addition to the documents required by Section A-201 of Annex A, of the following:

(a) A certificate of an Authorized Officer to the effect that the Issuer then is, and, upon the authentication and delivery of the Obligations of such Series, shall be, in compliance with all applicable provisions of the Issuer Act relating to the issuance, sale and delivery of such Obligations; and

(b) A certificate of an Authorized Officer

a. setting forth for any 12 consecutive calendar months ended not more than 6 months prior to the date of such certificate: (i) Mobility Tax Receipts and (ii) ATA Receipts;

b. setting forth the greatest amount for the then current or any future Debt Service Year of the sum of Calculated Debt Service on all Outstanding Senior Lien Indebtedness, *including* the proposed Additional Obligations and any proposed Refunding Obligations being treated as Additional Obligations for purposes of clause (ii) of paragraph (e) of subsection 1 of Section C-202 hereof but *excluding* any Senior Lien Indebtedness to be refunded with the proceeds of such Refunding Obligations being treated as Additional Obligations;

c. stating that the sum of the Mobility Tax Receipts and ATA Receipts set forth in clause (A) hereof is not less than 2.25 times the amount set forth in clause (B) hereof;

d. setting forth the greatest amount for the then current or any future Debt Service Year of the sum of (x) Calculated Debt Service on all Outstanding Senior Lien Indebtedness, *including* the proposed Additional Obligations and any proposed Refunding Obligations being treated as Additional Obligations for purposes of clause (ii) of paragraph (e) of subsection 2 of Section C-202 hereof but *excluding* any Senior Lien Indebtedness to be refunded with the proceeds of such Refunding Obligations being treated as Additional Obligations, and (y) Calculated Second Lien Debt Service on all Outstanding Second Lien Indebtedness, *excluding* any Senior Lien Indebtedness or Second Lien Indebtedness to be refunded with the proceeds of such Refunding Obligations being treated as Additional Obligations for purposes of clause (ii) of paragraph (e) of subsection 2 of Section C-202; and

e. stating that the sum of the Mobility Tax Receipts and ATA Receipts set forth in clause (A) hereof is not less than the number determined and set forth in the Supplemental Resolution authorizing the issuance of the first Series of Second Lien Obligations times the amount set forth in clause (D) hereof;

*provided, however, that* if on the date of delivery of such certificate, there is then and thereafter required to be deposited into (i) the MTA Finance Fund so as to constitute Mobility Tax Receipts or (ii) into the Corporate Transportation Account so as to constitute ATA Receipts, in each such case, which were not required to be deposited therein during the entire 12 month period to which such certificate relates, the Issuer may include in such certificate the amount which an Authorized Officer estimates would have been deposited in the MTA Finance Fund or the Corporate Transportation Account during such period if such amounts had been required to be so deposited for such entire 12 month period.

### **Section C-202. Special Provisions for Issuance of Refunding Obligations.**

1. In addition to refinancings permitted under Section C-201, one or more Series of Refunding Obligations (in an aggregate principal amount which will provide funds, together with other money available therefor, to accomplish such refunding) may be authenticated and delivered upon original issuance to refund (including by redemption, payment at maturity or in connection with exchanges or tenders) all or any portion of any Outstanding Obligations or Parity Debt; provided that Refunding Obligations may be issued to refund Outstanding Second Lien Obligations or Second Lien Parity Debt upon compliance with clause (ii) of paragraph (e) of subsection 2 of this Section C-202.

2. In addition to the requirements of Section A-201 of Annex A, the Refunding Obligations of each such Series shall be authenticated and delivered by the Trustee only upon receipt by the Trustee of the following:

(a) If the Obligations or Parity Debt to be refunded are to be redeemed, instructions to the Trustee and/or trustee for the Parity Debt, satisfactory to it, to give due notice of redemption of all the Obligations or Parity Debt to be refunded on the redemption date or dates specified in such instructions;

(b) If the Obligations or Parity Debt to be refunded are to be deemed paid within the meaning of the second sentence of subsection 2 of Section A-1101 of Annex A or similar provision with respect to Parity Debt, irrevocable instructions to the Trustee and/or the trustee for the Parity Debt, satisfactory to it, to provide notice in the manner provided in the second sentence of subsection 2 of Section A-1101 of Annex A or similar provision with respect to Parity Debt with respect to the payment of such Obligations or Parity Debt pursuant to such Section or provision;

(c) If the Obligations or Parity Debt to be refunded are to be deemed paid within the meaning of the second sentence of subsection 2 of A-1101 of Annex A or similar provision with respect to Parity Debt, either (i) money and/or (ii) Defeasance Securities as shall be necessary to comply with the provisions of the second sentence of subsection 2 of Section A-1101 of Annex A or defeasance securities as shall be necessary to comply with any similar provision with respect to Parity Debt, which money and Defeasance Securities (or defeasance securities) shall be held in trust and used only as provided in said subsection 2 of Section A-1101 of Annex A or similar provision with respect to Parity Debt;

(d) If the proceeds of such Series of Refunding Obligations are to be utilized by the Issuer to purchase (in connection with a tender for or redemption of Obligations or Parity Debt, or otherwise) Obligations or Parity Debt to be delivered to the Trustee in satisfaction of a Sinking Fund Installment in accordance with subsection 3 of Section A-502 of Annex A or similar provision with respect to Parity Debt, a certificate of an Authorized Officer specifying the matters required thereby; and

(e) Either:

(i) a certificate of an Authorized Officer (w) setting forth (A) the greatest amount of Calculated Debt Service on all Outstanding Senior Lien Indebtedness for any future Debt Service Year during the term of the Obligations (including the Refunding Obligations then proposed to be issued but excluding the Obligations or Parity Debt to be refunded or purchased) and (B) the greatest amount of Calculated Debt Service on all Outstanding Senior Lien Indebtedness for any future Debt Service Year during the term of the Obligations as calculated immediately prior to the issuance of the Refunding Obligations (including the Obligations or Parity Debt to be refunded or purchased but excluding the Refunding Obligations), (x) stating that the greatest amount of Calculated Debt Service on all Outstanding Senior Lien Indebtedness for any future Debt Service Year during the term of the Obligations set forth pursuant to (A) above is not greater than the greatest amount of Calculated Debt Service on all Senior Lien Indebtedness for any future Debt Service Year during the term of the Obligations set forth pursuant to (B) above, (y) setting forth (C) the greatest amount of Calculated Debt Service on all Outstanding Senior Lien Indebtedness and Calculated Second Lien Debt Service on all Outstanding Second Lien Indebtedness for any future Debt Service Year (including the Refunding Obligations then proposed to be issued but excluding the Obligations or Parity Debt to be refunded or purchased) and (D) the greatest amount of aggregate

Calculated Debt Service on all Outstanding Senior Lien Indebtedness and Calculated Second Lien Debt Service on all Outstanding Second Lien Indebtedness for any future Debt Service Year as calculated immediately prior to the issuance of the Refunding Obligations (including the Obligations or Parity Debt to be refunded or purchased but excluding the Refunding Obligations) and (z) stating that the greatest amount of aggregate Calculated Debt Service on all Outstanding Senior Lien Indebtedness and Calculated Second Lien Debt Service on all Outstanding Second Lien Indebtedness for any future Debt Service Year set forth pursuant to (C) is not greater than the greatest amount of aggregate Calculated Debt Service on all Outstanding Senior Lien Indebtedness and Calculated Second Lien Debt Service on all Outstanding Second Lien Indebtedness set forth pursuant to (D) above; or

(ii) the certificate provided for in clause (b) of subsection 1 of Section C-201 with respect to such Series of Refunding Obligations, considering for all purposes of such certificate that such Series of Refunding Obligations is a Series of Additional Obligations and that the Refunding Obligations then proposed to be issued will be Outstanding but the Obligations or Parity Debt to be refunded will no longer be Outstanding.

The proceeds, including accrued interest, of the Refunding Obligations of each such Series shall be applied simultaneously with the delivery of such Obligations in the manner provided in the Supplemental Resolution authorizing such Obligations.

### **Section C-203. Special Provisions for Issuance of Additional Second Lien Obligations.**

1. The Second Lien Obligations of one or more Series or subseries may at any time, or from time to time, be authenticated and delivered by the Second Lien Trustee for an Authorized Purpose only upon receipt by the Second Lien Trustee, in addition to the documents required by Section B-201 of Annex B, of the following:

(a) A certificate of an Authorized Officer to the effect that the Issuer then is, and, upon the authentication and delivery of the Second Lien Obligations of such Series, shall be, in compliance with all applicable provisions of the Issuer Act relating to the issuance, sale and delivery of such Second Lien Obligations; and

(b) A certificate of an Authorized Officer

a. setting forth for any 12 consecutive calendar months ended not more than 6 months prior to the date of such certificate: (i) Mobility Tax Receipts, and (ii) ATA Receipts;

b. setting forth the greatest amount for the then current or any future Debt Service Year of the sum of (x) Calculated Debt Service on all Outstanding Senior Lien Indebtedness, *excluding* any Senior Lien Indebtedness to be refunded with the proceeds of such Refunding Second Lien Obligations, (y) Calculated Second Lien Debt Service on all Outstanding Second Lien Indebtedness,

*including* the proposed Additional Second Lien Obligations and any proposed Refunding Second Lien Obligations being treated as Additional Second Lien Obligations for purposes of clause (ii) of paragraph (e) of subsection 1 of Section C-203 hereof but *excluding* any Senior Lien Indebtedness or Second Indebtedness to be refunded with the proceeds of such Refunding Second Lien Obligations being treated as Additional Second Lien Obligations; and

c. stating that the sum of the Mobility Tax Receipts and ATA Receipts set forth in clause (A) hereof is not less than the number determined and set forth in the Supplemental Resolution authorizing the issuance of the first Series of Second Lien Obligations times the amount set forth in clause (B) hereof;

*provided, however, that* if on the date of delivery of such certificate, there is then and thereafter required to be deposited into (i) the MTA Finance Fund so as to constitute Mobility Tax Receipts or Mobility Tax Receipts or (ii) into the Corporate Transportation Account so as to constitute ATA Receipts, in each such case, which were not required to be deposited therein during the entire 12 month period to which such certificate relates, the Issuer may include in such certificate the amount which an Authorized Officer estimates would have been deposited in the MTA Finance Fund or the Corporate Transportation Account or received by MTA during such period if such amounts had been required to be so deposited for such entire 12 month period.

#### **Section C-204. Special Provisions for Issuance of Refunding Second Lien Obligations.**

1. In addition to refinancings permitted under Section C-203, one or more Series of Refunding Second Lien Obligations (in an aggregate principal amount which will provide funds, together with other money available therefore, to accomplish such refunding) may be authenticated and delivered by the Second Lien Trustee upon original issuance to refund (including by redemption, payment at maturity or in connection with exchanges or tenders) all or any portion of any Outstanding Senior Lien Indebtedness or Second Lien Indebtedness.

2. In addition to the requirements of Section B-201 of Annex B, the Refunding Second Lien Obligations of each such Series shall be authenticated and delivered by the Second Lien Trustee only upon receipt by the Second Lien Trustee, of the following:

(a) If the Obligations or Parity Debt to be refunded are to be redeemed, deemed paid within the meaning of the second sentence of subsection 2 of Section C-1101 or similar provision with respect to Parity Debt, or purchased in satisfaction of a Sinking Fund Installment in accordance with subsection 3 of Section A-502 of Annex A or similar provision with respect to Parity Debt, the items set forth in clauses (a) through (d), inclusive, of subsection 1 of Section 202, as applicable;

(b) If the Second Lien Obligations or Second Lien Parity Debt to be refunded are to be redeemed, instructions to the Second Lien Trustee and/or the trustee for the Second Lien Parity Debt, satisfactory to it, to give due notice of redemption of all the Second Lien Obligations or Second Lien Parity Debt to be refunded on the redemption date or dates specified in such instructions;

(c) If the Second Lien Obligations or Second Lien Parity Debt to be refunded are to be deemed paid within the meaning of the second sentence of subsection 2 of Section B-1001 of Annex B or similar provision with respect to Second Lien Parity Debt, (i) money and/or (ii) Defeasance Securities as shall be necessary to comply with the provisions of the second sentence of subsection 2 of Section B-1001 of Annex B or defeasance securities as shall be necessary to comply with any similar provision with respect to Second Lien Parity Debt, which Defeasance Securities or defeasance securities and/or money shall be held in trust and used only as provided in Section B-1001 of Annex B or similar provision with respect to Second Lien Parity Debt;

(d) If the proceeds of such Series of Refunding Second Lien Obligations are to be utilized by the Issuer to purchase (in connection with a tender for or redemption of Second Lien Obligations or Second Lien Parity Debt, or otherwise) Second Lien Obligations or Second Lien Parity Debt to be delivered to the Second Lien Trustee in satisfaction of a Second Lien Sinking Fund Installment in accordance with subsection 3 of Section B-502 of Annex B or similar provision with respect to Second Lien Parity Debt, a certificate of an Authorized Officer specifying the matters required thereby; and

(e) Either:

(i) a certificate of an Authorized Officer (a) setting forth (A) the greatest amount of aggregate Calculated Debt Service on all Outstanding Obligations and Parity Debt and Calculated Second Lien Debt Service on all Outstanding Second Lien Obligations and Second Lien Parity Debt for any future Debt Service Year during the term of the Second Lien Obligations (including the Refunding Second Lien Obligations then proposed to be issued but excluding the Obligations, Parity Debt, Second Lien Obligations or Second Lien Parity Debt to be refunded or purchased) and (B) the greatest amount of aggregate Calculated Debt Service on all Outstanding Obligations and Parity Debt and Calculated Second Lien Debt Service on all Outstanding Second Lien Obligations and Second Lien Parity Debt for any future Debt Service Year during the term of the Second Lien Obligations as calculated immediately prior to the issuance of the Refunding Second Lien Obligations (including the Obligations, Parity Debt, Second Lien Obligations or Second Lien Parity Debt to be refunded or purchased but excluding the Refunding Second Lien Obligations) and (b) stating that the greatest amount of aggregate Calculated Debt Service and Calculated Second Lien Debt Service set forth pursuant to (A) above is not greater than the greatest amount of aggregate Calculated Debt Service and Calculated Second Lien Debt Service set forth pursuant to (B) above; or

(ii) the certificate provided for in clause (b) of subsection 2 of Section 204 with respect to such Series of Refunding Second Lien Obligations, considering for all purposes of such certificate that such Series of Refunding Second Lien Obligations is a Series of Additional Second Lien Obligations and that the Refunding Second Lien Obligations then proposed to be issued will be Outstanding, but the Obligations, Parity Debt, Second Lien Obligations or Second Lien Parity Debt to be refunded will no longer be Outstanding.

3. The proceeds, including accrued interest, of the Refunding Second Lien Obligations of each such Series shall be applied simultaneously with the delivery of such Second Lien Obligations in the manner provided in the Supplemental Resolution authorizing such Second Lien Obligations.

**Section C-205. Special Provisions for Other Subordinated Obligations.**

Other Subordinated Obligations, payable from amounts available to be transferred to the MTA in accordance clause (e) of subsection (5) of Section 507 of the Resolution or the analogous provision of the Financing Agreement, as applicable, may be issued upon the terms and conditions set forth in a Supplemental Resolution of the Issuer adopted at the time of issuance of such Other Subordinated Obligations with such terms and conditions as shall be established by the Issuer in such Supplemental Resolution.

**ARTICLE C-III**

**COVENANTS**

**Section C-301. Compliance with Financing Agreement.** (a) The Issuer shall, at all times, comply with the obligations of the Issuer contained in the Financing Agreement.

(b) In the event that TBTA adopts a resolution that is approved by the Metropolitan Transportation Authority Capital Program Review Board to authorize TBTA to issue parity obligations secured under substantially the same terms and conditions as MTA is authorized to issue obligations under the MTA Parity Resolution, all Owners of Obligations and Second Lien Owners of Second Lien Obligations issued pursuant to MTA PMT Resolution shall be deemed to have consented to (i) the execution by the Issuer and TBTA of the Financing Agreement, including any provisions that may supersede certain of the provisions of MTA PMT Resolution and (ii) the establishment of funds and accounts into which the PMT Receipts will be deposited and applied for the equitable and ratable benefit of the owners of Issuer obligations and TBTA obligations in accordance with and as contemplated by the Financing Agreement. Until such resolution is adopted by TBTA and approved by the Metropolitan Transportation Authority Capital Program Review Board, a copy of this paragraph shall be included in every disclosure document relating to the offering of Obligations and Second Lien Obligations to be issued under this Resolution.

**Section C-302. Notice as to Event of Default.** The Issuer shall notify the MTA and each Applicable Trustee in writing that an “Obligations Event of Default” or a “Second Lien Obligations Event of Default,” as such terms are defined in Section C-401 and Section C-403, respectively, has occurred and is continuing, which notice shall be given within thirty (30) days after the Issuer has obtained actual knowledge thereof; provided, however, that the Issuer shall provide each of the foregoing with immediate notice of any payment default after the Issuer has obtained actual knowledge thereof.

## ARTICLE C-IV

### EVENTS OF DEFAULT AND REMEDIES

**Section C-401. Obligations Event of Default.** Each of the following events is defined as and shall constitute an “Obligations Event of Default” in respect of Obligations and Parity Debt under the MTA PMT Resolution and the TBTA PMT Resolution:

(i) There shall occur a default in the due and punctual payment of the principal or Redemption Price of, or interest on, any Obligation Outstanding under the MTA PMT Resolution or the TBTA PMT Resolution when and as the same shall become due and payable, whether at maturity or by call for redemption, or otherwise and such default shall continue for a period of 30 days.

(ii) There shall occur a failure to observe, or a refusal to comply with, the terms of the MTA PMT Resolution, the TBTA PMT Resolution, the Financing Agreement or any Obligation Outstanding under the MTA PMT Resolution or the TBTA PMT Resolution, other than a failure or refusal constituting an event specified in subsection (i) of this Section C-401 and other than a failure to make all or any portion of any required deposit into any Fund or Account which failure is the result of the fact that the Issuer has not received sufficient Mobility Tax Receipts or ATA Receipts, as appropriate, to make such deposit; *provided, however, that* such failure or refusal shall have continued for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to the Issuer by the applicable Senior Lien Trustee(s) under the MTA PMT Resolution and/or the TBTA PMT Resolution under which the failure or refusal occurred, unless such Senior Lien Trustee(s) shall agree in writing to an extension of such time prior to its expiration, and *provided further that* if the failure stated in the notice cannot be remedied within the applicable period, the Senior Lien Trustee(s) shall not unreasonably withhold its consent to an extension of such time if corrective action has been instituted by the Issuer within such period and is being diligently pursued.

**Section C-402. Powers of the Senior Lien Trustee(s).**

1. In the event that any Obligations Event of Default specified in Section C-401 shall occur and be continuing, the Responsible Senior Lien Trustee may, and, upon written request of the Senior Lien Parity Owners of a majority in aggregate principal amount of the Obligations then Outstanding under the MTA PMT Resolution and the TBTA PMT Resolution, shall, in its name:

(a) by suit, action or proceeding in accordance with the civil practice law and rules enforce all rights of the Senior Lien Parity Owners;

(b) bring suit upon the Obligations Outstanding under the MTA PMT Resolution and the TBTA PMT Resolution against the Issuer(s);

(c) by action or suit, require the Issuer(s) to account as if it were the trustee of an express trust for the Senior Lien Parity Owners; or



(d) by action or suit, enjoin any acts or things which may be unlawful or in violation of the rights of the Senior Lien Parity Owners;

*provided, however,* that under no circumstances may the Responsible Senior Lien Trustee or any Senior Lien Parity Owner or Senior Lien Parity Owners declare the principal amount of all the Obligations then Outstanding under the MTA PMT Resolution and the TBTA PMT Resolution, and the interest accrued thereon, to be immediately due and payable.

2. Subject to the provisions of Sections C-401 and A-801 of Annex A and the foregoing provisions of this Section C-402, the remedies conferred upon or reserved to the Responsible Senior Lien Trustee in respect of any Obligations Event of Default are not intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the MTA PMT Resolution and the TBTA PMT Resolution or now or hereafter existing at law or in equity or by statute; *provided, however,* that the Responsible Senior Lien Trustee or the Senior Lien Parity Owners shall not have the right to declare all Obligations then Outstanding under the MTA PMT Resolution and the TBTA PMT Resolution to be immediately due and payable. No delay or omission to exercise any right or power accruing upon any Obligations Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Responsible Senior Lien Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than notice as may be expressly required herein.

3. The Responsible Senior Lien Trustee shall, in addition to the foregoing powers, have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incidental to the general representation of the Senior Lien Parity Owners in the enforcement and protection of their rights.

4. The Issuer covenants that if an Obligations Event of Default shall have happened and shall not have been remedied, the books of record and account of the Issuer and all other records relating to the Obligations Trust Estate shall at all times be subject to the inspection and use of the Responsible Senior Lien Trustee and of its agents and attorneys and, upon demand of the Responsible Senior Lien Trustee, the Issuer will account, as if it were the trustee of an express trust, for the Obligations Trust Estate for such period as shall be stated in such demand.

### **Section C-403. Priority of Payments After Default on Obligations.**

1. In the event that the funds held by the Fiduciaries shall be insufficient for the payment of interest and principal or Redemption Price then due on the Obligations Outstanding under the MTA PMT Resolution or the TBTA PMT Resolution and for payments then due with respect to Parity Debt, such funds (excluding funds held for the payment or redemption of particular Obligations Outstanding under the MTA PMT Resolution or the TBTA PMT Resolution which have theretofore become due at maturity or by call for redemption and funds which at the time of their deposit into any Fund or Account under the MTA PMT Resolution or the TBTA PMT Resolution have been designated to be applied solely to the payment of the principal of and premium, if any, and interest on any series of Obligation Anticipation Notes

Outstanding under the MTA PMT Resolution or the TBTA PMT Resolution under which such Obligation Anticipation Notes are Outstanding) and any other money received or collected by the Fiduciaries, or the applicable Senior Lien Trustee(s), after making provision for the payment of any expenses necessary in the opinion of the applicable Senior Lien Trustee(s) to preserve the continuity of the amounts to be received under the MTA PMT Resolution or the TBTA PMT Resolution or otherwise to protect the interest of the Senior Lien Parity Owners, and for the payment of the charges and expenses and liabilities incurred and advances made by the Fiduciaries in the performance of their duties under the MTA PMT Resolution or the TBTA PMT Resolution, shall be applied as follows:

(a) Unless the principal of all of the Obligations Outstanding under the MTA PMT Resolution and the TBTA PMT Resolution shall have become due and payable,

First: To the payment to the Persons entitled thereto of all installments of interest then due with respect to Obligations Outstanding under the MTA PMT Resolution and the TBTA PMT Resolution and the interest components of Parity Debt in the order of the maturity of such installments and interest components, and, if the amount available shall not be sufficient to pay in full any installments and interest components due on the same date, then to the payment thereof ratably, according to the amounts due on such installments and interest components, to the Persons entitled thereto, without any discrimination or preference, except as to the difference in the respective rates of interest specified in such Obligations and Parity Debt; and

Second: To the payment to the Persons entitled thereto of the unpaid principal or Redemption Price of any Obligations Outstanding under the MTA PMT Resolution and the TBTA PMT Resolution and the principal component of Parity Debt which shall have become due, whether at maturity or by call for redemption, in the order of their due dates and, if the amount available shall not be sufficient to pay in full all the Obligations Outstanding under the MTA PMT Resolution and the TBTA PMT Resolution and Parity Debt due on any date, then to the payment thereof ratably, according to the amounts of principal and Redemption Price and principal component due on such date, to the Persons entitled thereto, without any discrimination or preference.

(b) If the principal of all of the Obligations Outstanding under the MTA PMT Resolution and the TBTA PMT Resolution and the principal component of Parity Debt shall have become due and payable, to the payment of the principal and interest then due and unpaid upon the Obligations Outstanding under the MTA PMT Resolution and the TBTA PMT Resolution and Parity Debt without preference or priority of principal or principal component over interest or interest component or of interest or interest component over principal or principal component, or of any installment of interest or interest component over any other installment of interest or interest component, or of any such Obligation or Parity Debt over any other such Obligation or Parity Debt, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in such Obligations and Parity Debt.

(c) For purposes of clarification, at the time of the distribution of amounts in connection with the foregoing, the amounts on deposit in the Funds and Accounts under the MTA PMT Resolution intended for the payment of Obligations shall be available solely for the payment of the Obligations Outstanding under the MTA PMT Resolution and the amounts on deposit in the Funds and Accounts under the TBTA PMT Resolution intended for the payment of Obligations shall be available solely for the payment of the Obligations Outstanding under the TBTA PMT Resolution.

2. The provisions of this Section C-403 are in all respects subject to the provisions of Section A-602 of Annex A.

**Section C-404. Second Lien Obligations Event of Default.** Each of the following events is defined as and shall constitute a “Second Lien Obligations Event of Default” in respect of Second Lien Obligations and Second Lien Parity Debt under the MTA PMT Resolution and the TBTA PMT Resolution:

(1) There shall occur a default in the due and punctual payment of the principal or Redemption Price of, or interest on, any Second Lien Obligation Outstanding under the MTA PMT Resolution or the TBTA PMT Resolution when and as the same shall become due and payable, whether at maturity or by call for redemption, or otherwise and such default shall continue for a period of 30 days.

(2) There shall occur a failure to observe, or a refusal to comply with, the terms of the MTA PMT Resolution, the TBTA PMT Resolution, the Financing Agreement or any Second Lien Obligation Outstanding under the MTA PMT Resolution or the TBTA PMT Resolution, other than a failure or refusal constituting an event specified in subsection (i) of this Section C-404 and other than a failure to make all or any portion of any required deposit into any Fund or Account which failure is the result of the fact that the Issuer has not received sufficient Mobility Tax Receipts or ATA Receipts, as appropriate, to make such deposit; *provided, however, that* such failure or refusal shall have continued for a period of 60 days after written notice, specifying such failure and requesting that it be remedied, is given to the Issuer by the applicable Second Lien Trustee(s) under the MTA PMT Resolution and/or the TBTA PMT Resolution under which the failure or refusal occurred, unless such Second Lien Trustee(s) shall agree in writing to an extension of such time prior to its expiration, and *provided further that* if the failure stated in the notice cannot be remedied within the applicable period, the Second Lien Trustee(s) shall not unreasonably withhold its consent to an extension of such time if corrective action has been instituted by the Issuer within such period and is being diligently pursued.

**Section C-405. Powers of Second Lien Trustee(s) in Respect of a Second Lien Obligations Event of Default.**

1. In the event that any Second Lien Obligations Event of Default specified in Section C-404 shall occur and be continuing, the Responsible Second Lien Trustee may, and, upon written request of the Second Lien Parity Owners of a majority in aggregate principal

amount of the Second Lien Obligations then Outstanding under the MTA PMT Resolution and the TBTA PMT Resolution, shall, in its name:

- (a) by suit, action or proceeding in accordance with the civil practice law and rules enforce all rights of the Second Lien Parity Owners;
- (b) bring suit upon the Second Lien Obligations Outstanding under the MTA PMT Resolution and the TBTA PMT Resolution against the Issuer(s);
- (c) by action or suit, require the Issuer(s) to account as if it were the trustee of an express trust for the Second Lien Parity Owners; or
- (d) by action or suit, enjoin any acts or things which may be unlawful or in violation of the rights of the Second Lien Parity Owners;

*provided, however,* that under no circumstances may the Responsible Second Lien Trustee or any Second Lien Parity Owner or Second Lien Parity Owners declare the principal amount of all the Second Lien Obligations then Outstanding under the MTA PMT Resolution and the TBTA PMT Resolution, and the interest accrued thereon, to be immediately due and payable.

Such rights shall be subordinate, and subject to in all respects, to the rights of the Owners of Obligations and Parity Debt under the MTA PMT Resolution and the TBTA PMT Resolution with respect to the pledge of all right, title and interest of the applicable Issuer in and to the Financing Agreement and the payments to be made under the Financing Agreement on account of Obligations and Parity Debt.

2. Subject to the provisions of Sections C-404 and B-801 of Annex B and the foregoing provisions of this Section C-405, the remedies conferred upon or reserved to the Responsible Second Lien Trustee in respect of any Second Lien Obligations Event of Default are not intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other such remedy given under the MTA PMT Resolution and the TBTA PMT Resolution or now or hereafter existing at law or in equity or by statute; *provided, however,* that the Responsible Second Lien Trustee or the Second Lien Parity Owners shall not have the right to declare all Second Lien Obligations then Outstanding under the MTA PMT Resolution and the TBTA PMT Resolution to be immediately due and payable. No delay or omission to exercise any right or power accruing upon any Second Lien Obligations Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Responsible Second Lien Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than notice as may be expressly required herein.

3. The Responsible Second Lien Trustee shall in addition to the foregoing powers, have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incidental to the general representation of Second Lien Parity Owners in the enforcement and protection of their rights.

4. The Issuer covenants that if a Second Lien Obligations Event of Default shall have happened and shall not have been remedied, the books of record and account of the Issuer and all other records relating to the Second Lien Obligations Trust Estate shall at all times be subject to the inspection and use of the Responsible Second Lien Trustee and of its agents and attorneys and, upon demand of the Responsible Second Lien Trustee, the Issuer will account, as if it were the trustee of an express trust, for the Second Lien Obligations Trust Estate for such period as shall be stated in such demand.

**Section C-406. Priority of Payments After Default on Second Lien Obligations.**

1. In the event that the funds held by the Fiduciaries shall be insufficient for the payment of interest and principal or Second Lien Redemption Price then due on the Second Lien Obligations Outstanding under the MTA PMT Resolution and the TBTA PMT Resolution and for payments then due with respect to Second Lien Parity Debt, such funds (excluding funds held for the payment or redemption of particular Second Lien Obligations Outstanding under the MTA PMT Resolution and the TBTA PMT Resolution which have theretofore become due at maturity or by call for redemption and funds which at the time of their deposit into any Fund or Account under the MTA PMT Resolution and the TBTA PMT Resolution have been designated to be applied solely to the payment of the principal of and premium, if any and interest on any series of Second Lien Obligation Anticipation Notes Outstanding under the MTA PMT Resolution or the TBTA PMT Resolution under which such Obligation Anticipation Notes are Outstanding) and any other money received or collected by the Fiduciaries, or the applicable Second Lien Trustee, after making provision for the payment of any expenses necessary in the opinion of the applicable Second Lien Trustee to preserve the continuity of the amounts to be received under the MTA PMT Resolution or the TBTA PMT Resolution or otherwise to protect the interest of the Second Lien Parity Owners, and for the payment of the charges and expenses and liabilities incurred and advances made by the Fiduciaries in the performance of their duties under the MTA PMT Resolution or the TBTA PMT Resolution, shall be applied as follows:

(a) Unless the principal of all of the Second Lien Obligations Outstanding under the MTA PMT Resolution and the TBTA PMT Resolution shall have become due and payable,

First: To the payment to the Persons entitled thereto of all installments of interest then due with respect to Second Lien Obligations Outstanding under the MTA PMT Resolution and the TBTA PMT Resolution and the interest components of Second Lien Parity Debt in the order of the maturity of such installments and interest components, and, if the amount available shall not be sufficient to pay in full any installments and interest components due on the same date, then to the payment thereof ratably, according to the amounts due on such installments and interest components, to the Persons entitled thereto, without any discrimination or preference, except as to the difference in the respective rates of interest specified in such Second Lien Obligations and Second Lien Parity Debt; and

Second: To the payment to the Persons entitled thereto of the unpaid principal or Redemption Price of any Second Lien Obligations Outstanding under

the MTA PMT Resolution and the TBTA PMT Resolution and the principal component of Second Lien Parity Debt which shall have become due, whether at maturity or by call for redemption, in the order of their due dates and, if the amount available shall not be sufficient to pay in full all the Second Lien Obligations Outstanding under the MTA PMT Resolution and the TBTA PMT Resolution and Second Lien Parity Debt due on any date, then to the payment thereof ratably, according to the amounts of principal and Second Lien Redemption Price and principal component due on such date, to the Persons entitled thereto, without any discrimination or preference.

(b) If the principal of all of the Second Lien Obligations Outstanding under the MTA PMT Resolution and the TBTA PMT Resolution and the principal component of Second Lien Parity Debt shall have become due and payable, to the payment of the principal and interest then due and unpaid upon the Second Lien Obligations Outstanding under the MTA PMT Resolution and the TBTA PMT Resolution and Second Lien Parity Debt without preference or priority of principal or principal component over interest or interest component or of interest or interest component over principal or principal component, or of any installment of interest or interest component over any other installment of interest or interest component, or of any such Second Lien Obligations and Second Lien Parity Debt over any other such Second Lien Obligations and Second Lien Parity Debt, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in such Second Lien Obligations and Second Lien Parity Debt.

(c) For purposes of clarification, at the time of the distribution of amounts in connection with the foregoing, the amounts on deposit in the Funds and Accounts under the MTA PMT Resolution intended for the payment of Second Lien Obligations shall be available solely for the payment of the Second Lien Obligations Outstanding under the MTA PMT Resolution and the amounts on deposit in the Funds and Accounts under the TBTA PMT Resolution intended for the payment of Second Lien Obligations shall be available solely for the payment of the Second Lien Obligations Outstanding under the TBTA PMT Resolution.

2. Such rights set forth in this Section C-406 shall be subordinate, and subject in all respects, to the prior pledge of the Obligations Trust Estate securing Obligations and Parity Debt created pursuant to subsection 1 of Section 501.

3. The provisions of this Section C-406 are in all respects subject to the provisions of Section B-602 of Annex B.

## ARTICLE C-V

### SUPPLEMENTAL RESOLUTIONS

#### **Section C-501. General Provisions.**

1. The Resolution shall not be modified or amended in any respect except as provided in and in accordance with and subject to the provisions of this Article C-V and in Article C-VI of this Annex C. Nothing contained in this Article C-V or in Article C-VI shall affect or limit the right or obligation of the Issuer to execute and deliver to any Fiduciary any instrument which elsewhere in the Resolution it is provided shall be delivered to said Fiduciary.

2. Modifications or amendments effected in accordance with this Article C-V are generally modifications or amendments that do not materially and adversely affect the respective Owners of Obligations or Second Lien Obligations under the Resolution.

3. Any Supplemental Resolution referred to and permitted or authorized by this Article C-V may be adopted by the Issuer without the consent of any of the Owners or the Second Lien Owners, but shall become effective only on the conditions, to the extent and at the time provided in this Article C-V. The copy of every Supplemental Resolution when filed with the Trustee shall be accompanied by a Counsel's Opinion stating that such Supplemental Resolution has been duly and lawfully adopted in accordance with the provisions of the Resolution, is authorized or permitted by the Resolution, and is valid and binding upon the Issuer and enforceable in accordance with its terms; *provided, however*, that the concurrent delivery of an Opinion of Bond Counsel required by Section A-201.2(a) of Annex A shall satisfy this requirement.

4. No Supplemental Resolution shall change or modify any of the rights or obligations of any Fiduciary without its written consent.

**Section C-502. Supplemental Resolutions Effective Upon Filing with the Trustee and Second Lien Trustee.** For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution may be adopted, without the consent of or notice to any Owner or Second Lien Owner which, upon the filing with the Trustee and the Second Lien Trustee of a copy thereof certified by an Authorized Officer, or, if adopted prior to the appointment of a Trustee pursuant to Section A-701 of Annex A or a Second Lien Trustee pursuant to Section B-701 of Annex B, upon its adoption, shall be fully effective in accordance with its terms:

(1) To add to the covenants and agreements of the Issuer in the Resolution, other covenants and agreements to be observed by the Issuer which are not contrary to or inconsistent with the Resolution as theretofore in effect;

(2) To surrender any right, power or privilege reserved to or conferred upon the Issuer by the Resolution;

(3) To confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, the Resolution of any additional security other than that granted or pledged under the Resolution;

(4) To add to the Resolution any provisions required to preserve the exclusion from gross income for Federal income tax purposes of interest received on Tax-Exempt Obligations or Tax-Exempt Second Lien Obligations then Outstanding or to be issued or the exemption of interest received on any Obligations or Second Lien Obligations from

State income taxation or the right to receive subsidies relating to Taxable Obligations or Taxable Second Lien Obligations then Outstanding or to be issued;

(5) To modify, amend or supplement the Resolution in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar Federal statute hereafter in effect or to permit the qualification of the Obligations or Second Lien Obligations for sale under the securities laws of any of the states of the United States of America, and, if the Issuer so determines, to add hereto such other terms, conditions and provisions as may be required by said Trust Indenture Act of 1939 or similar Federal statute;

(6) At any time prior to the first authentication and delivery of any Obligations under the Resolution or at any other time when no Obligations, Second Lien Obligations or Other Subordinated Obligations are Outstanding under the Resolution, to modify the provisions of the Resolution in such manner as the Issuer deems necessary or appropriate;

(7) To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Resolution, including modifications, amendments and supplements necessary to effectuate changes required by, or necessary or convenient in connection with, the execution and delivery of the Financing Agreement;

(8) To insert such provisions clarifying matters or questions arising under the Resolution as are necessary or desirable and are not contrary to or inconsistent with the Resolution as theretofore in effect, including, in the event the Issuer Act or the MTA Act is amended or other legislation is enacted to so provide, the substitution of an alternate or different legal name for the current name of the Issuer or any other Related Entity in the Resolution or the form of Obligations, Second Lien Obligations or Other Subordinated Obligations;

(9) To make any other modification or amendment of the Resolution which the Issuer shall in its sole discretion determine will not have a material adverse effect on the interests of the Owners of Outstanding Obligations, Second Lien Owners of Outstanding Second Lien Obligations and owners of Other Subordinated Obligations;

(10) To authorize Obligations of a Series and, in connection therewith, (a) specify and determine the matters and things referred to in the provisions of the Resolution authorizing issuance of Obligations, and also any other matters and things relative to such Obligations which are not contrary to or inconsistent with the Resolution as theretofore in effect, (b) in the case of Variable Interest Rate Obligations or Put Obligations, as applicable, set forth provisions specifying the manner in which interest on Variable Interest Rate Obligations or Put Obligations, as applicable, is to be calculated for the purposes of various definitions and provisions of the Resolution, provisions providing for changes in interest rates, interest rate periods or interest payment dates for any Variable Interest Rate Obligation of a Series or Put Obligations, as applicable, provisions regarding an Owner's right or obligation to tender Put Obligations for redemption or purchase in lieu of redemption, and provisions governing the manner in



which Variable Interest Rate Obligations or Put Obligations, as applicable, which the Owner thereof has the right to, or has exercised a right to, tender for redemption or purchase in lieu of redemption shall be treated for purposes of various definitions and provisions of the Resolution, (c) set forth provisions governing the administration of any Qualified Swap or Credit Facility, and provisions providing for the issuance of Reimbursement Obligations or the conversion of other Obligations to Reimbursement Obligations (and in connection with such conversion to change the interest rates, sinking fund provisions or maturity date on such Obligations) to secure or reimburse the provider of such Credit Facility, (d) in the case of either Taxable Obligations or Tax-Exempt Obligations, set forth defeasance provisions with respect thereto (including the manner of attaining such defeasance and the effect thereof), and (e) make such additional changes herein, not materially adverse to the rights of the Owners of the Obligations previously issued, as are necessary or appropriate; or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first issuance and delivery of such Obligations;

(11) To authorize Second Lien Obligations of a Series and, in connection therewith, (a) specify and determine the matters and things referred to in the provisions of the Resolution authorizing issuance of Second Lien Obligations, and also any other matters and things relative to such Obligations which are not contrary to or inconsistent with the Resolution as theretofore in effect, (b) in the case of Variable Interest Rate Second Lien Obligations or Second Lien Put Obligations, as applicable, set forth provisions specifying the manner in which interest on Variable Interest Rate Second Lien Obligations or Second Lien Put Obligations, as applicable, is to be calculated for the purposes of various definitions and provisions of the Resolution, provisions providing for changes in interest rates, interest rate periods or interest payment dates for any Variable Interest Rate Second Lien Obligation of a Series or Second Lien Put Obligations, as applicable, provisions regarding a Second Lien Owner's right or obligation to tender Second Lien Put Obligations for redemption or purchase in lieu of redemption, and provisions governing the manner in which Variable Interest Rate Second Lien Obligations or Second Lien Put Obligations, as applicable, which the Second Lien Owner thereof has the right to, or has exercised a right to, tender for redemption or purchase in lieu of redemption shall be treated for purposes of various definitions and provisions of the Resolution, (c) set forth provisions governing the administration of any Qualified Second Lien Swap or Second Lien Obligation Credit Facility, and provisions providing for the issuance of Second Lien Reimbursement Obligations or the conversion of other Second Lien Obligations to Second Lien Reimbursement Obligations (and in connection with such conversion to change the interest rates, sinking fund provisions or maturity date on such Second Lien Obligations) to secure or reimburse the provider of such Second Lien Obligation Credit Facility, (d) in the case of either Taxable Second Lien Obligations or Tax-Exempt Second Lien Obligations, set forth defeasance provisions with respect thereto (including the manner of attaining such defeasance and the effect thereof), and (e) make such additional changes herein, not materially adverse to the rights of the Second Lien Owners of the Second Lien Obligations previously issued, as are necessary or appropriate; or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first issuance and delivery of such Second Lien Obligations;

(12) To authorize Obligation Anticipation Notes in accordance with Section A-203 of Annex A and Second Lien Obligation Anticipation Notes in accordance with Section B-203 of Annex B and, in connection therewith, specify and determine the matters and things referred to in Section A-203 of Annex A or Section B-203 of Annex B, as applicable, and also any other matters and things relative to such Obligation Anticipation Notes or Second Lien Obligation Anticipation Notes, as applicable, which are not contrary to or inconsistent with the Resolution as theretofore in effect;

(13) To (a) establish for any one or more Series of Obligations or Second Lien Obligations a separate debt service reserve fund which shall be permitted to be applied solely to the payment of specified Obligations or Second Lien Obligations, provided that (i) the specified Obligations or Second Lien Obligations shall have no claim or lien on nor be payable from any amounts in any other such debt service reserve fund, (ii) the specified Obligations or Second Lien Obligations shall be excluded from the calculation of any applicable debt service reserve fund requirement for any other Outstanding Obligations or Second Lien Obligations, and (iii) the amount required to be on deposit in such debt service reserve funds shall be specified in the Supplemental Resolutions authorizing the specified Obligations or Second Lien Obligations, but in no event shall such amount, after giving effect to any surety bond, insurance policy, letter of credit or similar obligation deposited in any such separate debt service reserve fund pursuant to the Resolution, be in excess of the amount that would otherwise be the debt service reserve fund requirement for such specified Obligations or Second Lien Obligations assuming that such Obligations or Second Lien Obligations were the only Obligations or Second Lien Obligations Outstanding under the Resolution; and (b) make such other amendments, changes or modifications to the Resolution as may be deemed necessary or desirable by the Issuer to insure that such debt service reserve funds function in the manner contemplated in this subsection;

(14) To authorize Parity Debt and, in connection therewith, specify and determine (or provide procedures for an Authorized Officer to specify or determine) the matters and things referred to in paragraphs (4) and (6) of Section A-202 of Annex A, and also any other matters and things relative to such Parity Debt which are not contrary to or inconsistent with the Resolution as then in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first issuance or entering into of such Parity Debt, and at any time to rescind or limit any authorization for any such Parity Debt theretofore authorized but not issued or entered into; in connection with the authorization of Parity Swap Obligations and Parity Reimbursement Obligations, any such Supplemental Resolution may include provisions for the availability, transferability, use or application of the Funds, Accounts and subaccounts established pursuant to Section 502 of the Resolution for the benefit of such Parity Swap Obligations and Parity Reimbursement Obligations; and may grant to the Owners of such Parity Debt the same rights granted to Owners of Obligations in Article C-VI of this Annex C.

(15) To authorize Second Lien Parity Debt and, in connection therewith, specify and determine (or provide procedures for an Authorized Officer to specify or determine) the matters and things referred to in paragraphs (4) and (6) of Section B-202

of Annex B of the Resolution, and also any other matters and things relative to such Second Lien Parity Debt which are not contrary to or inconsistent with the Resolution as then in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first issuance or entering into of such Second Lien Parity Debt, and at any time to rescind or limit any authorization for any such Second Lien Parity Debt theretofore authorized but not issued or entered into; in connection with the authorization of Second Lien Parity Swap Obligations and Second Lien Parity Reimbursement Obligations, any such Supplemental Resolution may include provisions for the availability, transferability, use or application of the Funds, Accounts and subaccounts established pursuant to Section 502 of the Resolution for the benefit of such Second Lien Parity Swap Obligations and Second Lien Parity Reimbursement Obligations; and may grant to the holders of such Second Lien Parity Debt the same rights granted to Second Lien Owners of Second Lien Obligations in Article C-VI of this Annex C.

(16) To authorize Other Subordinated Obligations and, in connection therewith, specify and determine (or provide procedures for an Authorized Officer to specify or determine) the matters and things required or permitted by Article V of the Resolution in connection therewith, and also any other matters and things relative to such Other Subordinated Obligations which are not contrary to or inconsistent with the Resolution as then in effect, or at any time to amend, rescind or limit any authorization for any such Other Subordinated Obligations thereto be authorized but not issued or entered into; and in connection with the authorization of Other Subordinated Obligations, any such Supplemental Resolution may include provisions for the availability, transferability, use or application of amounts available to pay Other Subordinated Obligations and any other funds, accounts or subaccounts created for the benefit of such Other Subordinated Obligations;

(17) To modify any of the provisions of the Resolution in any respect whatsoever, *provided that* except with respect to any modification contemplated by Section C-301(b) hereof which shall become immediately effective, (i) such modification shall be, and be expressed to be, effective only after all Obligations and/or Second Lien Obligations affected thereby and Outstanding at the date of the adoption of such Supplemental Resolution shall cease to be Outstanding and (ii) such Supplemental Resolution shall be specifically referred to in the text of all Obligations and/or Second Lien Obligations, as applicable, delivered on original issuance after the date of the adoption of such Supplemental Resolution and of the Obligations and Second Lien Obligations issued in exchange therefor or in place thereof;

(18) To modify, amend or supplement the Resolution in any manner, not already provided for in or pursuant to the Supplemental Resolution authorizing the related Series of Obligations in order to provide for a Credit Facility, Qualified Swap, or other similar arrangement with respect to any Series of Obligations, under the Resolution, so long as the Issuer determines that such Supplemental Resolution does not materially adversely affect the right, security and interest of the Owners of Outstanding Obligations;

(19) To modify, amend or supplement the Resolution in any manner, not already provided for in or pursuant to the Supplemental Resolution authorizing the related Series of Second Lien Obligations in order to provide for a Second Lien Obligation Credit Facility, Qualified Second Lien Swap, or other similar arrangement with respect to any Series of Second Lien Obligations, under the Resolution, so long as the Issuer determines that such Supplemental Resolution does not materially adversely affect the right, security and interest of the Second Lien Owners of Outstanding Second Lien Obligations;

(20) To amend or modify any Supplemental Resolution authorizing Obligations of a Series or Second Lien Obligations of a Series to reflect the substitution of a new Credit Facility for the Credit Facility then in effect or a new Second Lien Obligation Credit Facility for the Second Lien Obligation Credit Facility then in effect, as applicable;

(21) To close the Resolution against, or provide limitations and restrictions in addition to the limitations and restrictions contained in the Resolution on, the issuance and delivery of the Obligations or Second Lien Obligations, or the issuance or entering into of other evidences of indebtedness;

(22) To modify, amend or supplement the Resolution as requested by the Metropolitan Transportation Authority Capital Program Review Board to provide for approvals and consents necessary to implement the provisions of the Resolution that provide for the financing of transit and commuter projects, *provided* such modifications, amendments or supplements do not materially adversely affect the right, security and interest of the Owners of Outstanding Obligations or the Second Lien Owners of Outstanding Second Lien Obligations; and

(23) To modify, amend or supplement the Resolution, consistent with the agreement of the State set forth in the Resolution and in the Financing Agreement, to reflect or change the nature and/or manner in which the State transfers or deposits ATA Receipts or Mobility Tax Receipts to MTA, whether or not such transfers or deposits may be subject to appropriation.

In making any determination under paragraph (9) of this Section C-502, the Issuer may conclusively rely upon an Opinion of Counsel or opinions of other experts or professionals.

## ARTICLE C-VI

### AMENDMENTS

#### **Section C-601. Amendments to the MTA PMT Resolution and the TBTA PMT Resolution.**

1. The MTA PMT Resolution and the TBTA PMT Resolution may be modified or amended without the consent of the Owners or the Second Lien Owners as provided in Article C-V of this Annex C. Modifications or amendments effected in accordance with Article C-V are generally modifications or amendments that do not materially and adversely affect (a) either the

respective Owners of Obligations or Second Lien Obligations under the MTA PMT Resolution or the TBTA PMT Resolution or (b) all Owners of Obligations and/or Second Lien Obligations under both the MTA PMT Resolution and the TBTA PMT Resolution.

2. Except as provided in Section C-301(b) hereof, in the event a modification or amendment to the MTA PMT Resolution or the TBTA PMT Resolution materially and adversely affects the Senior Lien Parity Owners and/or the Second Lien Parity Owners under either or both the MTA PMT Resolution and/or TBTA PMT Resolution, such modification or amendment must be effected with the consent of the Senior Lien Parity Owners and/or the Second Lien Parity Owners as provided in this Article C-VI pursuant to a Supplemental Resolution.

3. No Supplemental Resolution shall change or modify any of the rights or obligations of any Fiduciary without its written consent.

**Section C-602. Mailing.** Any provision in this Article C-VI for the mailing of a notice or other paper to Senior Lien Parity Owners and/or Second Lien Parity Owners shall be fully complied with if it is mailed postage prepaid to (i) each such Owner of any affected Obligation and/or affected Second Lien Obligation then Outstanding at such Owner's address, if any, appearing upon the registry books of the Issuer, and (ii) to the affected Senior Lien Trustees and/or Second Lien Trustees, as applicable; or, in each case, to such parties by facsimile or other means to the extent permitted by applicable law and arrangements.

**Section C-603. Powers of Amendment.**

1. Any modification or amendment of the MTA PMT Resolution and/or the TBTA PMT Resolution of the rights and obligations of the Issuer and of the Senior Lien Parity Owners, in any particular, may be made by a Supplemental Resolution, with the written consent given as provided in Section C-604 of this Annex C, (i) of the Senior Lien Parity Owners of a majority in principal amount of the Obligations Outstanding at the time such consent is given, and (ii) in case less than all of the Obligations then Outstanding are affected by the modification or amendment, of the Senior Lien Parity Owners of a majority in principal amount of the Obligations so affected and Outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as particular Obligations remain Outstanding, the consent of the Owners of such Obligations shall not be required and such Obligations shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Obligations under this Section. No such modification or amendment shall (a) permit a change in the terms of redemption or maturity of the principal of any Outstanding Obligation or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Senior Lien Parity Owner of such Obligation, (b) reduce the percentages or otherwise affect the classes of Obligations the consent of the Senior Lien Parity Owners of which is required to waive an Event of Default or otherwise effect any such modification or amendment, (c) create a preference or priority of any Obligation or Obligations over any other Obligation or Obligations, without the consent of the Owners of all such Obligations, (d) create a lien prior to or on parity with the lien of the MTA PMT Resolution and TBTA PMT Resolution securing Obligations, without the consent of the Senior Lien Parity Owners of all of the Obligations then Outstanding, or (e) change or modify any of the rights or obligations of any Fiduciary without its written

assent thereto. For the purposes of this Section C-603(1), an Obligation shall be deemed to be affected by a modification or amendment of the MTA PMT Resolution and TBTA PMT Resolution if the same materially and adversely affects the rights of the Senior Lien Parity Owner of such Obligation. The Responsible Senior Lien Trustee may in its discretion determine whether or not in accordance with the foregoing powers of amendment particular Obligations would be affected by any modification or amendment of the MTA PMT Resolution and/or TBTA PMT Resolution and any such determination shall be binding and conclusive on the Issuer and all Senior Lien Parity Owners. The Responsible Senior Lien Trustee may request and receive an opinion of counsel, including a Counsel's Opinion, as conclusive evidence as to whether particular Obligations would be so affected by any such modification or amendment of the MTA PMT Resolution and/or TBTA PMT Resolution and the Responsible Senior Lien Trustee shall have no duty or obligation to take any action hereunder unless and until it has received such opinion. Notwithstanding anything in this Section C-603 or the MTA PMT Resolution and/or TBTA PMT Resolution to the contrary, the consent of Senior Lien Parity Owners of any Series of additional Obligations to be issued hereunder to any modification or amendment of the MTA PMT Resolution and/or TBTA PMT Resolution, which modification or amendment, as well as such consent, is disclosed in the official statement or other offering document prepared in connection with the primary offering of such Series of additional Obligations, shall be deemed given and irrevocable and no other evidence of such consent shall be required.

2. Any modification or amendment of the MTA PMT Resolution and/or the TBTA PMT Resolution of the rights and obligations of the Issuer and of the Second Lien Parity Owners, in any particular, may be made by a Supplemental Resolution, with the written consent given as provided in Section C-604 of this Annex C, (i) of the Second Lien Parity Owners of a majority in principal amount of the Second Lien Obligations Outstanding at the time such consent is given, and (ii) in case less than all of the Second Lien Obligations then Outstanding are affected by the modification or amendment, of the Second Lien Parity Owners of a majority in principal amount of the Second Lien Obligations so affected and Outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as particular Second Lien Obligations remain Outstanding, the consent of the Owners of such Second Lien Obligations shall not be required and such Second Lien Obligations shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Second Lien Obligations under this Section. No such modification or amendment shall (a) permit a change in the terms of redemption or maturity of the principal of any Outstanding Second Lien Obligation or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Second Lien Parity Owner of such Second Lien Obligation, (b) reduce the percentages or otherwise affect the classes of Second Lien Obligations the consent of the Second Lien Parity Owners of which is required to waive an Event of Default or otherwise effect any such modification or amendment, (c) create a preference or priority of any Second Lien Obligation or Second Lien Obligations over any other Second Lien Obligation or Second Lien Obligations, without the consent of the Second Lien Parity Owners of all such Second Lien Obligations, (d) create a lien prior to or on parity with the lien of the MTA PMT Resolution and/or TBTA PMT Resolution securing Second Lien Obligations, without the consent of the Second Lien Parity Owners of all of the Second Lien Obligations then Outstanding, or (e) change or modify any of the rights or obligations of any Fiduciary without its written assent thereto. For

the purposes of this Section C-603(2), a Second Lien Obligation shall be deemed to be affected by a modification or amendment of the MTA PMT Resolution and/or TBTA PMT Resolution if the same materially and adversely affects the rights of the Second Lien Parity Owner of such Second Lien Obligation. The Responsible Second Lien Trustee may in its discretion determine whether or not in accordance with the foregoing powers of amendment particular Second Lien Obligations would be affected by any modification or amendment of the MTA PMT Resolution and TBTA PMT Resolution and any such determination shall be binding and conclusive on the Issuer and all Second Lien Parity Owners. The Responsible Second Lien Trustee may request and receive an opinion of counsel, including a Counsel's Opinion, as conclusive evidence as to whether particular Second Lien Obligations would be so affected by any such modification or amendment of the MTA PMT Resolution and/or TBTA PMT Resolution and the Responsible Second Lien Trustee shall have no duty or obligation to take any action hereunder unless and until it has received such opinion. Notwithstanding anything in this Section C-603 or the MTA PMT Resolution and/or TBTA PMT Resolution to the contrary, the consent of Second Lien Parity Owners of any Series of additional Second Lien Obligations to be issued hereunder to any modification or amendment of the MTA PMT Resolution and/or TBTA PMT Resolution, which modification or amendment, as well as such consent, is disclosed in the official statement or other offering document prepared in connection with the primary offering of such Series of additional Second Lien Obligations, shall be deemed given and irrevocable and no other evidence of such consent shall be required.

3. In the event any modification or amendment materially and adversely affects the rights of both the Senior Lien Parity Owners and the Second Lien Parity Owners, the consent of both the Senior Lien Parity Owners and the Second Lien Parity Owners as provided in this Article C-VI shall be required.

#### **Section C-604. Consent of Senior Lien Parity Owners and Second Lien Parity Owners.**

1. The Issuer at any time may adopt a Supplemental Resolution making a modification or amendment permitted by the provisions of Section C-603 hereof to take effect when and as provided in this Section. A copy of such Supplemental Resolution (or brief summary thereof or reference thereto in form approved by the Responsible Senior Lien Trustee or Responsible Second Lien Trustee, as applicable) together with a request to the Senior Lien Parity Owners or Second Lien Parity Owners, as applicable, for their consent thereto in form satisfactory to the Responsible Senior Lien Trustee or Responsible Second Lien Trustee, as applicable, shall be mailed by the Issuer to the Senior Lien Parity Owners or Second Lien Parity Owners, as applicable (but failure to mail such copy and request shall not affect the validity of the Supplemental Resolution when consented to as in this Section provided). Such Supplemental Resolution shall not be effective unless and until (i) there shall have been filed with the Responsible Senior Lien Trustee or Responsible Second Lien Trustee, as applicable (a) the written consents of the Senior Lien Parity Owners or Second Lien Parity Owners of the percentages of Outstanding Obligations or Second Lien Obligations specified in Section C-603 and (b) a Counsel's Opinion stating that such Supplemental Resolution has been duly and lawfully adopted and filed by the Issuer in accordance with the provisions of the MTA PMT Resolution and/or TBTA PMT Resolution, is authorized or permitted by the MTA PMT Resolution and/or TBTA PMT Resolution, and is valid and binding upon the Issuer and

enforceable in accordance with its terms, and (ii) a notice shall have been mailed to Senior Lien Parity Owners or Second Lien Parity Owners, as applicable, as hereinafter in this Section C-604 provided. Any such consent, including any consent of a Fiduciary in accordance with Section C-603, shall be irrevocable and binding upon the Senior Lien Parity Owner or Second Lien Parity Owner and Fiduciary giving such consent and, anything in Section A-1102 of Annex A to the contrary notwithstanding, upon any subsequent Senior Lien Parity Owner of such Obligations and of any Obligations issued in exchange therefor or upon any subsequent Second Lien Parity Owner of such Second Lien Obligations and of any Second Lien Obligations issued in exchange therefor (whether or not such subsequent Senior Lien Parity Owner or subsequent Second Lien Parity Owner thereof has notice thereof). At any time after the Senior Lien Parity Owners of the required percentages of Obligations and/or the Second Lien Parity Owners of the required percentages of Second Lien Obligations shall have filed their consents to the Supplemental Resolution, the Responsible Senior Lien Trustee and/or the Responsible Second Lien Trustee shall make and file with the Issuer and the other Senior Lien Trustee and/or Second Lien Trustee a written statement that the Senior Lien Parity Owners of such required percentages of Obligations and/or the Second Lien Parity Owners of such required percentages of Second Lien Obligations have filed such consents. Such written statement shall be conclusive that such consents have been so filed. At any time thereafter, notice, stating in substance that the Supplemental Resolution (which may be referred to as a Supplemental Resolution adopted by the Issuer on a stated date, a copy of which is on file with the Senior Lien Trustees and the Second Lien Trustees, as applicable) has been consented to by the Senior Lien Parity Owners of such required percentages of Obligations and/or the Second Lien Parity Owners of such required percentages of Second Lien Obligations and will be effective as provided in this Section C-604, may be given to Senior Lien Parity Owners and/or Second Lien Parity Owners by the Issuer by mailing such notice to such Owners (but failure to mail such notice shall not prevent such Supplemental Resolution from becoming effective and binding as in this Section C-604 provided). The Issuer shall file with the Senior Lien Trustees and the Second Lien Trustees, as applicable, proof of the mailing of such notice. A record, consisting of the papers required or permitted by this Section C-604 to be filed with the Senior Lien Trustees and the Second Lien Trustees, shall be proof of the matters therein stated. Such Supplemental Resolution making such amendment or modification shall be deemed conclusively binding upon the Issuer, the Fiduciaries and all Senior Lien Parity Owners and/or Second Lien Parity Owners at the expiration of 40 days after the filing with the Senior Lien Trustees and the Second Lien Trustees, as applicable, of the proof of the mailing of such last-mentioned notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Resolution in a legal action or equitable proceeding for such purpose commenced within such 40-day period; provided, however, that any Fiduciary and the Issuer during such 40-day period and any such further period during which any such action or proceeding may be pending shall be entitled in their absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Resolution as they may deem expedient.

**Section C-605. Modifications by Unanimous Consent.** The terms and provisions of the MTA PMT Resolution and the TBTA PMT Resolution and the rights and obligations of the Issuer and of the Senior Lien Parity Owners and the Second Lien Parity Owners may be modified or amended in any respect upon the adoption and filing by the Issuer of a Supplemental Resolution and the consent of the Senior Lien Parity Owners and/or the Second Lien Parity Owners of all of the Obligations and/or Second Lien Obligations then Outstanding, such consent



to be given as provided in Section C-604 except that no notice to affected Senior Lien Parity Owners and/or Second Lien Parity Owners shall be required; provided, however, that no such modification or amendment shall change or modify any of the rights or obligations of any Fiduciary without the filing with the Senior Lien Trustees and/or Second Lien Trustees, as applicable, of the written consent thereto of such Fiduciary in addition to the consent of the Senior Lien Parity Owners and/or Second Lien Parity Owners.

**Section C-606. Notation on Obligations and/or Second Lien Obligations.** Obligations and/or Second Lien Obligations issued and delivered after the effective date of any action taken as in Article C-V or this Article C-VI provided may, and, if the Responsible Senior Lien Trustee and/or Responsible Second Lien Trustee so determines, shall, bear a notation by endorsement or otherwise in form approved by the Issuer and the applicable Senior Lien Trustee or Second Lien Trustee as to such action, and in that case upon demand of the applicable Senior Lien Parity Owner and/or the Second Lien Parity Owner at such effective date and presentation of its Obligation or Second Lien Obligation for the purpose at the corporate trust office of the applicable Senior Lien Trustee or Second Lien Trustee, suitable notation shall be made on such Obligation or on such Second Lien Obligation, by the applicable Senior Lien Trustee or Second Lien Trustee as to any such action. If the Issuer or the applicable Senior Lien Trustee or Second Lien Trustee shall so determine, new Obligations or Second Lien Obligations, so modified as in the opinion of the applicable Senior Lien Trustee or Second Lien Trustee and the Issuer to conform to such action shall be prepared, authenticated and delivered. Upon demand of the Senior Lien Parity Owner or Second Lien Parity Owner and the surrender of such Obligations or Second Lien Obligations, there shall be authenticated and exchanged therefor, new Obligations or Second Lien Obligations, having the same terms, other than the noted modification, as the Obligations or Second Lien Obligations surrendered.