

THIRD SUPPLEMENTAL TRUST AGREEMENT

Dated as of March 1, 2019

by and between

MARYLAND TRANSPORTATION AUTHORITY

and

THE BANK OF NEW YORK MELLON
as trustee,

Relating to

\$48,865,000
Maryland Transportation Authority
Grant and Revenue Anticipation Refunding Bond
Series 2019

CONSTITUTING A SERIES TRUST AGREEMENT AMENDING AND SUPPLEMENTING THAT
CERTAIN MASTER TRUST AGREEMENT DATED AS OF JUNE 1, 2007

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THIRD SUPPLEMENTAL TRUST AGREEMENT

THIS THIRD SUPPLEMENTAL TRUST AGREEMENT (this “**Third Supplement**”), dated as of March 1, 2019, by and between Maryland Transportation Authority (the “**Authority**”), an agency of the State of Maryland (the “**State**”), acting on behalf of the Department of Transportation of Maryland (the “**Department**”) and The Bank of New York Mellon, a banking corporation organized and existing under the laws of the State of New York, which is authorized to exercise corporate trust powers (the “**Trustee**”).

WITNESSETH:

WHEREAS, Title 4 of the Transportation Article of the Annotated Code of Maryland, as amended (the “**Act**”), among other things, authorizes the Authority to issue grant and revenue anticipation bonds secured by a pledge of future federal aid (“**GARVEE Bonds**”); and

WHEREAS, the Department, the Maryland State Highway Administration (the “**Administration**”) and the Authority have executed and delivered the GARVEE Financing Agreement dated as of June 1, 2007 (as amended and supplemented, the “**Financing Agreement**”), regarding the financing of the Project (as defined herein) and the issuance of GARVEE Bonds; and

WHEREAS, the Authority financed a portion of the costs of an east-west multimodal four to six lane, limited access highway beginning at I-370 in Montgomery County, Maryland, and terminating at U.S. 1 in Prince George’s County, Maryland (the “**Project**”) through the issuance of its \$325,000,000 Maryland Transportation Authority Grant and Revenue Anticipation Bonds, Series 2007 pursuant to the Master Trust Agreement dated as of June 1, 2007 (as amended and supplemented, the “**Master Trust Agreement**”), by and between the Authority and the Trustee, and one or more series trust agreements (each, a “**Series Trust Agreement**”); and

WHEREAS, for the purpose of providing funds, with other funds, to pay all or a portion of the additional costs of the Project, the Authority issued under and pursuant to that certain First Supplemental Trust Agreement dated as of December 1, 2008, by and between the Authority and the Trustee its \$425,000,000 Maryland Transportation Authority Grant and Revenue Anticipation Bonds, Series 2008 (the “**Series 2008 Bonds**”); and

WHEREAS, pursuant to the provisions of Section 2.4 of the Master Trust Agreement, the Authority may from time to time issue additional GARVEE Bonds secured equally and ratably with the Bonds then outstanding under and as defined in the Master Trust Agreement by the Trust Estate (as defined herein); and

WHEREAS, the Authority desires to refund all of the outstanding Series 2008 Bonds by issuing its \$48,865,000 Maryland Transportation Authority Grant and Revenue Anticipation Refunding Bond Series 2019 (the “**Series 2019 Bond**”) pursuant to the terms of this Third Supplement and is entering into this Third Supplement to secure repayment of the Series 2019 Bond equally and ratably with the Bonds then outstanding under the Master Trust Agreement by the Trust Estate; and

WHEREAS, by resolution adopted by the Authority on October 25, 2018, the Authority has authorized the issuance of the Series 2019 Bond; and

WHEREAS, the Series 2019 Bond shall be a limited obligation of the Authority payable solely from the Trust Estate; neither the State, nor the Department, nor the Administration nor any political subdivision of the State shall be obligated to pay the Series 2019 Bond or the interest thereon and neither the faith and credit nor the taxing power of the State, the Department, the Administration, any political subdivision of the State or the Authority is pledged to the payment of the Series 2019 Bond or the interest thereon; the issuance of the Series 2019 Bond shall not directly or indirectly or contingently obligate the State or any political subdivision of the State to levy any form of taxation whatsoever therefor; and the Authority has no taxing powers; and

WHEREAS, the execution and delivery of this Third Supplement has been duly authorized by resolution of the Authority; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State and by the requirements of the Authority to happen, exist and be performed precedent to and in the execution and delivery of this Third Supplement have happened, have existed and have been performed as so required in order to make the Master Trust Agreement as amended and supplemented by this Third Supplement (as so amended, the “**Trust Agreement**”) a valid and binding trust agreement for the security of the Series 2019 Bond in accordance with its terms; and

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

NOW THEREFORE, THIS THIRD SUPPLEMENT WITNESSETH, that to secure the payment of the principal and purchase price of, and interest and premium, if any, on the Series 2019 Bond according to its true intent and meaning, to secure the performance and observance of all of the covenants, agreements, obligations and conditions contained in the Series 2019 Bond and the Trust Agreement, and to declare the terms and conditions upon and subject to which the Series 2019 Bond are and are intended to be issued, held, secured and enforced, and in consideration of the premises and the acceptance by the Trustee of the trusts created herein and of the purchase and acceptance of the Series 2019 Bond and for other good and valuable consideration, the Authority does hereby grant, give, bargain, sell, convey and assign to the Trustee, and to its successors in trust, and its and their assigns, all right, title and interest of the Authority in and to the Trust Estate.

ARTICLE I DEFINITIONS, CONSTRUCTION

Section 1.1 Definitions. Terms used in this Third Supplement and not defined herein shall have the respective meanings given such terms in the Master Trust Agreement. In addition to the terms defined elsewhere herein, as used in the Master Trust Agreement and this Third Supplement, unless a different meaning is clearly intended from the context, the following terms shall have the meanings indicated below:

“**Act**” shall mean Title 4 of the Transportation Article of the Annotated Code of Maryland, as amended.

“**Administration**” shall mean the State Highway Administration of the State of Maryland and its successors and assigns.

“**Authority**” shall mean the Maryland Transportation Authority, an agency of the State acting on behalf of the Department, and its successors and assigns.

“**Authorized Denominations**” shall mean \$5,000 and integral multiples thereof.

“**Bank**” shall mean Wells Fargo Bank, National Association, a national banking association.

“**Bank’s Prime Rate**” shall mean, for any date of determination, the rate of interest per annum most recently established by the Bank in its sole discretion as its “prime rate.” The parties hereto acknowledge that the rate announced by the Bank as its prime rate is an index or base rate and shall not necessarily be publicly announced or be its lowest or best rate charged to its customers or other banks. If at any time (a) the Bank ceases to exist or (b) the Bank ceases to establish or publish a prime rate from which the Prime Rate is then determined, the applicable variable rate from which the Prime Rate is determined thereafter shall be instead the prime rate reported in *The Wall Street Journal* (or the average prime rate if a high and a low prime rate are therein reported). Each change in the Bank’s Prime Rate shall be effective without notice as of the opening of business on the day such change in the prime rate occurs.

“**Bond Interest is Taxable**” shall mean that interest paid or to be paid on a Series 2019 Bond is or will be includable for federal income tax purposes in the gross income of the Bank or any other Holder thereof, but excluding the inclusion of interest on such Series 2019 Bond as an item of tax preference for purposes of the calculation of an alternative minimum tax imposed on the Bank or such other Holder.

“**Business Day**” shall mean any day other than (i) a day on which the Trustee or the Paying Agent is required, or is authorized or not prohibited, by law (including executive orders) to close and is closed and (ii) a day on which the New York Stock Exchange is closed.

“**Calculation Agent**” shall mean Wells Fargo Bank, National Association, a national banking association. If for any reason Wells Fargo Bank, National Association is unable or unwilling to calculate the Redemption Fee, the Calculation Agent shall be an independent financial advisor or investment banker appointed by the Authority with the consent of the Bank.

“**Code**” shall mean the Internal Revenue Code of 1986, as amended, and shall include the Regulations of the United States Department of the Treasury promulgated thereunder.

“**Credit Facility**” shall mean any letter of credit, bond insurance policy, bond purchase agreement, guaranty, line of credit, surety bond or similar credit or liquidity facility securing any Bond or held to the credit of any fund or account created by the Master Trust Agreement. When used with reference to any Bond, “Credit Facility” means any Credit Facility securing such Bonds.

“**Day Count Fraction**” is the anticipated basis on which the interest on the Series 2019 Bond is to be computed. The Day Count Fraction utilizes a 360-day year and consisting of twelve 30-day months.

“**Default Rate**” means, for any date of determination, the per annum rate of interest which is equal to the highest of (i) the Bank’s Prime Rate plus 4.00%, (ii) the Federal Funds Rate plus 5.00%, and (iii) 10.00%.

“**Department**” shall mean the Department of Transportation, a principal department of the State, its successors and assigns.

“**Depository**” shall mean any securities depository that is a clearing agency under federal law operating and maintaining, with its participants or otherwise, a book entry system to record ownership of beneficial interest in the Series 2019 Bonds, and to effect transfers of book entry interests in the Series 2019 Bond, and includes and means initially DTC.

“**Determination of Taxability**” shall mean the occurrence of any one of the following events resulting from an action, or failure to take action, by or on behalf of the Authority:

(a) any determination, decision, decree or advisement by the Commissioner of Internal Revenue, or any District Director of Internal Revenue or any court of competent jurisdiction to the effect that Bond Interest is Taxable;

(b) the delivery to the Bank, any Holder or the Trustee of an opinion of bond counsel, to the effect that Bond Interest is Taxable;

(c) the date when the Authority files any statement, supplemental statement, or other tax schedule, return or document, which discloses that Bond Interest is Taxable; or

(d) if upon sale, lease or other deliberate action within the meaning of Treas. Reg. § 1.141 2(d), the failure to receive an approving opinion of bond counsel.

“**Direct Purchase Rate**” shall mean 2.20%

“**DTC**” shall mean The Depository Trust Company, New York, New York (a limited purpose trust company).

“**DTC Operational Arrangements**” shall mean DTC’s operational arrangements, as amended from time to time.

“**Effective Date**” shall have the meaning set forth in Section 1.3 hereof.

“**Federal Fiscal Year**” shall mean the period commencing October 1 of any year and ending September 30 of the ensuing year, or any other fiscal year of the FHWA.

“**Federal Funds Rate**” shall mean, for any date of determination, a fluctuating rate of interest per annum equal to the weighted average (rounded to the next higher 1/100 of 1%) of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published for such day (or, if such day is not a Business Day, for the immediately preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not published for any day which is a Business Day, the average (rounded to the next higher 1/100 of 1%) of the quotations for such day on such transactions received by Wells Fargo Bank, National Association from three federal funds brokers of recognized standing selected by it.

“**FHWA**” shall mean the Federal Highway Administration.

“**Fiduciary**” or “**Fiduciaries**” shall mean the Trustee, any Paying Agent, the Registrar, or any combination of the foregoing, as may be appropriate.

“**Financing Agreement**” shall mean the GARVEE Financing Agreement by and among the Department, the Administration and the Authority dated as of June 1, 2007, and any amendments or supplements thereto.

“**First Supplement**” shall mean the First Supplemental Trust Agreement dated as of December 1, 2008, by and between the Authority and the Trustee, as amended and supplemented. The First Supplement constitutes a Series Trust Agreement.

“**Fitch**” shall mean Fitch Ratings and its successors and assigns.

“**Interest Payment Date**” shall mean, in the case of Series 2019 Bond, each March 1 and September 1, commencing September 1, 2019.

“**Master Trust Agreement**” shall mean the Master Trust Agreement dated as of June 1, 2007, by and between the Authority and the Trustee.

“**Maturity Date**” shall have the meaning set forth in Section 3.1 hereof.

“**Maximum Federal Corporate Tax Rate**” shall mean the maximum rate of income taxation imposed on corporations pursuant to Section 11(b) of the Code, as in effect from time to time or, if as a result of a change in the Code the rate of income taxation imposed on corporations generally shall not be applicable to the Bank, the maximum statutory rate of federal income taxation which could apply to the Bank.

“**Moody’s**” shall mean Moody’s Investors Service, Inc. and its successor and assigns.

“**Obligation Authority**” shall mean the amount of federal budget authority that the United States Congress allows the State to obligate in a given Federal Fiscal Year pursuant to

Title 23 taking into account both new budget authority and any budget authority made available by the deobligation of previously obligated funds.

“**Project**” shall mean the GARVEE Project as defined in the Financing Agreement.

“**Rating Services**” shall mean Moody’s, S&P and Fitch.

“**Record Date**” shall mean, with respect to the Series 2019 Bond, the fifteenth (15th) day of the calendar month immediately preceding each Interest Payment Date.

“**Redemption Date**” shall mean any date that an optional or extraordinary redemption prepayment is made.

“**Redemption Event**” shall mean any optional or extraordinary redemption of the Series 2019 Bond.

“**Redemption Fee**” shall mean for any Redemption Event is the difference of:

(i) the sum of the present values of a series of amounts computed for the Scheduled Due Date after the Redemption Date through the Maturity Date for the Series 2019 Bond, each of which amounts is equal to the product of (A) the Affected Principal Amount for the Affected Principal Period ending on the Scheduled Due Date, times (B) the Reference Rate, times (C) the Day Count Fraction for such Affected Principal Period,

minus

(ii) the sum of the present values of a series of amounts computed for the Scheduled Due Date after the Redemption Date through the Maturity Date for the Series 2019 Bond, each of which amounts is equal to the product of (A) the Affected Principal Amount for the Affected Principal Period ending on the Scheduled Due Date, times (B) the Redemption Rate, times (C) the Day Count Fraction for such Affected Principal Period,

where:

(1) the Calculation Agent computes such present values by discounting each such series of amounts described in clause (i) and (ii) above from the Scheduled Due Date to the Redemption Date using a series of discount factors corresponding to the Scheduled Due Date as determined by the Calculation Agent from the swap yield curve that the Calculation Agent would use as of the Redemption Date in valuing a series of fixed rate interest rate swap payments similar to such series of amounts;

(2) the “*Affected Principal Amount*” for an Affected Principal Period is the principal amount of the Series 2019 Bond reflected in the Schedule of Principal Amounts scheduled to be outstanding during that Affected Principal Period determined as of the relevant Redemption Date by the

reference to such Schedule of Principal Amounts before giving effect to any Redemption Event on that Redemption Date, and for any Redemption Event, multiplying each such principal amount times the Prepayment Fraction;

(3) “*Affected Principal Period*” is each period from and including each Redemption Date to but excluding the next succeeding Scheduled Due Date; provided however, if the Redemption Date is not a Scheduled Due Date, the initial Affected Principal Period shall be the period from and including the Redemption Date to but excluding the next succeeding Scheduled Due Date and the Affected Principal Period for such initial Affected Principal Period shall be the amount stated in the Schedule of Principal Amounts outstanding for the Scheduled Due Date next preceding the Redemption Date;

(4) “*Prepayment Fraction*” means, for the Scheduled Due Date, a fraction the numerator of which is the amount of the credit to be applied pursuant to the applicable provisions of the Series 2019 Bond and the Trust Agreement to reduce the amount of the prepayment otherwise due on such date and the denominator of which is the amount of the payment otherwise due on such date (without regard to such credit); and

(5) “*Redemption Rate*” means, for any Redemption Date, and with respect to the Series 2019 Bond, the fixed rate the Calculation Agent determines is representative of what swap dealers would be willing to pay to the Calculation Agent (or, if required to be cleared under the Commodity Exchange Act or a Commodity Futures Trading Commission rule or regulation promulgated thereunder, to a swap clearinghouse) as fixed rate payers on a semi-annual basis in return for receiving one-month LIBOR-based payments monthly under interest rate swap transactions that would commence on such Redemption Date, and mature on, or as close as commercially practicable to, the Maturity Date for the Series 2019 Bond;

“**Reference Rate**” shall mean 2.54%.

“**Resolution**” shall mean Resolution 18-02 of the Authority adopted on October 25, 2018, authorizing, among other things, the issuance of the Series 2019 Bond and the execution and delivery of this Third Supplement and any subsequent resolution of the Authority relating to a Series of Bonds.

“**S&P**” shall mean S&P Global Ratings and its successors and assigns.

“**Scheduled Due Date**” shall mean each date specified as a Scheduled Due Date in the definition of Schedule of Principal Amounts herein.

“**Schedule of Principal Amounts**” shall mean the anticipated principal amount of the Series 2019 Bond scheduled to be outstanding on the date the Series 2019 Bond is funded and on

each Scheduled Due Date. The Schedule of Principal Amounts for the Series 2019 Bond is as follows:

<u>Scheduled Due Date</u>	<u>Schedule of Principal Amount</u>
March 1, 2019	\$48,865,000
September 1, 2019	\$48,865,000
March 1, 2020	\$0

“**Second Supplement**” shall mean the Second Supplemental Trust Agreement dated as of August 1, 2017, by and between the Authority and the Trustee, as amended and supplemented. The Second Supplement constitutes a Series Trust Agreement.

“**Series 2008 Bonds**” shall mean the Authority’s Grant and Revenue Anticipation Bonds, Series 2008, dated December 18, 2008.

“**Series 2019 Bond**” shall mean the Authority’s Grant and Revenue Anticipation Refunding Bond, Series 2019, dated March 1, 2019.

“**State**” shall mean the State of Maryland.

“**Taxable Date**” shall mean the date on which interest on the Series 2019 Bond is first includable in gross income of a Holder (including, without limitation, any previous Holder) thereof as a result of a Determination of Taxability.

“**Taxable Period**” shall have the meaning set forth in Section 2.4 hereof.

“**Taxable Rate**” shall mean, for any date of determination, the rate of interest per annum equal to the product of the Direct Purchase Rate multiplied by the Taxable Rate Factor.

“**Taxable Rate Factor**” shall mean, for any date of determination, the quotient of (i) one divided by (ii) one minus the Maximum Federal Corporate Tax Rate.

“**Third Supplement**” shall mean this Third Supplemental Trust Agreement dated as of March 1, 2019, by and between the Authority and the Trustee. This Third Supplement shall constitute a Series Trust Agreement.

“**Title 23**” shall mean Chapter 1 of Title 23, United States Code, Highways, as amended and supplemented from time to time, and any extension thereof or successor or replacement provision of law.

“**Transportation Trust Fund**” shall mean the fund established pursuant to Section 3-216 of the Transportation Article.

“Trust Agreement” shall mean the Master Trust Agreement, as amended and supplemented by the First Supplement, the Second Supplement, this Third Supplement and any other amendments or supplements thereto.

“Trust Estate” shall mean the property described in clauses I through VII of the Granting Clauses of the Master Trust Agreement.

“Trustee” shall mean The Bank of New York Mellon and any other corporation which may at any time be substituted in its place pursuant to the Master Trust Agreement or any Supplemental Trust Agreement, and their successors and assigns.

“Trustee Fee” shall mean the amount determined by the Authority in accordance with its agreement with the Trustee to be payable to the Trustee.

Section 1.2 Construction of Third Supplement. In this Third Supplement, unless the context otherwise requires:

Articles and Sections referred to by number shall mean the corresponding Articles and Sections of this Third Supplement.

Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, joint ventures, corporations, or other legal entities including public bodies, as well as natural persons.

Any reference to the Debt Service Fund, the General Account, the Interest Account, the Principal Account, the Construction Fund, the Costs of Issuance Account and the Rebate Fund shall be to the Fund or Account so designated that is created under Section 5.1 of the Master Trust Agreement.

Unless otherwise herein specifically provided, all references herein to a time of day shall mean New York City time.

The Trust Agreement constitutes a security agreement within the meaning of the Uniform Commercial Code as in effect in the State.

The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder,” and any similar terms, as used in this Third Supplement, refer to this Third Supplement or sections or subsections of this Third Supplement and the term “hereafter” means after the effective date of this Third Supplement.

Each reference in this Third Supplement to an agreement or contract shall include all amendments, modifications and supplements to such agreement or contract unless the context shall otherwise require.

During any period in which no Credit Facility is in effect with respect to the Series 2019 Bond and all amounts payable to any Related Credit Facility Provider, if any, have been paid, the

provisions of the Trust Agreement that relate to the Credit Facility and the Credit Facility Provider shall be of no force and effect. Any provision of the Trust Agreement requiring the consent or direction of any Credit Facility Provider securing the Series 2019 Bond shall be of no force and effect during any period in which any default respecting the Related Credit Facility with respect to such Credit Facility Provider shall be continuing.

During any period in which no Liquidity Facility is in effect with respect to the Series 2019 Bond and all amounts payable to any Related Liquidity Facility Provider, if any, have been paid, the provisions of the Trust Agreement that relate to the Liquidity Facility and the Liquidity Facility Provider shall be of no force and effect. Any provision of the Trust Agreement requiring the consent or direction of any Liquidity Facility Provider securing the Series 2019 Bond shall be of no force and effect during any period in which any default respecting the Related Liquidity Facility with respect to such Liquidity Facility Provider shall be continuing.

During any period in which no Exchange Agreement is in effect with respect to the Series 2019 Bond and all amounts payable to any Related Exchange Counterparty, if any, have been paid, the provisions of the Trust Agreement that relate to the Exchange Agreement and the Exchange Counterparty shall be of no force and effect. Any provision of the Trust Agreement requiring the consent or direction of any Exchange Counterparty shall be of no force and effect during any period in which any default respecting the Related Exchange Agreement with respect to such Exchange Counterparty shall be continuing.

Section 1.3 Effective Date of Third Supplement. This Third Supplement shall become effective upon its execution and delivery by the Authority and the Trustee (the “**Effective Date**”).

ARTICLE II AUTHORIZATION AND DETAILS OF SERIES 2019 BOND

Section 2.1 Authorization for Third Supplement. This Third Supplement is executed and delivered by the Authority pursuant to the Act and the Resolution. This Third Supplement shall constitute a Supplemental Trust Agreement under the Master Trust Agreement.

Section 2.2 Limited Obligations; Security. The provisions, covenants and agreements set forth in the Trust Agreement to be performed on behalf of the Authority shall be for the equal and ratable benefit, protection and security of the Holders of the Series 2019 Bond on a parity with the Bonds outstanding, any Auxiliary Agreement Provider and the Holders of any and all Series of Additional Bonds, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other Bonds, except as expressly provided in or permitted by the Trust Agreement.

The Series 2019 Bond shall be a limited obligation of the Authority payable solely from the Trust Estate; neither the State, nor the Department, nor the Administration nor any political subdivision of the State shall be obligated to pay the Series 2019 Bond or the interest thereon and neither the faith and credit nor the taxing power of the State, any political subdivision of the State or the Authority is pledged to the payment of the Series 2019 Bond or the interest thereon;

the issuance of the Series 2019 Bond shall not directly or indirectly or contingently obligate the State to levy any form of taxation whatever therefor; and the Authority has no taxing powers.

Section 2.3 Authorization of Series 2019 Bond. There is hereby authorized the issuance under the Trust Agreement of the Series 2019 Bond in the aggregate principal amount of Forty-Eight Million Eight Hundred Sixty-Five Thousand Dollars (\$48,865,000) for the purpose of refunding all of the outstanding Series 2008 Bonds. The Series 2019 Bond is issued pursuant to Section 2.4 of the Master Trust Agreement and constitutes Additional Bonds entitled to the full benefit and security of the Trust Estate. The Series 2019 Bond will not be secured by a Debt Service Reserve Fund.

Section 2.4 Details of Series 2019 Bond. The Series 2019 Bond shall be issued as a fully registered bond without coupons. The Series 2019 Bond shall bear interest at the Direct Purchase Rate from the date of authentication and delivery at the rate or rates of interest per annum (calculated on the basis of a 360-day year consisting of twelve 30-day months) set forth below payable on each Interest Payment Date of each year, commencing on the date of issue and payable on September 1, 2019, and shall mature on March 1, 2020; *provided, however*, that if any Event of Default shall have occurred and be continuing, the Series 2019 Bond shall bear interest at the Default Rate.

In the event a Taxable Date occurs, the Series 2019 Bond shall bear interest at the Taxable Rate and, furthermore, the Authority hereby agrees to pay to the Bank and any other Holder, as applicable, on demand therefor (i) an amount equal to the difference between (A) the amount of interest paid to the Bank and such other Holder on the Series 2019 Bond during the period in which interest on the Series 2019 Bond is includable in the gross income of the Bank or such other Holder beginning on the Taxable Date (the “**Taxable Period**”) and (B) the amount of interest that would have been paid to the Bank and such other Holder during such Taxable Period had the Series 2019 Bond borne the Taxable Rate, and (ii) an amount equal to any interest, penalties or charges owed by the Bank and such other Holder as a result of interest on the Series 2019 Bond becoming includable in the gross income of the Bank or such other Holder, together with any and all attorneys’ fees, court costs, or other out of pocket costs incurred by the Bank or such other Holder in connection therewith, payable solely from the Trust Estate.

The Series 2019 Bond shall be subject to redemption prior to maturity, and shall otherwise have the terms, tenor, denominations, details and specifications as set forth in the form of Series 2019 Bond attached hereto as Exhibit A.

The Series 2019 Bond shall be substantially in the form set forth in Exhibit A attached hereto and made a part hereof, with such insertions, omissions and variations as may be deemed necessary or appropriate by the Authorized Officers of the Authority executing the same and as shall be permitted by the Act. The Authority hereby adopts the form of Series 2019 Bond set forth in Exhibit A, and all of the covenants and conditions set forth therein, as and for the form of obligation to be incurred by the Authority as the Series 2019 Bond. The covenants and conditions set forth in such form are incorporated into this Third Supplement by reference and shall be binding upon the Authority as though set forth in full herein.

The printing of a CUSIP number on the Series 2019 Bond shall have no legal effect and shall not affect the enforceability of the Series 2019 Bond.

The Authority hereby agrees that broker confirmations or written statements containing comparable information of any investments in connection with the Series 2019 Bond are not required to be issued by the Trustee, except upon the request of the Authority. Any such confirmation or statement so requested shall be provided by the Trustee at no additional cost.

Section 2.5 Conditions Precedent to Delivery of Series 2019 Bond Except as otherwise provided in the Trust Agreement, the Registrar shall authenticate and deliver, to or upon the order of an Authorized Officer of the Authority, the Series 2019 Bond authorized only upon receipt by the Trustee and the Bank of:

- (1) an executed copy of this Third Supplement and the Master Trust Agreement;
- (2) an executed copy of the Financing Agreement, any Related Supplement to the Financing Agreement, any necessary Federal Aid Agreements and the Memorandum of Understanding and all supplements or amendments thereto;
- (3) the written order of the Authority with respect to the delivery of the Series 2019 Bond signed by an Authorized Officer of the Authority describing the Series 2019 Bond;
- (4) an opinion of bond counsel to the Authority to the effect that the Series 2019 Bond has been duly authorized and validly issued, that the Trust Agreement creates a valid lien on the Trust Estate and that interest on the Series 2019 Bond will not be included in gross income of the Holder thereof for federal tax purposes;
- (5) an opinion of counsel to the Authority to the effect that (a) this Third Supplement has been duly authorized, executed and delivered by the Authority and constitutes the valid and binding obligations of the Authority; (b) the Authority is duly authorized and entitled to issue the Series 2019 Bond and such Series 2019 Bond constitutes valid and binding limited obligations of the Authority; and (c) that the issuance of the Series 2019 Bond will not adversely affect the excludability from gross income, for federal income tax purposes, of interest paid on any Bonds theretofore issued and outstanding under the Master Trust Agreement;
- (6) a certificate of an Authorized Officer of the Authority (i) stating that the Authority is not in default in the performance of any of the covenants, conditions, agreements or provisions contained in the Trust Agreement or the Financing Agreement; (ii) certifying as to the incumbency, names and signatures of the persons authorized to sign the Third Supplement, on behalf of the Authority, and attaching copies of all resolution(s) or other approvals authorizing the execution, delivery and performance thereof; (iii) certifying that all requirements and preconditions to the issuance, execution, delivery and purchase of the Series 2019 Bond shall have been satisfied; (iv) certifying that there is no pending, or, to the knowledge of the Authority, threatened or reasonably

anticipated material litigation against or directly involving the Authority; (v) certifying that each representation and warranty on the part of the Authority contained in the Trust Agreement and the Financing Agreement is true and correct as though made on and as of the Effective Date; and (vi) certifying that the execution, delivery and performance by the Authority of the Third Supplement will not conflict with or result in a breach of any of the terms, conditions or provisions of the Act or any organizational or approval documents of the Authority or violate, conflict with or result in a breach of any provision of any existing law applicable to the Authority;

(7) a certificate of an Authorized Officer of the Authority which demonstrates that the eligible Obligation Authority during the most recently completed Federal Fiscal Year was equal to at least three times (i.e. 300% of) the Maximum Annual Debt Service in the current and any future Federal Fiscal Year on all Outstanding Bonds and on the Series 2019 Bond;

(8) a copy of the written certification of the Authority to the Administration specifying the amount of federal funds to be continuously appropriated and necessary for payment of principal and interest on such Bonds and written evidence of the delivery of such certification to such parties;

(9) a certificate of an Authorized Officer of the Authority to the effect that all Federal Aid Agreements and any related Memorandum of Agreement with respect to the Bonds that will be outstanding after the issuance of the Series 2019 Bond have been amended to the extent necessary to reflect the new debt service on the Series 2019 Bond;

(10) evidence satisfactory to the Trustee that all fees, costs and expenses payable to the Authority, the Trustee and the Bank, including but not limited to the reasonable attorneys' fees of the Authority, the Trustee and the Bank, have been paid by or on behalf of the Authority as of the Effective Date, or will be paid promptly thereafter; and

(11) an executed copy of the Resolution.

Section 2.6 Purchase of Series 2019 Bond. Subject to the conditions precedent set forth in Section 2.5 hereof, the Bank will purchase the Series 2019 Bond on the effective date of this Third Supplement for a purchase price equal to 100% of the principal amount of the Series 2019 Bond.

The Series 2019 Bond shall be issued to and registered in the name of Cede & Co., nominee for DTC, as Depository, and the beneficial interests in the Series 2019 Bond so registered will be credited to such accounts with DTC as the Bank shall designate. The Series 2019 Bond shall be so issued and registered to and held by DTC or its nominee, and beneficial interests therein shall be transferable in accordance with the book-entry system. Prior to any transfer of the Series 2019 Bond outside the Book-Entry Only system (including, but not limited to, the initial transfer outside the Book-Entry Only system) the transferor shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting

obligations under Internal Revenue Code Section 6045, as amended. The Trustee shall conclusively rely on the information provided to it by the transferor and shall have no responsibility to verify or ensure the accuracy of such information.

The Authority shall deposit the proceeds of the Series 2019 Bond with the Trustee to be applied as set forth in Section 4.2 hereof.

Section 2.7 No Warranty by Bank. The Bank makes no warranty, either express or implied, of the actual or designed capacity of the Project, of the suitability of the Project for the purposes specified in this Third Supplement, of the condition of the Project or of the suitability of the Project for the purposes or needs of the Authority.

ARTICLE III REDEMPTION OF SERIES 2019 BOND

Section 3.1 Series 2019 Bond Subject to Redemption.

In the manner and with the effect provided in this Third Supplement, the Series 2019 Bond may be redeemed as follows:

(a) Optional Redemption.

The Series 2019 Bond is subject to redemption prior to maturity at the option of the Authority, upon the written direction of the Authority to the Trustee at least 30 days prior to the Redemption Date (or such fewer number of days as may be acceptable to the Trustee), as a whole or in part at any time, at a redemption price equal to 100% of the principal amount of the Series 2019 Bond redeemed plus accrued interest thereon to the Redemption Date and the Redemption Fee, if any.

(b) Mandatory Redemption.

The Series 2019 Bond is subject to mandatory redemption on March 1, 2020 (the “**Maturity Date**”), in the following amounts, at a redemption price equal to 100% of the principal amount of the Series 2019 Bond redeemed plus accrued interest thereon to the Maturity Date, without notice to the Bank or the Trustee:

<u>Year</u>	<u>Principal Amount to be Redeemed</u>
2020	\$48,865,000

Section 3.2 Procedure for and Notice of Redemption. Except as otherwise provided herein, when required to redeem the Series 2019 Bond under any provision of the Trust Agreement, the Trustee shall cause notice of the redemption of the Series 2019 Bond to be given at least twenty (20) days prior to the Redemption Date by mailing copies of such notice of redemption by first class mail to all Holders of the Series 2019 Bond to be redeemed at their

registered addresses, but neither failure to mail any such notice nor any defect in the mailing thereof will affect the validity of the redemption of the Series 2019 Bond. Each such notice shall (i) identify the Series 2019 Bond to be redeemed, (ii) specify the Redemption Date and the redemption price, (iii) state that on the Redemption Date the Series 2019 Bond called for redemption will be payable at the designated office of the Paying Agent and that from that date interest on such bond will cease to accrue and (iv) state any conditions to such redemption.

Section 3.3 Redemption of Book-Entry-Only Series 2019 Bond. Notwithstanding the provisions set forth in this Article regarding the procedures for redemption of the Series 2019 Bond, so long as any Series 2019 Bond is Outstanding as Book-Entry-Only Bonds, the DTC Operational Arrangements shall govern such matters and if any conflict exists between the provisions of this Article and the DTC Operational Arrangements, the DTC Operational Arrangements shall prevail.

Section 3.4 Redemption Event and Redemption Fee. Upon the occurrence of a Redemption Event, a Redemption Fee shall be paid by the Authority to the Bank if the Redemption Fee is a positive number. No Redemption Fee shall be payable for a Redemption Event if the Redemption Fee for that Redemption Event is a negative number. Redemption Fees will be determined by the Calculation Agent, on the Business Day next preceding any Redemption Date. The Calculation Agent shall determine the Redemption Fee hereunder in good faith using such methodology as the Calculation Agent deems appropriate under the circumstance, and the Calculation Agent's determination shall be conclusive and binding in the absence of manifest error.

**ARTICLE IV
FUNDS AND ACCOUNT;
APPLICATION OF SERIES 2019 BOND PROCEEDS**

Section 4.1 Application of Bond Proceeds. Upon receipt of the proceeds of the Series 2019 Bond in the amount of \$48,865,000, the Authority shall make payments from such proceeds as follows: \$48,865,000 shall be deposited in the General Account of the Debt Service Fund to be used to redeem the Series 2008 Bonds.

Section 4.2 Disbursement from General Account. The Trustee is hereby authorized and directed to make a disbursement from the General Account of the Debt Service Fund to redeem the Series 2008 Bonds.

**ARTICLE V
PARTICULAR COVENANTS**

Section 5.1 Powers as to Series 2019 Bond and Pledge. The Authority has the power and is authorized to issue the Series 2019 Bond and execute and deliver this Third Supplement and to pledge the Trust Estate in the manner and to the extent provided in the Trust Agreement. Except as otherwise authorized by the Trust Agreement, the Authority has not heretofore created any lien, encumbrance or charge upon its interest in the Trust Estate.

Section 5.2 Series 2019 Bond to Constitute Tax-Exempt Bonds. The Series 2019 Bond shall constitute a Bond, the interest on which is excludable from gross income for federal income tax purposes (“**Tax-Exempt Bond**”).

Section 5.3 No Right to Accelerate.

The Authority will not grant to any holder of any other bond, note or other obligation issued under the Trust Agreement or any Credit Facility and secured or payable from the Trust Estate on a parity with the Series 2019 Bond, the right to accelerate the payment of the principal of any such bond, note or other obligation.

Section 5.4 Financial Statements.

The Authority shall furnish or cause to be furnished to the Bank:

(i) as soon as available but in no event more than one hundred eighty (180) days after the close of each fiscal year of the Authority, a copy of the Authority’s annual financial statements in form and substance satisfactory to the Bank, prepared in accordance with generally accepted accounting principles and audited by independent certified public accountants satisfactory to the Bank, including a statement of financial position, a statement of activities and a statement of cash flows of the Authority; and

(ii) with reasonable promptness, such additional financial information, reports or statements available to the Authority as the Bank may from time to time request related to the amounts payable by the Authority under the Financing Agreement, the Federal Aid Agreements and the Memorandum of Agreement.

**ARTICLE VI
MISCELLANEOUS**

Section 6.1 Parties in Interest.

With exception of rights expressly conferred in the Trust Agreement, nothing in this Third Supplement, expressed or implied, is intended or shall be construed to confer upon or to give to any person or party, other than the parties to this Third Supplement, any rights, remedies or claims under or by reason of this Third Supplement or any covenant, condition or stipulation thereof; and all covenants, stipulations, promises and agreements in this Third Supplement contained by or on behalf of the Authority shall be for the sole and exclusive benefit of the

parties to this Third Supplement and the Holders from time to time of the Series 2019 Bond as provided herein.

Section 6.2 No Recourse under Third Supplement or on Series 2019 Bond.

All covenants, stipulations, promises, agreements and obligations of the Authority contained in this Third Supplement shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Authority and not of any member, officer, director or employee of the Authority in his individual capacity, and no recourse shall be had for the payment of the principal of or interest on the Series 2019 Bond or for any claim based thereon or on this Third Supplement against any member, officer, director or employee of the Authority or any natural person executing the Series 2019 Bond.

Section 6.3 Severability.

If any one or more of the covenants, stipulations, promises, agreements or obligations provided in this Third Supplement on the part of the Authority or any Fiduciary to be performed should be determined by a forum of competent jurisdiction to be contrary to law, then such covenants, stipulations, promises, agreements and obligations shall be deemed and construed to be severable from the remaining covenants, stipulations, promises, agreements and obligations herein contained and shall in no way affect the validity of the other provisions of this Third Supplement.

Section 6.4 Headings.

Any headings preceding the texts of the several Articles and Sections hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Third Supplement, nor shall they affect its meaning, construction or effect.

Section 6.5 Application of Provisions of Master Trust Agreement.

The provisions of this Third Supplement are intended to supplement and amend those of the Master Trust Agreement as in effect immediately prior to the execution and delivery hereof. The Master Trust Agreement shall remain in full force and effect and the provisions of the Master Trust Agreement shall apply with like force and effect to the Series 2019 Bond, except to the extent that the provisions of the Master Trust Agreement are expressly modified or their application expressly limited by the terms of this Third Supplement.

Section 6.6 Notices.

Any notice or other instrument authorized or required to be given to the Authority, the Trustee or the Rating Services pursuant to this Third Supplement shall be sent by telex or other telecommunication device capable of creating a written record or delivered personally or sent by registered or certified mail, postage prepaid, addressed as follows (or to such other address as may be designated by written notice given hereunder):

In the case of the Authority:

Maryland Transportation Authority
2310 Broening Highway
Baltimore, Maryland 21224
Attention: Executive Director
Telephone: 410-537-1001
Facsimile: 410-537-1003

In the case of the Trustee:

The Bank of New York Mellon
385 Rifle Camp Road, 3rd Floor
Woodland Park, New Jersey 07424
Attention: Thomas A. Vlahakis
Telephone: 973-247-4742
Facsimile: 973-357-7840

In the case of the Bank:

Wells Fargo Bank, National Association
1753 Pinnacle Drive, Suite 500
McLean, Virginia 22102
Attention: Linda Abravanel
Telephone: 571-341-3078
Facsimile: 703-760-5330

In the case of the Department:

Department of Transportation of Maryland
7201 Corporate Center Drive
P.O. Box 548
Hanover, Maryland 21076
Attention: Director, Office of Finance

Section 6.7 Counterparts.

This Third Supplement may be executed in any number of counterparts, each of which shall be deemed to be an original for all purposes; and all such counterparts shall together constitute but one and the same instrument.

Section 6.8 Governing Law.

This Third Supplement shall be governed by and construed in accordance with the laws of the State of Maryland.

Section 6.9 Electronic Means.

The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions (“**Instructions**”) given pursuant to the Master Trust Agreement or any Supplemental Trust Agreement and delivered using Electronic Means (as hereinafter defined); *provided*, however, that the Authority shall provide to the Trustee an incumbency certificate listing officers with the Authority to provide such Instructions (“**Authorized Officers**”) and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Authority whenever a person is to be added or deleted from the listing. If the Authority elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee’s understanding of such Instructions shall be deemed controlling. The Authority understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The Authority shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the Authority and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Authority. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee’s reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Authority agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Authority; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures. “**Electronic Means**” for purposes of this section shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder.

IN WITNESS WHEREOF, the Maryland Transportation Authority has caused this Third Supplemental Trust Agreement to be executed by its Executive Director, under the official seal of the Authority, and The Bank of New York Mellon, the Trustee hereunder, has caused this Third Supplemental Trust Agreement to be executed in its name and on its behalf by its authorized officer, and duly attested, all as of the day and year first above written.



(SEAL)

MARYLAND TRANSPORTATION AUTHORITY

By: *Kevin C. Reigut*
Kevin C. Reigut
Executive Director

THE BANK OF NEW YORK MELLON,
as Trustee

By: _____
David J. O'Brien
Vice President

ATTEST:

By: _____
Authorized Officer

Approved as to form and legal sufficiency:

Kimberly A. Millender
Kimberly A. Millender
Assistant Attorney General and
Principal Counsel to the Maryland
Transportation Authority

[Signature Page to Third Supplemental Trust Agreement]

IN WITNESS WHEREOF, the Maryland Transportation Authority has caused this Third Supplemental Trust Agreement to be executed by its Executive Director, under the official seal of the Authority, and The Bank of New York Mellon, the Trustee hereunder, has caused this Third Supplemental Trust Agreement to be executed in its name and on its behalf by its authorized officer, and duly attested, all as of the day and year first above written.


MARYLAND TRANSPORTATION AUTHORITY

(SEAL)

By: _____
Kevin C. Reigrut
Executive Director

(SEAL)

THE BANK OF NEW YORK MELLON,
as Trustee

By:  _____
David J. O'Brien
Vice President

ATTEST:

By:  _____
Authorized Officer

Approved as to form and legal sufficiency:

Kimberly A. Millender
Assistant Attorney General and
Principal Counsel to the Maryland
Transportation Authority

[Signature Page to Third Supplemental Trust Agreement]

STATE OF MARYLAND)
CITY OF BALTIMORE)

Be it remembered that on the 28 day of February, 2019, before me, the subscriber, a notary public of the State of Maryland, personally came Kevin C. Reigrut, Executive Director of Maryland Transportation Authority, and acknowledged that the name of said Authority was subscribed to the foregoing Third Supplemental Trust Agreement by himself as the Executive Director thereof, that the seal impressed thereon is the seal of said Authority, that said name was subscribed and said seal impressed by the direction and authority of said Authority, and that the foregoing Third Supplemental Trust Agreement is the free act and deed of said Authority for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.

TRUDY EDWARDS
NOTARY PUBLIC
BALTIMORE COUNTY, MARYLAND
MY COMMISSION EXPIRES 5/12/2022

(SEAL)

Trudy Edwards
Notary Public

My commission expires 5/12/2022

[Notary Page to Third Supplemental Trust Agreement]

STATE OF NEW JERSEY
COUNTY OF PASSAIC

Be it remembered that on the 25th day of February, 2019, before me, the subscriber, a notary public of the State of New Jersey, personally came David J. O'Brien, who is a Vice President of The Bank of New York Mellon and acknowledged that the name of said bank was subscribed to the foregoing Third Supplemental Trust Agreement by himself as a Vice President thereof, that the seal impressed thereon is the seal of said bank, that said name was subscribed and said seal impressed by the direction and authority of said bank and that the foregoing Third Supplemental Trust Agreement is the free act and deed of said bank for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.



Notary Public

My commission expires _____

11/24/19

(SEAL)



[Notary Page to Third Supplemental Trust Agreement]

[FORM OF SERIES 2019 BOND]

REGISTERED UNITED STATES OF AMERICA REGISTERED
STATE OF MARYLAND

No. R-1 \$48,865,000

**MARYLAND TRANSPORTATION AUTHORITY
Grant and Revenue Anticipation Refunding Bond
Series 2019**

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Dated Date</u>	<u>CUSIP No.</u>
March 1, 2020	2.20%	March 1, 2019	57429RBW2

Registered Owner: CEDE & CO.

Principal Amount: FORTY-EIGHT MILLION EIGHT HUNDRED SIXTY-FIVE THOUSAND AND 00/100 DOLLARS (\$48,865,000)

MARYLAND TRANSPORTATION AUTHORITY, (said agency being sometimes referred to herein as the “**Authority**”), for value received, hereby promises to pay, but only from the Pledged Receipts (defined herein) and other amounts pledged to such payment under the Trust Agreement (defined herein) to the Registered Owner shown above or registered assigns or legal representative, on the Maturity Date set forth above (or earlier as hereinafter referred to), upon the presentation and surrender hereof at the designated office (the “**Designated Office**”) of the Trustee (defined herein), the Principal Amount shown above (or such lesser amount as shall be outstanding hereunder from time to time in accordance with Section 5 hereof) on the Maturity Date shown above (or earlier as hereinafter referred to), with interest thereon from the most recent date to which interest has been paid, or if the Date of Authentication shown below is prior to the first interest payment date, from the Dated Date as set forth above at the Interest Rate shown above until said Principal Amount is paid, payable on September 1, 2019 and on March 1, 2020.

All interest due on this bond shall be payable to the person in whose name this bond is registered on the bond registration books maintained by The Bank of New York Mellon, as trustee and registrar (such entity and any successor in such capacity being referred to herein as

(the "Trustee") as of the close of business on the fifteenth (15th) day of the calendar month immediately preceding the interest payment date upon which such interest is due and payable and shall be made by check mailed to the address of such owner as it appears on the bond registration books maintained by the Trustee; *provided*, that if there is a default in the payment of interest due hereon, such defaulted interest shall be payable to the person in whose name this bond is registered as of the close of business on a subsequent date fixed by the Trustee (the "**Special Record Date**") that is at least ten (10) and not more than fifteen (15) days before the date set for the payment of such defaulted interest. Notice of any Special Record Date will be given as hereinafter provided to the registered owner hereof not later than ten (10) days before the Special Record Date.

The principal or redemption price of and interest on this bond are payable in lawful money of the United States of America or by check payable in such money. If any payment of the principal or redemption price of or interest on this bond shall be due on a day other than a Business Day (defined herein), such payment shall be made on the next Business Day with like effect as if made on the originally scheduled date. A "**Business Day**" is any date other than (i) a day on which the Trustee or the Paying Agent is required, or is authorized or not prohibited, by law (including executive orders) to close and is closed and (ii) a day on which the New York Stock Exchange is closed.

This bond shall not be deemed to constitute a debt or liability of the State or any political subdivision thereof, of the Department of Transportation of Maryland, (the "Department"), of the Maryland State Highway Administration (the "Administration") or of the Authority, or a pledge of the faith and credit of the State, any political subdivision thereof, the Department, SHA or the Authority, but shall be payable solely from the Pledged Receipts. Neither the State nor any political subdivision thereof, nor the Department, nor the SHA, nor the Authority shall be obligated to pay this bond or the interest hereon except from such sources, and neither the faith and credit nor the taxing power of the State or the Authority is pledged to the payment of the principal of or the interest on this bond. This bond is not a general obligation of the Authority. The Authority has no taxing power.

1. Trust Agreement. This bond is a duly authorized series of a revenue refunding bond of the Authority aggregating Forty-Eight Million Eight Hundred Sixty-Five Thousand Dollars (\$48,865,000) in principal amount, known as "Maryland Transportation Authority Grant and Revenue Anticipation Refunding Bond Series 2019" (the "**Bond**"), duly authorized and issued by the Authority under and pursuant to (i) Sections 4-101 through 4-401 of the Transportation Article of the Annotated Code of Maryland, as amended (the "**Enabling Act**"), (ii) certain proceedings of the Authority, (iii) and the Third Supplemental Trust Agreement dated as of March 1, 2019 (the "**Third Supplement**"), by and between the Authority and the Trustee, amending and supplementing the Master Trust Agreement dated as of June 1, 2007 (as amended and supplemented from time to time, the "**Trust Agreement**"), by and between the Authority and the Trustee to refund the outstanding Maryland Transportation Authority Grant and Revenue Anticipation Bonds Series 2008 (the "**Series 2008 Bonds**").

The terms of the Bond include those stated in the Trust Agreement and the Bond is subject to all such terms including, without limitation, the interest rate adjustment set forth in Section 2.4 of the Third Supplement. Executed counterparts of such Trust Agreement are on file at the Designated Office of the Trustee. Reference is hereby made to the Trust Agreement for a description of the funds, revenues and charges pledged thereunder, the nature and extent of the security created or to be created, and the rights, limitations of rights, obligations, duties and immunities of the Authority, the Trustee and the Bond Registrar and Paying Agent for the Bond and the rights of the registered owners of the Bond. By the acceptance of this bond, the Registered Owner hereof assents to all of the provisions of the Trust Agreement. All capitalized terms used, but not defined herein, are defined in the Trust Agreement and are used herein in the same manner and with the same meaning as in the Trust Agreement.

2. Intentionally Omitted.

3. Additional Bonds. The Trust Agreement provides that Additional Bonds may be issued within the limitations and provisions of the Trust Agreement. All Bonds issued with the limitations and provisions of the Trust Agreement shall be secured equally and ratably by the Trust Estate, to the extent provided in the Trust Agreement.

4. Redemption.

(a) The Bond is subject to optional and extraordinary redemption prior to maturity as provided in the Third Supplement.

(b) Notice of Redemption. The Trustee shall mail notice of any redemption at least twenty (20) days prior to the redemption date to the registered owners of the Bond to be redeemed at their addresses as they appear on the registration books maintained by the Trustee. The failure so to mail any such notice to any of such registered owners or any defect therein shall not affect the validity of the proceedings for the redemption of the Bond.

(c) Effect of Call for Redemption. On the date designated for redemption, if all conditions, if any, to such redemption shall have been satisfied, the Bond so called for redemption shall become and be due and payable at the redemption price provided for redemption of the Bond or such portions thereof on such date and, if moneys for the payment of the redemption price and accrued interest are held by the Trustee as provided in the Trust Agreement, interest on the Bond or such portions thereof so called for redemption shall cease to accrue, the Bond or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Trust Agreement, and the registered owners thereof shall have no rights in respect of the Bond or such portions thereof so called for redemption except to receive payment of the redemption price thereof and the accrued interest thereon so held by the Trustee.

(d) Provisions Applicable to Book-Entry Bonds. So long as the Bond shall be maintained in book-entry form with a Depository in accordance with the Trust Agreement, in the event that part, but not all, of this bond shall be called for redemption, the holder of this bond may elect not to surrender this bond in exchange for a new Bond. For all purposes, the principal amount of this bond outstanding at any time shall be equal to the Principal Amount shown on the

face hereof reduced by the principal amount of any partial redemption of this bond following which the holder of this bond has elected not to surrender this bond. **THEREFORE, IT CANNOT BE DETERMINED FROM THE FACE OF THIS BOND WHETHER A PART OF THE PRINCIPAL OF THIS BOND HAS BEEN PAID.**

5. Defeasance. The Trust Agreement prescribes the manner in which it may be discharged and provides that Bond shall be deemed to be paid if moneys or certain Government Obligations, the principal of and interest on which, when due, will be sufficient to pay the principal or redemption price of and interest on such Bond to the date of maturity or redemption thereof, shall have been deposited with the Trustee.

6. Persons Deemed Owners; Restrictions upon Actions by Individual Owners. The Authority and the Trustee may deem and treat the person in whose name this bond is registered as the absolute owner hereof (whether or not this bond shall be overdue and notwithstanding any notation of ownership or other writing hereon made by anyone other than the Authority or the Trustee) for the purpose of receiving payment of or on account of the principal or redemption price of this bond, and for all other purposes except as otherwise provided herein with respect to the payment of interest on this bond, and neither the Authority nor the Trustee shall be affected by any notice to the contrary. All such payments so made to any such registered owner, or upon his order, shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable under this bond.

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

7. Transfer and Exchange. This bond may be exchanged for an equal, aggregate principal amount of Bonds, of the same maturity and bearing interest at the same rate and of other authorized denominations, and the transfer of this bond may be registered, upon presentation and surrender of this bond at the Designated Office of the Trustee, together with an assignment duly executed by the registered owner hereof or such owner attorney or legal representative. The Authority and the Trustee may require the person requesting any such exchange or transfer to reimburse them for any tax or other governmental charge payable in connection therewith. Neither the Authority nor the Trustee shall be required to register the transfer of this bond or make any such exchange of this bond after this bond or any portion thereof has been selected for redemption.

8. Modifications. Modifications or alterations of the Trust Agreement may be made only to the extent and in the circumstances permitted by the Trust Agreement.

9. Negotiability. As declared by the Enabling Act, this bond shall be and be deemed to be for all purposes a negotiable instrument subject only to the provisions for registration and registration of transfer stated herein.

10. Governing Law. This bond shall be governed by and construed in accordance with the laws of the State.

11. Notices. Except as otherwise provided in the Trust Agreement, when the Trustee is required to give notice to the owner of this bond, such notice shall be mailed by first-class mail to the registered owner of this bond at such owner's address as it appears on the registration books maintained by the Trustee. Any notice mailed as provided herein will be conclusively presumed to have been given, whether or not actually received by the addressee.

All acts, conditions and things required by the Constitution and laws of the State and the rules and regulations of the Authority to happen, exist and be performed precedent to and in the issuance of this bond and the execution and delivery of the Trust Agreement have happened, exist and have been performed as so required.

No recourse shall be had for the payment of the principal or redemption price of and interest on this bond or for any claims based thereon or on the Trust Agreement against any member or other officer of the Authority or any person executing this bond, all such liability, if any, being expressly waived and released by the registered owner of this bond by the acceptance of this bond.

This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Trust Agreement until it shall have been authenticated by the execution by the Trustee of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, Maryland Transportation Authority has caused this bond to bear the manual or facsimile signatures of the Chairman of the Authority and the Executive Director of the Authority and the official seal of the Authority to be imprinted hereon, all as of the 1st day of March, 2019.

MARYLAND TRANSPORTATION AUTHORITY

[SEAL]

Pete K. Rahn
Chairman

Kevin C. Reigrut
Executive Director

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____, 2019

This bond is one of the bonds of the series designated therein and issued under the provisions of the Trust Agreement. A signed original opinion of Kimberly A. Millender, Assistant Attorney General and Principal Counsel to the Maryland Transportation Authority, and of Bond Counsel, Miles & Stockbridge P.C., Baltimore, Maryland, is on file with the undersigned.

THE BANK OF NEW YORK MELLON,
as Registrar

By: _____
Authorized Officer

