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THIS INDENTURE, made and entered into as of the first day of _____, 1992, by and between the GUAM AIRPORT AUTHORITY, a duly organized public corporation and autonomous instrumentality of the government of Guam (the "Authority"), and _____, a banking corporation duly organized and existing under and by virtue of the laws of the _____ of _____, having a corporate trust office in _____, _____, and being qualified to accept and administer the trusts hereby created and to do business within Guam (the "Trustee"),

W I T N E S S E T H:

WHEREAS, under Title 12 Guam Code Annotated, Section 1105, the Authority has assumed the benefits and obligations of the Government of Guam (the "Government"), under the Joint Use Agreement, dated July 19, 1974, as amended (the "Joint Use Agreement"), by and between the United States of America (the "United States") and the Government, pursuant to which the United States has granted unto the Government, until [July 19, 2024], exclusive rights of joint use with the United States, for public airport purposes, of certain air navigation facilities;

WHEREAS, pursuant to Chapter 1 of Title 12 of the Guam Code Annotated, as amended (the "Act"), the Authority is authorized to issue and sell revenue bonds for the purpose of providing money to be used for the cost of the acquisition, purchase, construction, reconstruction, improvement, betterment or extension of the Airport (as hereinafter defined), and for the purpose of refunding any bonds then outstanding under the Act;

WHEREAS, the Authority has determined to issue revenue bonds for such purposes and to that end has duly authorized the execution and delivery of this Indenture to secure the payment of the principal thereof and the interest and premium, if any, thereon, and the observance of the covenants and conditions herein contained;

WHEREAS, said revenue bonds issued hereunder are to be designated as the "Guam Airport Authority General Revenue Bonds" (the "Bonds") and are to be issued from time to time in an aggregate principal amount not limited except as hereinafter provided;

WHEREAS, the Authority previously entered into an indenture, dated as of July 1, 1979 (the "1979 Indenture") providing for the issuance of Guam Airport Authority General Revenue Bonds, Series 1979 (the "1979 Bonds");

WHEREAS, it is now desirable and necessary and in the best interests of the Authority to authorize the issuance of general revenue bonds for the purpose of refunding the outstanding 1979 Bonds and effecting the defeasance of the 1979 Indenture and to provide money to be used for the cost of the acquisition, construction, reconstruction, improvement, betterment and extension of the Airport;

WHEREAS, said general revenue bonds are to be issued hereunder from time to time in an aggregate principal amount not limited except as hereinafter provided and are to be designated as "Guam Airport Authority General Revenue Bonds" (the "Bonds"); and

WHEREAS, the forms of each series of Bonds and various other matters relating to such series shall be prescribed in indentures supplemental hereto;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of, and the premium, if any, and interest on, all Bonds at any time issued and outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the owners thereof, and for other valuable considerations, the receipt whereof is hereby acknowledged, the Authority does hereby covenant and agree with the Trustee for the benefit of the respective owners from time to time of the Bonds, as follows:

ARTICLE I

DEFINITIONS; EFFECT OF INDENTURE

SECTION 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Indenture and of any Supplemental Indenture and of any certificate, opinion or other document herein mentioned, have the meanings herein specified. Unless otherwise defined in this Indenture, all terms used herein shall have the meanings assigned to such terms in the Act hereinafter mentioned.

Account

"Account" means each account established and given a designation pursuant to this Indenture or any Supplemental Indenture.

Accreted Value

"Accreted Value" means, with respect to any particular Bonds as of any given date of calculation, an amount equal to the sum of the principal amount of such Bonds plus accrued and unpaid interest on such Bonds as of such date, but not including interest payable on a current basis at least annually.

Act

"Act" means Chapter 1 of Title 12 of the Guam Code Annotated, as amended, and as it may from time to time hereafter be amended or supplemented.

Additional Bonds

"Additional Bonds" means bonds, notes or other obligations of the Authority payable from Revenues and ranking on a parity with the Bonds and authorized to be issued under and pursuant to Sections 3.04 and 3.05.

Airport, Airports

"Airport" or "Airports" means the Antonio B. Won Pat Guam International Air Terminal, together with all related facilities owned or operated by the Authority (including, but not limited to, any industrial park owned and operated by the Authority in conjunction with the other airport facilities), together with any other airports hereafter owned or operated for civil aviation purposes by the Authority, whether as a replacement for the existing Antonio B. Won Pat Guam International Air Terminal, or otherwise, together with all related facilities, including all additions, betterments, extensions or improvements thereto.

Airport Consultant

"Airport Consultant" means an Independent person, firm or corporation having a widely known and favorable reputation for special skill, knowledge and experience in methods of development, operation and management of airports of the approximate size and character as the Airport.

Annual Debt Service

"Annual Debt Service" means, for any year, the sum of (1) the interest falling due on then Outstanding Bonds (assuming that all then Outstanding Serial Bonds are retired on their respective maturity dates and that all then Outstanding Term Bonds are retired at the times of and in amounts provided for by the Mandatory Sinking Account Payments

applicable to such Term Bonds), but not including Capitalized Interest, (2) the principal amount of then Outstanding Serial Bonds falling due by their terms, and (3) the aggregate amount of all Mandatory Sinking Account Payments required; all as calculated for said year. For the purpose of determining the interest payable on Variable Rate Bonds, the interest rate used in the foregoing calculation shall be as specified in the provision using the term "Annual Debt Service", or if not so specified, shall be the actual interest rate for periods prior to the date of calculation and the prevailing interest rate on such Variable Rate Bonds as of the date of calculation for periods subsequent to the date of calculation.

Authority

"Authority" means the Guam Airport Authority, a public corporation and autonomous instrumentality of the Government of Guam, or any successor to the rights, powers, functions and duties, with respect to the management, administration and control of the Airport which are now or hereafter vested in the Authority.

Authorized Officer

"Authorized Officer" of the Trustee means and includes the chairman of the board of directors, the president, every vice president, every trust officer and any other officer or assistant officer of the Trustee, other than those specifically above mentioned, designated by a certificate of an Authorized Officer of the Trustee as an Authorized Officer for purposes of this Indenture.

Board

"Board" means the Board of Directors of the Authority or any other governing board of the Authority hereinafter provided for pursuant to law.

Bond Counsel

"Bond Counsel" means an attorney or firm of attorneys having a national reputation for expertise in matters relating to governmental obligations the interest on which is excluded from gross income for federal income tax purposes under Section 103 of the Code.

Bond Fund

"Bond Fund" means the fund by that name established pursuant to Section 5.01 for the purposes provided in Section 5.05.

Bond Reserve Account

"Bond Reserve Account" means an account by that name established within the Bond Reserve Fund pursuant to Section 5.01.

Bond Reserve Account Requirement

"Bond Reserve Account Requirement" means, as of any particular date of calculation, with respect to any Series of Bonds, an amount equal to the amount calculated as specified for such date by the Supplemental Indenture providing for the issuance of such Series of Bonds.

Bond Reserve Fund

"Bond Reserve Fund" means the fund by that name established pursuant to Section 5.01 for the purposes provided in Sections 5.06 and 5.11.

Bond Year

"Bond Year" means, with respect to any Series, the period of twelve consecutive months ending on the day in each year specified in the Supplemental Indenture authorizing the issuance of such Series if Bonds are or will be Outstanding in such twelve-month period.

Bondowner, Owner

"Bondowner" or "Owner" means any person who shall be the registered owner of any Outstanding Bond, or, if such Outstanding Bond shall have a maturity of one year or less and shall have been issued in bearer form, shall mean the bearer of such Bond.

Bonds, Serial Bonds, Term Bonds, Variable Rate Bonds

"Bonds" means the Guam Airport Authority General Revenue Bonds authorized by, and at any time Outstanding pursuant to, this Indenture and a Supplemental Indenture, including any Additional Bonds authorized by, and at any time Outstanding pursuant to, this Indenture and any Supplemental Indenture, and includes bonds, notes or other evidences of indebtedness payable from Revenues on a parity with the Outstanding Bonds.

"Serial Bonds" means Bonds designated as Serial Bonds in the Supplemental Indenture providing for the issuance of such Series and for which no Mandatory Sinking Account Payments are provided.

"Term Bonds" means Bonds designated as Term Bonds in the Supplemental Indenture providing for the issuance of such Series and which are payable at or before their specified maturity date or dates from Mandatory Sinking Account Payments established for that purpose and calculated to retire such Bonds on or before their specified maturity date or dates.

"Variable Rate Bonds" means Bonds which bear interest at a variable rate of interest.

Business Day

"Business Day" means any day other than a Saturday, Sunday or day upon which banks in the cities in which the Principal Offices of the Trustee and each Credit Provider are located are authorized or required to be closed.

Capital Improvement

"Capital Improvement" means any addition, betterment, improvement or extension of the Airport having costs in excess of \$100,000 and a useful life in excess of five (5) years.

Capital Improvement Fund

"Capital Improvement Fund" means the fund by that name established pursuant to Section 5.01 for the purposes provided in Section 5.10.

Capitalized Interest

"Capitalized Interest" means interest to be paid from the original proceeds of Bonds (including proceeds constituting accrued interest on the Bonds) and from income derived from the investment of such proceeds.

Certificate of the Authority

"Certificate of the Authority" means an instrument in writing signed by the Chairman or by the Executive Manager or by any other officer of the Authority duly authorized by resolution of the Board for that purpose. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument. If and to the extent required by the provisions of Section 1.03, each Certificate of the Authority shall include the statements provided for in Section 1.03.

Certified Public Accountant

"Certified Public Accountant" means any nationally recognized certified public accountant or accounting firm.

Chairman

"Chairman" means the Chairman of the Board of Directors of the Authority.

Code

"Code" means the Internal Revenue Code of 1986 or any similar or successor federal law.

Construction Account

"Construction Account" means an account by that name established pursuant to Section 3.03 for the purposes provided in said Section.

Consulting Engineer

"Consulting Engineer" means an Independent architect, engineer or architectural or engineering firm experienced in airport design and construction, having a favorable reputation with respect thereto and retained by the Authority to perform the acts and carry out the duties of a Consulting Engineer under this Indenture.

Costs of Issuance

"Costs of Issuance" means all items of expense directly or indirectly payable by or reimbursable to the Authority and related to the authorization, issuance, sale and delivery of the Bonds, including but not limited to advertising costs, Bond and official statement printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of the Trustee, the Depository and the Registrar, legal fees and charges, fees and disbursements of consultants and professionals, fees and expenses of any Credit Provider, rating agency fees, fees and charges for preparation, execution, transportation and safekeeping of Bonds and any other cost, charge or fee in connection with the original issuance of Bonds.

Credit Agreement

"Credit Agreement" means any agreement between the Authority and a Credit Provider pursuant to which such Credit Provider agrees to provide a Credit Facility or pursuant to

which the Authority agrees to reimburse a Credit Provider for draws or advances under or claims made against a Credit Facility.

Credit Facility

"Credit Facility" means any letter of credit, insurance policy, surety bond or other instrument designated by a Supplemental Indenture as providing supplemental credit support for a Series of Bonds (including by substituting for a deposit in the Bond Reserve Account).

Credit Provider

"Credit Provider" means the issuer of any Credit Facility, and any other person, firm or entity designated in a Supplemental Indenture as providing supplemental credit support for a Series of Bonds.

Date of Beneficial Occupancy

"Date of Beneficial Occupancy" means, for any particular Project, the date on which such Project is projected to be available for use by the Authority for the purposes for which it is intended to be used.

Depository

"Depository" means, with respect to any particular fund or account, the bank or trust company or other financial institution with similar powers designated by a Statement of the Authority to act as the Depository hereunder for such fund or account, its successors and assigns, and any other bank or trust company or financial institution which may at any time be substituted in its place, as provided in Section 8.01.

Event of Default

"Event of Default" means an event of that name described in Section 7.01.

Executive Manager

"Executive Manager" means the person employed by the Board under the Act to supervise the administration of the Authority as its chief executive officer.

Federal Securities

"Federal Securities" means (1) direct obligations of the United States of America for which the full faith and credit of the United States of America are pledged for the

payment of principal and interest (including obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States of America); (2) obligations for which the payment of principal and interest is guaranteed directly by the full faith and credit of the United States of America; (3) obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state (collectively, "Municipal Obligations") (a) which are fully secured as to principal and interest and redemption premium, if any, by an escrow or trust fund consisting only of cash or obligations of the character described in clauses (1) or (2) of this definition ("Government Obligations"), which fund may be applied only to the payment of interest on such municipal obligations when due and principal of and redemption premium, if any, on such municipal obligations on the maturity date or dates thereof or the redemption date or dates specified in an irrevocable notice, as appropriate, (b) as to which the cash and the principal of and interest on the Government Obligations in such escrow or trust fund will be sufficient to pay such interest, principal and redemption premium on such date or dates, and (c) which at the time of purchase are rated in the highest rating category by each Rating Agency; and (4) certificates which evidence ownership of the right to the payment of any specified portion of the principal of and interest on obligations described in clauses (1), (2) or (3) of this definition, provided that such obligations are held in a segregated account in the custody of a bank or trust company which is a member of the Federal Deposit Insurance Corporation (or its successor) and which has combined capital and surplus of not less than \$100,000,000.

Fiduciary

"Fiduciary" means the Trustee, each Depositary, each Registrar and each Paying Agent.

Financial Newspaper or Journal

"Financial Newspaper or Journal" means, collectively, The Wall Street Journal, The Bond Buyer or any one or more other newspapers or journals publishing financial news and selected by the Trustee, whose decision shall be final and conclusive, printed in the English language, customarily published on each business day and circulated in New York, New York, San Francisco, California, and Agana, Guam.

Fiscal Year

"Fiscal Year" means the period beginning on October 1 of each year and ending on the next succeeding

September 30, or such other fiscal year as may be adopted by the Authority.

Fund

"Fund" means each fund established and given a designation pursuant to this Indenture or any Supplemental Indenture.

Government

"Government" means the Government of Guam or any successor to the rights, powers and obligations thereof under the Act with respect to the Bonds.

Indenture

"Indenture" means this Indenture, as originally executed or as it may from time to time be supplemented, modified or amended by any Supplemental Indenture.

Independent

"Independent" means, when used with respect to any given person, that such person (who may be selected and paid by the Authority or the Government) (1) is in fact independent and not under domination of the Authority or the Government; (2) does not have any substantial interest, direct or indirect, with the Authority or the Government; and (3) is not connected with the Authority or the Government as an officer or employee of the Authority or the Government, but who may be regularly retained to provide services to the Authority or the Government.

Interest Accrual Period

"Interest Accrual Period" means, for any particular Bond, each period between successive Interest Payment Dates for such Bond, including in each case in such period the concluding Interest Payment Date but not the beginning Interest Payment Date, and treating the date of original issuance of such Bond as if it were an Interest Payment Date for such Bond for this purpose.

Interest Payment Date

"Interest Payment Date" means, for any particular Bond, each date specified as an Interest Payment Date for such Bond or Bonds by the Supplemental Indenture authorizing the issuance of such Bond or Bonds and, for all Bonds, all such dates.

Investment Securities

"Investment Securities" means any of the following which at the time are legal investments under the laws of the Government of Guam for moneys held hereunder and then proposed to be invested therein: (1) Federal Securities; (2) obligations, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following: Federal Home Loan Banks, Federal National Mortgage Association, Government National Mortgage Association, Federal Housing Administration or Federal Home Loan Mortgage Corporation; (3) interest-bearing demand or time deposits (including certificates of deposit) which are continuously and fully insured by the Bank Insurance Fund or the Savings Association Insurance Fund; (4) obligations, including deposits, federal funds borrowings and banker's acceptances, of any bank, or of the subsidiary lead bank of any bank holding company, which has an unsecured, uninsured and unguaranteed obligation of equivalent maturity rated at least the second highest major rating category by each Rating Agency; (5) commercial paper rated at least the second highest rating category by each Rating Agency; (6) money market funds restricted to Federal Securities with maturities of one year or less; (7) repurchase agreements, the underlying securities of which are specifically designated and are obligations described in clause (1) of this definition, provided that, unless the seller's general obligations are rated at least the second highest rating category by each Rating Agency, the underlying securities are required to be continuously maintained at a market value (valued at least weekly by the Trustee or Depositary) not less than 103% of the amount of the repurchase price from time to time payable with respect thereto and are to be held in a separate, segregated account by or in the name of the Trustee or a Depositary; and (8) investment agreements (a) with corporations, associations or financial institutions which have general obligations, or whose holding companies have general obligations, rated at least the second highest rating category by each Rating Agency, or (b) which agreements are continuously secured by obligations described in clause (1) of this definition which have a market value (valued at least weekly by the Trustee or a Depositary) not less than 103% of the amount so invested. Neither the Trustee nor any Depositary shall be deemed, by entering into this Indenture, to have agreed to make the valuation required by clauses (7) and (8) above, but such agreement by either the Trustee or a Depositary shall be a condition precedent to investment in obligations of the type described in such clauses.

Joint Use Agreement

"Joint Use Agreement" means that certain Joint Use Agreement, dated July 19, 1974, by and between the United States of America and the Government, as amended from time to time.

Legislature

"Legislature" means the Legislature of Guam or any successor to the rights, powers and obligations thereof under the Act with respect to the Bonds.

Mandatory Sinking Account Payment

"Mandatory Sinking Account Payment" means, as of any date of calculation with respect to any Series of Bonds, the amount required by this Indenture or any Supplemental Indenture to be paid by the Authority on a given date for the retirement of Term Bonds of such Series.

Maximum Annual Debt Service

"Maximum Annual Debt Service" means, for any particular Bonds as of any particular date of calculation, Annual Debt Service on such Bonds for the Fiscal Year commencing on or after such date for which such sum shall be largest.

Net Revenues

"Net Revenues" means, for any particular period, all of the Revenues received during such period less all Operation and Maintenance Expenses of the Airport incurred during such period.

Operation and Maintenance Expenses

"Operation and Maintenance Expenses" means the reasonable and necessary direct and indirect costs of providing the administration, operation and maintenance of the Airport, including, but not limited to, salaries and wages, fees for services, costs of materials, supplies and fuel, expenses of, maintenance and repairs and other expenses necessary to maintain and preserve the Airport in good condition and working order, costs of administration, overhead, insurance, taxes (if any) and other similar items, lawful refunds, judgments and assessments, costs of defending or settling litigation or threatened litigation, Costs of Issuance not paid from the proceeds of Bonds, and expenses of the fiduciaries, Credit Providers, Independent Certified

Public Accountants, Airport Consultants and Consulting Engineers and payments to the United States of America under Section 148(f) of the Code; but not including depreciation and obsolescence charges or reserves therefor, amortization of intangibles or other bookkeeping entries of a similar nature, costs of Capital Improvements which are chargeable to a capital account or to a reserve for depreciation, and charges for the payment of principal and interest on any bonds or other obligations heretofore or hereafter issued by the Authority.

Operation and Maintenance Fund

"Operation and Maintenance Fund" means the fund by that name established pursuant to Section 5.01 for the purposes provided in Section 5.03.

Operation and Maintenance Reserve Fund

"Operation and Maintenance Reserve Fund" means the fund by that name established pursuant to Section 5.01 for the purposes provided in Section 5.08.

Opinion of Counsel

"Opinion of Counsel" means a written opinion of counsel (who may be counsel for the Authority) retained by the Authority. If and to the extent required by the provisions of Section 1.03, each Opinion of Counsel shall include the statements provided for in Section 1.03.

Other Available Moneys

"Other Available Moneys" means for any Fiscal Year the amount designated by the Authority of unencumbered moneys on deposit in the Capital Improvement Fund at the end of the prior Fiscal Year, but in no event shall such amount exceed 25% of the Annual Debt Service for such Fiscal Year.

Outstanding

"Outstanding," when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 9.03) all Bonds theretofore executed, issued and delivered by the Authority under this Indenture except --

- (1) Bonds theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation;
- (2) Bonds for the payment or redemption of which funds or securities in the necessary amount (as set forth in Section 10.01) shall have theretofore been deposited

with the Trustee (whether upon or prior to the maturity or redemption date of such Bonds), provided that, if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as in Article IV provided or provision satisfactory to the Trustee shall have been made for the giving of such notice; and

(3) Bonds in lieu of or in substitution for which other Bonds shall have been executed, issued and delivered by the Authority pursuant to Section 2.08.

Passenger Facility Charge

"Passenger Facility Charge" means a charge of the type authorized by Federal Aviation Regulation 14 Code of Federal Regulations Part 158 and imposed by the Authority on passengers enplaned at the Airport.

Paying Agent

"Paying Agent" means any paying agent appointed pursuant to Section 3.05, and its successors and assigns as provided in Section 8.01.

Payment Date

"Payment Date" means any date on which payment of principal of or interest on the Bonds is due or on which any Term Bonds are required to be redeemed from any Mandatory Sinking Account Payment.

Principal Office

"Principal Office" means, with respect to the Trustee, the office of the Trustee in _____, _____; and with respect to any other Fiduciary the office of such Fiduciary designated in the Supplemental Indenture appointing such Fiduciary; in each case at such address as the respective party may have designated for such purpose. The Principal Office of any Credit Provider shall be as specified by such Credit Provider pursuant to its Credit Facility or Credit Agreement.

Principal Payment Period

"Principal Payment Period" means, for any particular Bond, each period so designated by the Supplemental Indenture authorizing the issuance of such Bond.

Project: 1992 Project

"Project" means the 1992 Project and any other particular additions, enlargements, betterments, extensions and other improvements to or related to, and the equipping of, the Airport, including, without limitation, the acquisition of land and furnishings therefor or the payment of any claims or judgments relating thereto, as specified and described by the Supplemental Indenture authorizing issuance of the first Series of Bonds for such Project, and as such specification and description may be modified in accordance with Section 3.03.

"1992 Project" means [description with reference to particular plans and specifications or a particular Consulting Engineer's report].

Project Costs

"Project Costs" means, with respect to any given Project, all costs which are chargeable to the capital account of such Project, including, but not limited to, the following:

- (1) costs of the Authority and all contractors for land (including franchises, licenses or other interests in land), labor, materials, machinery, equipment and furnishings in connection with the acquisition, construction, reconstruction, installation and equipping of the Project or otherwise attributable to the Project;
- (2) the cost of relocation and installation of utilities, environmental cleanup and noise abatement;
- (3) the cost of contract bonds and insurance of all kinds that may be required or necessary during the construction of the Project;
- (4) all costs of architectural and engineering services, including the costs of test borings, surveys, estimates, plans and specifications and preliminary investigation therefor, and for inspecting and supervising construction, as well as for the performance of all other duties required by or consequent upon the proper construction of the Project;
- (5) relocation costs and any claims, awards or judgments relating to the Project;
- (6) Capitalized Interest; and

(7) all amounts required to reimburse the Authority for advances made by it for any of the above items or for any other costs incurred and for work done, whether before or after the date of this Indenture, which are properly chargeable to the Project.

Rating Agency

"Rating Agency" means, as of any given date, each nationally recognized securities rating agency designated by this Indenture or any Supplemental Indenture as a Rating Agency hereunder and then rating any Series of Bonds.

Rebate Fund

"Rebate Fund" means the fund by that name established pursuant to Section 5.01 for the purposes provided in Section 5.04.

Record Date

"Record Date" means, for any particular payment of principal of or interest or premium on particular Bonds, each date specified as a Record Date for such Bonds by Section 2.02 or by the Supplemental Indenture authorizing the issuance of such Bonds.

Redemption Price

"Redemption Price" means, with respect to any Bond (or portion thereof if less than all of a Bond is to be redeemed) the principal amount of such Bond (or portion) plus the applicable premium, if any, payable upon redemption thereof pursuant to the provisions of such Bond and this Indenture.

Registrar

"Registrar" means any registrar appointed pursuant to Section 3.05, and its successors and assigns as provided in Section 8.01.

Renewal and Replacement Fund

"Renewal and Replacement Fund" means the fund by that name established pursuant to Section 5.01 for the purposes provided in Section 5.09.

Request, Requisition, Statement or Order of the Authority

"Request of the Authority", "Requisition of the Authority", "Statement of the Authority" and "Order of the

Authority" mean, respectively, a written request, requisition, statement or order signed by or on behalf of the Authority by the Chairman or the Executive Manager or by any person (whether or not an officer of the Authority) who is specifically authorized by resolution of the Board to sign or execute such a document on behalf of the Authority.

Revenue Fund

"Revenue Fund" means the General Revenue Bond Revenue Fund established pursuant to Section 5.01 for the purposes provided in said Section and Section 5.02.

Revenues

"Revenues" means all gross income and revenue received by the Authority from the ownership or operation of the Airport, including all rents, fees and charges received by the Authority for the use of the Airport, all proceeds of insurance covering business interruption loss relating to the Airport, all investment income which is available for the purposes for which Revenues are used hereunder (other than investment income from the Construction Accounts, the Capital Improvement Fund or the Rebate Fund), but not including:

- (1) amounts received as insurance proceeds (except as hereinabove provided) or from the sale, transfer or other disposition of, or upon the taking by or under the threat of eminent domain of, all or any part of the Airport (which moneys shall be received and disposed of pursuant to Sections 6.03, 6.06 and 6.12, as the case may be),
- (2) proceeds from any securities issued by the Authority or proceeds from loans obtained by the Authority,
- (3) amounts derived from any Special Facility and which are pledged or assigned as security for the payment of indebtedness incurred to finance such Special Facility,
- (4) the proceeds of any court or arbitration award or settlement in lieu thereof received by the Authority,
- (5) amounts received by the Authority as gifts or grants, whether restricted or unrestricted, and
- (6) other amounts, the use of which is restricted by the donor or grantor.

The proceeds of any Passenger Facility Charge shall for the purposes of this Indenture, including the pledge of

Section 5.01, be treated as Revenues, but shall be required to be used hereunder only to the extent and for the purposes that such proceeds are by federal law or regulation permitted to be used.

Series

"Series" or "Series of Bonds" means and refers to all Bonds of like designation authenticated and delivered on original issuance at the same time pursuant to this Indenture, and any Bonds thereafter delivered in lieu of or substitution for any of such Bonds pursuant to this Indenture.

Sinking Accounts

"Sinking Accounts" means any special account or accounts established by any Supplemental Indenture or Indentures in the Bond Fund for the payment of Term Bonds.

Special Facility

"Special Facility" means any property, real or personal, incident or related to the Airport, which is financed through the issuance of Special Facility Bonds and is subject to the provisions of Section 6.18.

Special Facility Lease

"Special Facility Lease" shall have the meaning specified in Section 6.18.

Special Facility Bonds

"Special Facility Bonds" means bonds or other obligations of the Authority issued in accordance with the provisions of Section 6.18 to finance Special Facilities.

Subordinate Securities

"Subordinate Securities" means any obligations of the Authority payable from the Subordinate Securities Fund and having a lien, if any, on Revenues subordinate to the pledge and lien of this Indenture securing the payment of the Bonds.

Subordinate Securities Fund

"Subordinate Securities Fund" means the fund by that name established pursuant to Section 5.01 for the purposes provided in Section 5.07.

Supplemental Indenture

"Supplemental Indenture" means any indenture hereafter duly authorized under and in compliance with the Act, entered into by and between the Authority and the Trustee and accepted by each Depository and Registrar the duties of which are affected thereby, supplementing, modifying or amending this Indenture; but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

Tax Certificate

"Tax Certificate" means a Certificate of the Authority concerning the calculation of any amount to be paid to the United States of America pursuant to Section 148(f) of the Code and any other matters relating to the exclusion of interest on Bonds from gross income for federal income tax purposes.

Treasurer

"Treasurer" means the Treasurer of the Authority.

Trustee

"Trustee" means _____, appointed by the Authority in Section 8.01 and acting as an independent trustee with the duties and powers herein provided, its successors and assigns, and any other corporation or association which may at any time be substituted in its place, as provided in Section 8.01.

SECTION 1.02. Equal Security. In consideration of the acceptance of the Bonds by those who shall hold the same from time to time, this Indenture shall be deemed to be and shall constitute a contract between the Authority and the Owners from time to time of the Bonds; and the covenants and agreements herein set forth to be performed on behalf of the Authority shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the Series, number or date thereof or the time of issue, sale, execution or delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

SECTION 1.03. Content of Certificates and Opinions. Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture, including each Certificate of the Authority, shall

include (A) a statement that the person or persons making or giving such certificate or opinion have read such covenant or condition and the definitions herein relating thereto; (B) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based; (C) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such covenant or condition has been complied with; and (D) a statement as to whether, in the opinion of the signers, such condition or covenant has been complied with.

Any such certificate or opinion made or given by an officer of the Authority may be based, insofar as it relates to legal, accounting or airport matters, upon a certificate or opinion of or representations by counsel, accountants or airport consultants, respectively, unless such officer knows, or in the exercise of reasonable care should have known, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion may be based, as aforesaid, are erroneous. Any such certificate or opinion made or given by counsel, accountants or airport consultants may be based, insofar as it relates to factual matters, information with respect to which is in the possession of the Authority, upon the certificate or opinion of or representations by an officer or officers of the Authority, unless such counsel, accountant or consultant knows, or in the exercise of reasonable care should have known, that the certificate or opinion or representations with respect to the matters upon which his opinion may be based as aforesaid are erroneous.

ARTICLE II

THE BONDS

SECTION 2.01. Authorization of Bonds. Bonds may be issued hereunder from time to time in order to obtain funds for the purposes authorized herein. The Bonds shall be issued under the Act for the purpose of financing the acquisition, construction, reconstruction, improvement, betterment, extension, financing and refinancing of the Airport. The aggregate principal amount of Bonds which may be issued hereunder is not limited (subject, however, to the right of the Authority, which is hereby reserved, to limit or restrict the aggregate principal amount of Bonds which may at any time be issued and Outstanding hereunder) and consists or may consist of one or more Series of varying denominations, dates, maturities, interest rates and other provisions, all issued

and to be issued pursuant to this Indenture and the Act, subject to the limitations contained in Sections 3.04 and 3.05. The Bonds are designated as the "Guam Airport Authority General Revenue Bonds." The Bonds may be issued in such Series as from time to time shall be established and authorized by the Authority by Supplemental Indenture, subject to the provisions and conditions herein contained.

SECTION 2.02. Execution of Bonds. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chairman, sealed with the seal of the Authority and countersigned by the manual or facsimile signature of the Secretary of the Authority. Such seal may be in the form of a facsimile of the Authority's seal and may be imprinted or impressed upon the Bonds. The Bonds shall then be delivered to the applicable Registrar for authentication by it. In case any of the officers who shall have signed or countersigned any of the Bonds shall cease to be such officer or officers before the Bonds so signed or countersigned shall have been authenticated or delivered by the Registrar or issued by the Authority, such Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issue, shall be as binding upon the Authority as though those who signed and countersigned the same had continued to be such officers of the Authority, and also any Bond may be signed and countersigned on behalf of the Authority by such persons as on the actual date of the execution of such Bond shall be the proper officers of the Authority although at the nominal date of such Bond any such person shall not have been such officer of the Authority.

Except as may be provided in any Supplemental Indenture, only such of the Bonds as shall bear thereon a certificate of authentication in the form hereinbefore recited, executed by the applicable Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such certificate of the Registrar shall be conclusive evidence that the Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture.

SECTION 2.03. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the books required to be kept pursuant to the provisions of Section 2.05, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the applicable Registrar.

Whenever any Bond or Bonds shall be surrendered for transfer, the Authority shall execute and the applicable Registrar shall authenticate and deliver a new Bond or Bonds of the same Series and maturity, for a like aggregate principal amount. The Registrar shall require the payment by any Bondowner requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

No transfer of any Bond of any Series shall be required during the five days next preceding any date established by the applicable Registrar for the selection of Bonds of such Series for redemption or at any time after selection of such Bond for redemption.

SECTION 2.04. Exchange of Bonds. Bonds may be exchanged at the Principal Office of the applicable Registrar, for a like aggregate principal amount of Bonds of other authorized denominations of the same Series and maturity. The Registrar shall require the payment by the Bondowner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

SECTION 2.05. Bond Register; Right of Inspection. Each Registrar will keep or cause to be kept, at the Principal Office of the Registrar, sufficient books for the registration and transfer of the Bonds of the applicable Series, which shall at all times be open to inspection by the Authority or the Trustee; and, upon presentation for such purpose, the Registrar shall, under such reasonable regulations as the Registrar may prescribe, register or transfer or cause to be registered or transferred, on said books, Bonds as hereinbefore provided.

SECTION 2.06. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Authority, shall be in registered form without coupons and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the Authority and be authenticated by the applicable Registrar upon the same conditions and in substantially the same manner as the definitive fully registered Bonds. If the Authority issues temporary Bonds, it may execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds may be surrendered, for cancellation, in exchange therefor at the Principal Office of the applicable Registrar, and the Registrar shall deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of the

same Series and maturity or maturities. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Indenture as definitive Bonds executed and delivered hereunder.

SECTION 2.07. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Authority, at the expense of the Owner of said Bond, shall execute, and the applicable Registrar shall thereupon authenticate and deliver a new Bond of like tenor and number in exchange and substitution for the Bond so mutilated (except that such number may be preceded by a distinguishing prefix), but only upon surrender to the Registrar of the Bond so mutilated. Every mutilated Bond so surrendered to the Registrar shall be cancelled by it and delivered to, or upon the order of, the Authority. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Authority and the Registrar and, if such evidence be satisfactory to both and indemnity satisfactory to them shall be given, the Authority, at the expense of the Owner, shall execute, and the Registrar shall thereupon authenticate and deliver a new Bond in lieu of and in substitution for the Bond so lost, destroyed or stolen (except that such number may be preceded by a distinguishing prefix). The Authority may require payment of a sum not exceeding the actual cost of preparing each new Bond issued under this Section and of the expenses which may be incurred by the Authority and the Registrar in the premises. Any Bond issued under the provisions of this Section in exchange for any Bond mutilated or in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Authority, whether or not the Bond so mutilated or so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds secured by this Indenture. Neither the Authority nor the Trustee shall be required to treat both the original Bond and any duplicate Bond as being Outstanding for the purpose of determining the Accreted Value of Bonds which may be issued hereunder or for the purpose of determining any percentage of Bonds Outstanding hereunder, but both the original and duplicate Bond shall be treated as one and the same.

SECTION 2.08. Book Entry Registration of Exchanges.
(A) Notwithstanding any of the provisions of Sections 2.02 through 2.07 to the contrary, the Supplemental Indenture providing for the issuance of a Series of Bonds may provide: (1) that one or more Bonds of such Series shall be delivered upon initial issuance to, and registered in the name of, or in the name of one or more nominees of, one or more bond

depositories, (2) that such Bonds may not be exchanged, transferred or replaced on the registration books maintained pursuant to Section 2.05, subject to such exceptions as may be provided by such Supplemental Indenture, (3) that, while any such Bond is held by such a bond depository, the Authority, the Trustee, any Paying Agent and any Registrar for such Bond may treat the bond depository as the absolute owner of such Bond for all purposes and shall have no liability with respect to (a) the accuracy of the records of such bond depository or any participant with respect to any ownership interest in such Bond, (b) the delivery to any participant, any beneficial owner or any other person, other than such bond depository, of any notice with respect to such Bond, including any notice of redemption, or (c) the payment to any participant, any beneficial owner or any other person, other than such bond depository, of any amount with respect to the principal or Redemption Price of or interest on such Bond.

(B) In the alternative, notwithstanding any of the provisions of Sections 2.02 through 2.07 to the contrary, the Supplemental Indenture providing for the issuance of a Series of Bonds may provide: (1) that one or more Bonds shall be delivered upon initial issuance to, and registered in the name of, or in the name of one or more nominees of, the Trustee or any other Registrar for such Series of Bonds, in order to set forth the terms of such Bonds in the same manner as for Bonds that are subject to exchange, transfer and replacement in written certificated form, (2) that no person other than the Trustee or such other Registrar may receive an authenticated Bond, subject to such exceptions as may be provided by such Supplemental Indenture, (3) that the ownership of such Bonds shall be evidenced solely by the bond registration books of the Trustee or such other Registrar, and (4) that the transfer of the ownership of such Bonds shall take place subject to such regulations as may be provided by such Supplemental Indenture.

ARTICLE III

ISSUE OF BONDS; ADDITIONAL SERIES OF BONDS

SECTION 3.01. Issuance of Bonds. At any time after the execution of this Indenture and one or more appropriate Supplemental Indentures, the Authority may sell and execute one or more Series of Bonds and the Registrar for each such Series of Bonds shall authenticate and, upon the Order of the Authority, deliver such Series of Bonds.

SECTION 3.02. Application of Proceeds of Bonds. The proceeds received by the Authority from the sale of each Series of Bonds shall be deposited with the Trustee, who shall

forthwith set aside such proceeds in such respective funds and accounts as are directed by a Request of the Authority, subject to the requirements of this Indenture.

SECTION 3.03 Establishment and Application of Construction Accounts, Modification of Projects. (A) With respect to each Project or Series, as determined by the Authority, the Depository for the Construction Account for such Project or Series shall establish within the Guam Airport Authority Construction Fund (created by Section 1205 of the Act) and maintain and hold in trust hereunder a separate account designated as the "_____ Construction Account" (inserting therein the Project or Series designation). Amounts in each Construction Account shall be used and withdrawn, as provided in this Section, solely for the payment of Project Costs of such Project (or of the Project or Projects for which such Series is being issued), including by (1) direct payment, (2) payment of any debt obligations issued by the Authority, or repayment of any advances made from any source, to finance temporarily such Project Costs, (3) payment of Capitalized Interest accruing on Bonds issued for such Project as specified in the Supplemental Indenture relating thereto, and (4) payment of Costs of Issuance of such Bonds. A Depository shall disburse moneys in a Construction Account only upon Requisition of the Authority stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper and lawful charge against such account.

The Authority may modify the specifications or description of any Project or Projects by filing with the Trustee and each Depository for each Construction Account for such Project or Projects a Certificate of the Authority describing such modification, together with a written report of an Airport Consultant to the effect that such modification will have no material adverse effect on the Authority's ability to comply with Section 6.13 and an opinion of Bond Counsel to the effect that such modification and the use of amounts in such Construction Accounts for such modified Project or Projects will not adversely effect the exclusion, if any, of interest on any Bonds from gross income for federal income tax purposes.

Upon receipt of a Certificate of the Authority that amounts in any Construction Account are no longer required for the purpose of such account, said amounts shall be transferred to the Capital Improvement Fund or any other fund or account designated by the Authority in such Certificate; provided, however, that any such transfer shall be subject to receipt by the Trustee and the applicable Depository, if any, of an opinion of Bond Counsel to the effect that such transfer and

the use of such amounts for the purposes intended by the Authority after such transfer will not adversely affect the exclusion, if any, of interest on any Bonds from gross income for federal income tax purposes.

(B) All interest and other profits derived from the investment of moneys in each Construction Account shall be retained therein.

(C) The Authority may provide in the Supplemental Indenture providing for the issuance of Additional Bonds that the proceeds of such Additional Bonds shall otherwise be limited as to use or application.

SECTION 3.04. Issuance of Additional Series of Bonds. In addition to the initial Series of Bonds, the Authority may by Supplemental Indenture establish one or more other Series of Bonds payable from Revenues on a parity with the initial Series of Bonds and secured by a lien upon and pledge of Revenues equal to the lien and pledge securing the initial Series of Bonds, and the Authority may issue Bonds of any Series so established, in such principal amount and for such lawful purpose or purposes (including refunding of any Bonds issued hereunder and then Outstanding) as shall be specified by the Authority in said Supplemental Indenture, but only upon compliance by the Authority with the provisions of Section 3.05, and subject to the following specific conditions, which are hereby made conditions precedent to the issuance of any such additional Series of Bonds:

(A) No Event of Default shall have occurred and then be continuing.

(B) The Supplemental Indenture providing for the issuance of such additional Series of Bonds shall specify the purposes for which such Series is being issued, which shall be one or more of the following (1) to provide moneys for deposit into a Construction Account and withdrawal therefrom in accordance with law for purposes other than the refunding of Bonds, or (2) to refund all or part of the Bonds of any one or more Series then Outstanding, by depositing with the Trustee, in trust, moneys or noncallable Federal Securities in the necessary amount to discharge all liability of the Authority with respect to the Bonds to be refunded as provided in Section 10.02.

(C) The Supplemental Indenture providing for the issuance of such additional Series of Bonds shall require that the amount in the applicable Bond Reserve Account be increased, if and to the extent necessary, to an amount

at least equal to the Bond Reserve Account Requirement for such Series. Said deposit may be made from such proceeds or any other source, as provided in Sections 5.02 and 5.06 and said Supplemental Indenture.

(D) The aggregate principal amount of Bonds issued hereunder shall not exceed any limitation imposed by law or by any Supplemental Indenture.

(E) The representations and estimates set forth in the certificates and written reports required by Section 3.05 for such Series shall have been made by the parties required to give such certificates and written reports.

SECTION 3.05. Proceedings for the Issuance of Additional Series of Bonds. (A) Whenever the Authority shall determine to issue an additional Series of Bonds pursuant to Section 3.04, the Authority shall execute and deliver a Supplemental Indenture providing for the issuance of such additional Series of Bonds and specifying the terms and conditions of such additional Series of Bonds, including the following:

- (1) the authorized principal amount of such Series;
- (2) the purpose or purposes for which such Series is being issued, as provided by Section 3.04(B) and, if such purpose is the deposit of moneys in a Construction Account, the Project or Projects for which such Series is being issued (including any appropriate modifications to any previously specified or described Project or Projects);
- (3) the amount of the Bond Reserve Account Requirement, if any, for such Series (which may change over time as so specified and may be the Bond Reserve Account for all Series issued for the same Project);
- (4) the amount to be deposited (or otherwise available) in the applicable Bond Reserve Account upon the issuance of such Series, the source or sources of such amount (which may be proceeds of such Series, a Credit Facility or other amounts available for such purpose) and the maximum amount, if any, which may be on deposit or available in such Account for such Series;

- (5) the amount, if any, to be deposited in the applicable Construction Account, if any, upon the issuance of such Series, and the source or sources of such deposit (which may be the proceeds of such Series or other amounts available for such purpose);
- (6) the amounts, if any, to be reserved within the applicable Construction Account to pay Costs of Issuance and Capitalized Interest of such Series and the source or sources of such amounts (which may be the proceeds of such Series or other amounts available for such purpose);
- (7) the amount, if any, to be deposited in the Bond Fund as accrued interest upon the issuance of such Series;
- (8) the Credit Facility and Credit Provider, if any, for such Series and any special provisions not inconsistent with the terms of this Indenture relating to such Credit Facility;
- (9) the appointment of the Registrar and any Paying Agents for such Series and, if necessary, any Depositary for any Funds or Accounts relating to such Series;
- (10) the form, title and designation of, and the manner of numbering and lettering, Bonds of such Series;
- (11) the denomination or denominations of Bonds of such Series;
- (12) the date or dates of maturity and Principal Payment Periods of Bonds of such Series and the manner of payment of principal of such Bonds;
- (13) the rate or rates of interest or the manner of determining such rate or rates borne by the Bonds of such Series and the Record Dates and Interest Payment Dates for such Bonds;
- (14) the Bonds of such Series which are Serial Bonds (if any) and the Bonds of such Series which are Term Bonds (if any);
- (15) the terms of redemption, if any, of Bonds of such Series;

- (16) the date and amount of each Mandatory Sinking Account Payment (if any) required to be paid by the Authority for the retirement of Term Bonds of such Series;
 - (17) the designation of any accounts to be established pursuant to this Indenture and any other accounts deemed advisable by the Authority;
 - (18) any tax or other covenants which, in the judgment of the Authority, are designed to insure that interest on such Series of Bonds will be excludable from gross income for federal income tax purposes and which are not inconsistent with the provisions of this Indenture; provided, however, that the Authority may, in its sole and absolute discretion, determine in connection with the authorization of a Series of Bonds that it will not make any such covenants because interest on such Series is not intended to be excludable from gross income for federal income tax purposes; and
 - (19) any other provisions deemed advisable by the Authority, not in conflict with or in substitution for the provisions of this Indenture (except as expressly permitted in this Indenture).
- (B) (1) Before such additional Series of Bonds shall be issued and delivered, the Authority shall file the following documents with the Trustee:
- (a) An Opinion of Counsel setting forth (i) that such counsel has examined the Supplemental Indenture; (ii) that the execution and delivery of the additional Series of Bonds have been sufficiently and duly authorized by the Authority; and (iii) that said additional Series of Bonds, when duly executed by the Authority and, if required, authenticated and delivered by the Registrar for such Bonds, will be valid and binding special obligations of the Authority, payable from Revenues as provided herein.
 - (b) A Certificate of the Authority that the requirement of Section 3.04(A) has been met.

(c) (i) If and to the extent that the additional Series of Bonds is being issued for the purpose of providing moneys for deposit in a Construction Account, the following certificates:

(A) A Certificate of the Authority setting forth for the last complete Fiscal Year or any period of 12 consecutive calendar months out of the 18 calendar months next preceding the original issuance of such Series of Bonds, the Revenues, Other Available Moneys, Net Revenues, uses of Revenues and Annual Debt Service for such Fiscal Year or 12-month period, and demonstrating that for such Fiscal Year or 12-month period (I) Revenues at least equaled all transfers required to be made pursuant to Section 5.02(A) through (F), and (II) the sum of Net Revenues plus Other Available Moneys equaled at least 1.25 times Annual Debt Service;

(B) A certificate of a Consulting Engineer setting forth (I) the projected Date of Beneficial Occupancy for the Project or Projects for which such Series of Bonds is being issued and for any other uncompleted Projects, and (II) an estimate of the cost of construction of such Projects;

(C) A written report of an Airport Consultant setting forth for each Fiscal Year from the then current Fiscal Year through the later of (I) the first Fiscal Year commencing at least [five] years after the date of original issuance of such additional Series, or (II) the first Fiscal Year commencing at least [three] years after the Date of Beneficial Occupancy projected by the Consulting Engineer, estimates of Revenues, Operation and Maintenance Expenses, Other Available Moneys and Net Revenues; and

(D) A Certificate of the Authority (I) setting forth (a) the estimates of Revenues, Operation and Maintenance Expenses, Other Available Moneys and Net Revenues, as set forth in the written report of an Airport Consultant pursuant to subparagraph (c) above, for each of the Fiscal Years covered by such report, and (b) the Annual Debt Service and Capitalized Interest for each of such Fiscal Years, including Annual Debt Service and Capitalized Interest on all future Series of Bonds, if any, which such Certificate of the Authority shall estimate (based on the estimate of the Consulting

Engineer of the cost of construction of such Projects) are required to complete payment of the cost of construction of such Projects, and (II) demonstrating that for each of such Fiscal Years (a) Revenues are projected to be at least equal to all transfers required to be made pursuant to Section 5.02(A) through (F), and (b) Net Revenues plus Other Available Moneys are projected to be at least equal to 1.25 times Annual Debt Service. For purposes of this Certificate, Annual Debt Service on Variable Rate Bonds shall be projected to be 1.1 times the highest rate of interest borne by bonds with similar rating and terms during the next preceding twelve months.

(ii) In lieu of the certificates and reports required by subparagraphs (B), (C) and (D) above, the Authority may deliver to the Trustee a Certificate of the Authority to the effect that for the last complete Fiscal Year or any period of 12 consecutive calendar months out of the 18 calendar months next preceding the original issuance of such Series of Bonds, Net Revenues plus Other Available Moneys for such Fiscal Year or 12-month period equaled at least 1.25 times the Maximum Annual Debt Service on all Bonds then Outstanding plus the Series of Bonds being issued.

(iii) In addition, a Series of Bonds may be issued for the sole purpose of depositing in a Construction Account the amounts necessary to complete any one or more Projects without filing with the Trustee of the Certificates and Reports required by subparagraphs (C) and (D), if such Certificates and Reports demonstrating compliance with such subparagraphs were filed in connection with the issuance of the prior Series of Bonds for each of such Projects and if the principal amount of such Bonds to be issued for completion purposes does not exceed ten percent (10%) of the principal amount of Bonds previously issued for and allocable to such Projects.

(iv) Notwithstanding subsections (c)(i), (ii) and (iii) of this Section 3.05(B)(1), one or more additional Series of Bonds may be issued for the sole purpose of depositing in a Construction Account the amounts necessary to complete the 1992 Project without filing with the Trustee of the Certificates and Reports required by subparagraphs (C) and (D), if such Certificates and Reports demonstrating compliance with such subparagraphs were filed in connection with the issuance of the first Series of Bonds for such Project

and if the aggregate principal amount of Bonds issued for such Project (including such additional Series) does not exceed \$_____.

(d) If and to the extent that the additional Series of Bonds is being issued for the purpose of refunding Bonds, either (i) a certificate of an Independent Certified Public Accountant that Annual Debt Service for each Fiscal Year thereafter will be less than or equal to Annual Debt Service for each such Fiscal Year in the absence of such refunding, or (ii) the certificates and reports required by subsection (B)(1)(C)(i)(A), (B) (if any one or more of the Projects for which the Bonds being refunded is not then completed), (C) and (D) of this Section.

(2) Upon the delivery to the Trustee of the foregoing instruments, the Trustee shall authenticate and deliver said additional Series of Bonds, in the aggregate principal amount specified in such Supplemental Indenture, to, or upon the Order of, the Authority, when such additional Series of Bonds shall have been presented to it for that purpose.

SECTION 3.06. Validity of Bonds. The validity of the authorization and issuance of the Bonds shall not be dependent on or affected in any way by any proceedings taken by the Authority for the improvement of the Airport, or by any contracts made by the Authority in connection therewith, or the failure to construct the Airport or any part thereof. The recital contained in the Bonds that the same are regularly issued pursuant to the Act shall be conclusive evidence of their validity and of compliance with the provisions of law in their issuance.

ARTICLE IV

REDEMPTION OF BONDS

SECTION 4.01. Terms of Redemption. Any Series of Bonds may be made subject to redemption prior to maturity, as a whole or in part, at such time or times, and upon payment of the principal amount thereof plus such premium or premiums, if any, as may be determined by the Authority at the time such Series is authorized and as shall be set forth in the Supplemental Indenture authorizing such Series, provided, however, that such Supplemental Indenture shall provide that the Authority shall have the right, on any date, to redeem the Bonds of any such Series, as a whole, or in part so that the reduction in Annual Debt Service for the Bonds of such Series

for each Bond Year after such redemption shall be as nearly proportional as practicable, from and to the extent of proceeds received by the Authority due to a governmental taking of the Airport or portions thereof by eminent domain proceedings, if such amounts are not used for additions, improvements or extensions to the Airport, under the circumstances and upon the conditions and terms set forth in Section 6.12, at the principal amount thereof plus interest accrued thereon, without premium.

SECTION 4.02. Selection of Bonds for Redemption.

For purposes of selecting Bonds for redemption, Bonds shall be deemed to be composed of portions equal to their respective minimum authorized denomination, and any such portion may be separately redeemed. The applicable Registrar shall promptly notify the Authority and the Trustee in writing of the Bonds or portions thereof selected for redemption. In the event that less than all of the Bonds of any Series and maturity are to be redeemed, the Bonds (or portions thereof) to be redeemed shall be selected by the applicable Registrar by lot within such maturity in such manner as the Registrar may determine. The amount of each Series and maturity of the Bonds to be redeemed shall be determined by Section 4.01 or the applicable Supplemental Indenture or, if permitted, by Request of the Authority.

In addition, a Supplemental Indenture providing for the issuance of Additional Bonds may specify any other method or order of selection of such Additional Bonds for redemption, subject to Section 4.01.

SECTION 4.03. Notice of Redemption. Notice of redemption (except as provided below) shall be given, not less than thirty (30) nor more than sixty (60) days before the date fixed for redemption, by first class mail to each of the registered owners of Bonds designated for redemption at their addresses appearing on the bond registration books of the applicable Registrar on the date the Bonds to be redeemed are selected. Each notice of redemption shall state the redemption date, the place or places of redemption, the Series and maturities to be redeemed, and, if less than all of any such maturity, the numbers of the Bonds of such maturity to be redeemed and, in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed, and shall also state that on said date there will become due and payable on each of said Bonds the Redemption Price thereof or of said specified portion of the principal thereof in the case of a Bond to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such

Bonds be then surrendered, with a written instrument of transfer duly executed by the registered owner thereof or by such registered owner's attorney duly authorized in writing. No defect in or failure to give such mailed notice of redemption shall affect the validity of proceedings for the redemption of such Bonds. Each notice of redemption shall also state the CUSIP number, date of issue and interest rate on each Bond, or portion thereof, to be redeemed, and shall include the redemption agent name and address with contact person and telephone number; provided, however, that failure to include any of such information in any redemption notice, or any inaccuracy in any such information, shall not affect the sufficiency of the proceedings for redemption of any Bonds.

A copy of any notice of redemption given pursuant to the foregoing paragraph shall also be sent by certified mail, with return receipt requested, to each Owner of \$1,000,000 or more in aggregate principal amount of Bonds to be redeemed and to each of the Fiduciaries, each of the Credit Providers, the Securities Depositories (as defined below) and two or more Information Services (as defined below); provided, however, that failure to give notice pursuant to this sentence by certified mail to any Bondowners, to any Fiduciaries, to any Credit Providers or to any Securities Depositories or Information Services, or the insufficiency of any such notices, shall not affect the sufficiency of the proceedings for redemption of any Bonds. A second notice shall be sent, by certified mail with return receipt requested, to the registered owner of any Bond which has been called for redemption in whole or in part, and is not surrendered for payment within sixty (60) days after the date fixed for redemption; provided, however, that failure to send any such second notice, or any deficiency of any such notice, shall not affect the sufficiency of the proceedings for redemption of any Bonds. As used in this paragraph, the term "Information Services" means Financial Information, Inc.'s "Daily Called Bond Service," 30 Montgomery Street, 10th Floor, Jersey City, New Jersey 07302, Attention: Editor; Kenny Information Services' "Called Bond Service," 55 Broad Street, 28th Floor, New York, New York 10004; Moody's "Municipal and Government," 99 Church Street, 8th Floor, New York, New York 10007, Attention: Municipal News Reports; and Standard and Poor's "Called Bond Record," 25 Broadway, 3rd Floor, New York, New York 10004; or, in accordance with then-current guidelines of the Securities and Exchange Commission, and/or such other services providing information with respect to called bonds, or no such services, as the Authority may designate in a Certificate delivered to the Trustee; and the term "Securities Depositories" means: The Depository Trust Company, 711 Stewart Avenue, Garden City, New York 11530, Fax-(516) 227-4039 or 4190; Midwest Securities Trust Company, Capital

Structures-Call Notification, 440 South LaSalle Street, Chicago, Illinois 60605, Fax-(312) 663-2343; Pacific Securities Depository Trust Company, Pacific and Company, P.O. Box 7041, San Francisco, California 94120, Fax-(415) 393-4128; Philadelphia Depository Trust Company, Reorganization Division, 1900 Market Street, Philadelphia, Pennsylvania 19103, Attention: Bond Department, Dex-(215) 496-5058; or, in accordance with then-current guidelines of the Securities and Exchange Commission, and/or such other securities depositories, or no such depositories, as the Authority may designate in a Certificate delivered to the Trustee.

Notice of redemption of Bonds shall be given by the applicable Registrar for and on behalf of the Authority.

A Supplemental Indenture providing for the issuance of Additional Bonds may provide that notice of the redemption of such Additional Bonds shall be given at times and in a manner different from that specified above.

SECTION 4.04. Partial Redemption. Upon surrender of any Bond redeemed in part only, the Authority shall execute and the applicable Registrar shall authenticate and deliver to the registered owner thereof, at the expense of the Authority, a new Bond or Bonds of authorized denominations, and of the same Series, maturity and tenor, equal in aggregate principal amount to the unredeemed portion of the Bond surrendered.

SECTION 4.05. Effect of Redemption. Notice of redemption having been duly given as aforesaid, and moneys being held by the Trustee or Paying Agents for payment of the Redemption Price of, and interest accrued to the redemption date on, the Bonds (or portions thereof) so called for redemption on the redemption date designated in such notice, such Bonds (or such portions) shall become due and payable at the Redemption Price specified in such notice plus interest accrued thereon to the date fixed for redemption, interest on the Bonds so called for redemption shall cease to accrue, said Bonds (or portions thereof) shall cease to be entitled to any benefit or security under this Indenture, and the Owners of said Bonds shall have no rights in respect thereof except to receive payment of said Redemption Price and accrued interest.

All Bonds purchased or redeemed pursuant to the provisions of this Indenture shall be cancelled upon surrender thereof and delivered to or upon the Order of the Authority.

SECTION 4.06. Rescission of Notice of Redemption. The Authority may, at its option, prior to the date fixed for redemption in any notice of redemption rescind and cancel such notice of redemption.