
APPENDIX B

BONDHOLDER AGREEMENT

By and Between

NEW JERSEY TURNPIKE AUTHORITY

and

[NAME OF PURCHASER]

Relating to

**New Jersey Turnpike Authority
Turnpike Revenue Bonds, Series 2020 A**

Dated _____, 2020

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BONDHOLDER AGREEMENT

This **BONDHOLDER AGREEMENT** (the “**Agreement**”) dated _____, 2020, by and between the **NEW JERSEY TURNPIKE AUTHORITY** (the “**Authority**”), a public body corporate and politic of the State of New Jersey created and existing under and by virtue of the New Jersey Turnpike Authority Act of 1948, constituting Chapter 454 of the Laws of New Jersey of 1948, as amended and supplemented (the “**Act**”), and [**NAME OF PURCHASER**], a _____ organized under the laws of _____ (the “**Purchaser**”).

WITNESSETH:

WHEREAS, on the date hereof, the Authority is issuing \$33,875,000 aggregate principal amount of its Turnpike Revenue Bonds, Series 2020 A (the “**Series 2020 A Bonds**”), for the purpose of, together with other available moneys of the Authority, currently refunding and defeasing its outstanding Turnpike Revenue Bonds, Series 2015 B (the “**Refunded Bonds**”); and

WHEREAS, the Series 2020 A Bonds are being issued under and pursuant to the provisions of the Act and a resolution of the Authority adopted on August 20, 1991 and entitled, “Turnpike Revenue Bond Resolution”, as amended and restated on September 26, 1991, and as further amended and restated on November 22, 1991, as the same has been further amended, restated and supplemented from time to time, in accordance with its terms, including as supplemented by a resolution entitled “Series 2020 Turnpike Revenue Bond Resolution” adopted by the Authority on January 28, 2020, and a Certificate of Determination relating to the Series 2020 A Bonds executed by the Executive Director of the Authority dated the date hereof (the “**Certificate of Determination**”); and

WHEREAS, the Purchaser has agreed to purchase the Series 2020 A Bonds from the Authority and, as a condition to such purchase, the Purchaser has required the Authority to enter into this Agreement and to agree to perform the covenants and obligations stated herein.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, including the covenants, terms and conditions hereinafter contained, and to induce the Purchaser to purchase the Series 2020 A Bonds, the Purchaser and the Authority agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. In addition to terms defined at other places in this Agreement, the following defined terms are used throughout this Agreement with the following meanings:

“**Accountant**” means an independent certified public accountant or a firm of independent certified public accountants selected by the Authority.

“Affiliate” means, with respect to the Purchaser, any Person directly or indirectly controlling or controlled by or under common control with the Purchaser. For purposes of this definition, “control” (including “controlled by” and “under common control with”), when used with respect to the Purchaser, means the power to direct the management and policies of the Purchaser, directly or indirectly, whether through the ownership of voting rights, membership, the power to appoint members, trustees or directors, by contract or otherwise. Without limiting the foregoing, the definition of “Affiliate” of the Purchaser shall include any subsidiary of the Purchaser.

“Agreement” means this Bondholder Agreement, including such amendments, modifications or supplements permitted pursuant to the terms hereof.

“Amortization End Date” means the first to occur of (i) the second anniversary date of the commencement of the Amortization Period, (ii) the Maturity Date or any other date of payment in full of the Series 2020 A Bonds, and (iii) the occurrence of an Event of Default under the Resolution and the acceleration of the Series 2020 A Bonds as a result thereof.

“Amortization Period” means, in the event all or any portion of the Series 2020 A Bonds are not purchased or remarketed on any Mandatory Purchase Date occurring while the Series 2020 A Bonds are bearing interest at the Direct Purchase Rate, the period commencing on such Mandatory Purchase Date and ending on the Amortization End Date.

“Annual Budget” has the meaning assigned to such term in the General Bond Resolution.

“Applicable Law(s)” means, collectively, the Constitutions of the United States and the State of New Jersey, all applicable common law and principles of equity and all international, foreign, federal, state and local laws, statutes, treaties, codes, acts, rules, regulations, guidelines, ordinances, resolutions, orders, judgments, decrees, injunctions, and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all administrative orders, directed duties, requests, licenses, certificates, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law, that are applicable now or are applicable at any time hereafter to (a) the Authority or (b) any assets, property, operations or facilities (including the Turnpike System) of the Authority or (c) the Transactions.

“Authority” means the New Jersey Turnpike Authority, a public body corporate and politic of the State created and existing under and by virtue of the Act, and its successors and assigns.

“Authority Bond Rating” means the long-term rating assigned by any of the Rating Agencies to Bonds issued and outstanding under the Resolution, without regard to any third-party credit or liquidity enhancement for such Bonds.

“Authorized Denominations” has the meaning assigned to such term in the General Bond Resolution.

“Authorized Authority Representative” means the Chairman or the Executive Director of the Authority and any other officer or employee of the Authority authorized to perform the specific acts or duties to be performed by resolution duly adopted by the Authority and of whom another Authorized Authority Representative gives written notice to the Purchaser; provided, however, that in each case for which a certification or other statement of fact or condition is required to be submitted by an Authorized Authority Representative pursuant to the terms of this Agreement, such certificate or statement shall be executed only by an Authorized Authority Representative in a position to know or to obtain knowledge of the facts or conditions that are the subject of such certificate or statement. Any document or certificate hereunder that is executed by an Authorized Authority Representative shall be deemed to have been authorized by all necessary action by the Authority.

“Beneficial Owner” means the Person in whose name a Series 2020 A Bond is recorded as beneficial owner of such Series 2020 A Bond by the Securities Depository or a Participant or an Indirect Participant on the records of such Securities Depository, Participant or Indirect Participant, as the case may be, or such Person’s subrogee.

“Bond Counsel” means a firm of attorneys of nationally-recognized standing in matters pertaining to the validity of and tax-exempt nature of interest on bonds and other debt instruments issued by states and their political subdivisions designated by the Authority.

“Bonds” means “Bonds,” as such term is defined in, and as issued, authenticated and delivered and Outstanding under and pursuant to, the General Bond Resolution.

“Business Day” means any day other than (i) a Saturday, Sunday or legal holiday in the State or the City of New York, New York, (ii) a day on which banks located in the City of New York, New York or the cities in which the principal offices of the Trustee or the Purchaser are located, or are required or authorized by law or executive order to close, (iii) a day on which the Securities Depository for the Series 2020 A Bonds is closed, or (iv) a day on which the New York Stock Exchange is closed.

“Capital Lease Obligations” of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

“Certificate of Determination” has the meaning set forth in the recitals hereto.

“Closing Date” means _____, 2020, or such later date on which this Agreement is fully executed and delivered.

“Code” means the Internal Revenue Code of 1986, as amended, or any successor provision or provisions thereto or any successor Federal tax code, and any regulations (including temporary and proposed regulations relating to the matters governed by this Agreement) thereunder or under any such provision or successor Federal tax code.

“Contract” means any indenture, contract, mortgage, deed of trust, guaranty, note or agreement (other than this Agreement), other contractual restriction, lease, instrument, certificate of incorporation, charter or by-law.

“Counsel” means an attorney duly admitted to practice law before the highest court of any state.

“Debt” means with respect to any Person, all items that would be classified as a liability in accordance with GAAP, including, without limitation, (a) indebtedness or liability for borrowed money including amounts drawn under a letter of credit or other credit facility, or amounts advanced under a commercial paper program, or for the deferred purchase price of property or services (including trade obligations); (b) all Capital Lease Obligations of such Person; (c) current liabilities in respect of unfunded benefits under employee benefit, retirement or pension plans; (d) obligations issued for the account of any other Person; (e) all obligations arising under acceptance facilities; (f) all Guarantees and other contingent obligations to purchase, to provide funds for payment, to supply funds to invest in any other Person or otherwise to assure a creditor against loss; (g) obligations secured by full faith and credit or by any mortgage, lien, pledge, security interest or other charge or encumbrance on property, whether or not the obligations have been assumed; (h) all unfunded amounts under a loan agreement, letter of credit, or other credit facility for which such Person would be liable, if such amounts were advanced under the credit facility; (i) obligations of such Person under Hedge Agreements; and (j) all amounts required to be paid by such Person as a guaranteed payment to partners or members or as a preferred or special dividend, including any mandatory redemption of shares or interests; and, in each case, whether such Person is liable contingently or otherwise, as obligor, guarantor or otherwise, or in respect of which obligations such Person otherwise assures a creditor against loss.

“Debt Service” has the meaning assigned to such term in the General Bond Resolution.

“Debtor Relief Laws” means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws and regulations of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“Default” means the occurrence of any event or the existence of any condition which constitutes an Event of Default or the occurrence of any event or the existence of any condition which with the giving of notice, the passage of time, or both, would constitute an Event of Default.

“Default Rate” means twelve percent (12.0%) per annum.

“Determination of Taxability” means a determination that the interest payable on the Series 2020 A Bonds does not qualify as interest which is excludable from gross income of the recipient thereof for federal income tax purposes under Section 103 of the Code (**“Exempt Interest”**) for any reason, which determination shall be deemed to have been made upon the first to occur of any of the following:

(a) the date on which (i) the Internal Revenue issues a proposed or final determination of taxability, a notice of deficiency to the Purchaser or any other

determination or decision, in each case, to the effect that the interest payable on the Series 2020 A Bonds or any portion thereof does not qualify as Exempt Interest, or (ii) a court of competent jurisdiction has rendered any final ruling or decision to the effect that the interest payable on the Series 2020 A Bonds or any portion thereof does not qualify as Exempt Interest;

(b) the date when the Authority files any statement, supplemental statement, or other tax schedule, return or document, which is in any respect inconsistent with interest payable on the Series 2020 A Bonds or any portion thereof continuing to qualify as Exempt Interest;

(c) the date of any sale, lease or other deliberate action within the meaning of Treas. Reg. § 1.141-2(d), if prior to such action the Authority and the Purchaser have not received an unqualified opinion of Bond Counsel to the effect that such action will not cause interest on the Series 2020 A Bonds to become includable in the gross income of the recipient for federal income tax purposes; or

(d) (i) the date that circumstances relating to the Authority or the Turnpike System or any portion thereof have occurred or changed, or any federal tax law or regulation, or any public or private final ruling, technical advice memorandum or any other written communication by the Internal Revenue Service is adopted or issued, or any final ruling or decision of a court of competent jurisdiction is rendered or any other set of circumstances has occurred, in any such case, which may adversely affect the excludability of the Exempt Interest from the gross income of the recipient for federal income tax purposes; and thereafter (ii) the Purchaser delivers written notification to the Authority requesting that an updated approving tax-exempt opinion of Bond Counsel relating to the Series 2020 A Bonds in form and substance reasonably acceptable to the Purchaser in its sole discretion (the “**Approving Opinion**”), be delivered to the Purchaser, the Authority and the Trustee within 45 days after receipt of the request; and (iii) within 45 days after such notice has been received by the Authority, either (A) the Purchaser, the Authority and the Trustee have received written communication from Bond Counsel to the effect that, based upon an analysis of the facts and applicable law, it is unable to render an updated an Approving Opinion, or (B) Bond Counsel has not delivered an Approving Opinion.

“**Direct Purchase Rate**” means [a rate of interest equal to ___% per annum][the per annum interest rate on the Series 2020 A Bonds established on each Rate Determination Date equal to _____ percent (___%) multiplied by the sum of LIBOR plus the Margin, as such rate of interest is determined by the Trustee pursuant to Section 204 of the Certificate of Determination].

“**Environmental Claim**” shall mean any and all administrative, regulatory or judicial investigations, proceedings, actions, suits, demand letters, claims, liens, notices of noncompliance or violation, relating in any way to any Environmental Law (“claims”) or any permit issued under any such Environmental Law, including without limitation (a) any and all claims by Governmental Authorities for enforcement, cleanup, removal, response, remedial, or other actions or damages pursuant to any applicable Environmental Law, and (b) any and all claims by any third party seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief

resulting from Hazardous Materials or arising from alleged injury or threat of injury to health, safety or the environment.

“Environmental Law(s)” means any and all federal, state, local and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or other governmental restrictions relating to air, water or land pollution, wetlands or the protection of the environment or to emissions, discharges or releases of Hazardous Materials into the environment, including, without limitation, ambient air, surface water, ground water, or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials or the clean-up or other remediation thereof.

“Environmental Liability” means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Authority directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, presence, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and all rules and regulations from time to time promulgated thereunder, or any successor statute.

“Event of Default” for purposes of this Agreement, shall have the meaning assigned to such term in Article VII, and in relation to any Related Document, shall have the meaning set forth therein.

“Event of Insolvency” means, with respect to the Authority, the occurrence of one or more of the following events:

(a) the issuance, under the laws of the State or under the laws of the United States of America, of an order of rehabilitation, liquidation or dissolution of the Authority;

(b) the commencement by or against the Authority of a case or other proceeding seeking liquidation, reorganization or other relief with respect to the Authority or its debts under any bankruptcy, insolvency or other similar state or federal law now or hereafter in effect, including, without limitation, the appointment of a trustee, receiver, liquidator, custodian or other similar official for the Authority or any substantial part of its property or there shall be appointed or designated with respect to it, an entity such as an organization, board, commission, authority, agency or body to monitor, review, oversee, recommend or declare a financial emergency or similar state of financial distress with respect to it or there shall be declared or introduced or proposed for consideration by it or by any legislative or regulatory body with competent jurisdiction over it, the existence of a state of financial emergency or similar state of financial distress in respect of it;

(c) the making of an assignment for the benefit of creditors by the Authority;

- (d) the failure of the Authority to generally pay its debts as they become due;
 - (e) a debt moratorium, debt adjustment, debt restructuring or comparable restriction with respect to the payment of any Debt of the Authority is declared or imposed by the Authority or by any Governmental Authority having jurisdiction over the Authority;
 - (f) the Authority shall admit in writing its inability to pay its debts when due;
- or
- (g) the initiation of any actions to authorize or consent to any of the foregoing by or on behalf of the Authority.

“Exposure” means, for any date with respect to the Authority and any Hedge Agreement, the amount of any Settlement Amount that would be payable by the Authority if such Hedge Agreement were terminated as of such date. Exposure shall be determined in accordance with the methodology for calculating amounts due upon early termination as set forth in the related Hedge Agreement and taking into account the notional principal amount, term and other relevant provisions thereof.

“Extraordinary Mandatory Purchase Event” has the meaning assigned to such term in Section 102 of the Certificate of Determination.

“Fiscal Year” means the fiscal year of the Authority ending on December 31st of each calendar year.

“Fitch” means Fitch, Inc., or any successor thereto.

“GAAP” means accounting principles generally accepted and consistently applied to governmental entities in the United States, as set forth in the opinions and pronouncements of the Accounting Principles Board, the American Institute of Certified Public Accountants, the Financial Accounting Standards Board and the Governmental Accounting Standards Board or in such other statements by such other entity as may be in general use by significant segments of the accounting profession as in effect on the date hereof.

“General Bond Resolution” means the resolution of the Authority adopted on August 20, 1991 and entitled, “Turnpike Revenue Bond Resolution”, as amended and restated on September 26, 1991, and as further amended and restated on November 22, 1991, as the same has been and may hereafter be further amended, restated and supplemented from time to time pursuant to its terms and the terms hereof.

“Governmental Approvals” means an authorization, consent, approval, permit, license, certificate of occupancy or an exemption of, a registration or filing with, or a report to, any Governmental Authority.

“Governmental Authority” means any national, state or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, administrative, public or statutory instrumentality, authority, body, agency, department, commission, bureau, court, central bank or other entity exercising executive,

legislative, judicial, taxing, regulatory, fiscal, monetary or administrative powers or functions of or pertaining to government, or any arbitrator, mediator or other Person with authority to bind a party at law.

“Guarantee” of or by any Person (the “guarantor”) means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Debt or other obligation of any other Person (the “primary obligor”) in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Debt or other obligation of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Debt or other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Debt or obligation; provided, that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business.

“Hazardous Materials” means all explosive or radioactive substances or wastes and all hazardous or toxic substances, contaminants, chemicals, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

“Hedge Agreement” means any rate swap transaction, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option, total return swap, credit default swap or any other similar transaction (including any option with respect to any of these transactions) and any other agreement or option involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions.

“Interest Payment Date” means February 6, 2020 and, thereafter, the first Thursday of each calendar month or, if such day is not a Business Day, the next succeeding Business Day.

“Interest Rate” means and shall be equal to (a) the Direct Purchase Rate, (b) during the Amortization Period, the Step Coupon Rate, (c) from and after the occurrence of a Determination of Taxability, the Taxable Rate, and (d) from and after the occurrence and during the continuance of an Event of Default, the Default Rate; provided that, if at any time more than one of the foregoing specified interest rates and margin would by their terms apply, “Interest Rate” shall mean and be equal to the highest such rate (determined on the basis of such rate plus and including any applicable margin).

“Issue Date” means the date on which the Series 2020 A Bonds are delivered to the Purchaser upon original issuance, which is the date of this Agreement.

“Libor” means the rate per annum determined on the basis of the rate of deposits in United States Dollars offered for a term of one month, which rate appears on the display designated on the Reuters LIBOR01 Page (or such other page as may replace the Reuters LIBOR01 Page or such other service or services as may be nominated by the British Bankers Association for the purpose of displaying London Interbank offered rates in United States dollar deposits), determined at approximately 11:00 a.m., London time, on the Rate Determination Date, or if such rate is not available, another rate determined by the Trustee of which the Authority has received written notice.

“Lien” on or with respect to any asset means any mortgage, deed of trust, lien, pledge, charge, security interest, hypothecation, assignment, deposit arrangement or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected or effective under applicable law, as well as the interest of a vendor or lessor under any conditional sale agreement, capital or finance lease or other title retention agreement relating to such asset and, in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

“Mandatory Prepayment Date” means the date fixed by written notice from the Purchaser to the Authority and the Trustee in accordance with Section 2.03, which shall be a Business Day not less than ninety (90) days following the occurrence of an Extraordinary Mandatory Purchase Event.

“Mandatory Purchase Date” means, the first to occur of (a) a Mode Change Date, and (b) a Mandatory Prepayment Date.

“Margin” an amount equal to _____ basis points (____%); provided, however, that upon the increase or reduction, respectively, of any Authority Bond Rating to the level set forth in the following table, the Margin shall be decreased or increased, as the case may be, by the number of basis points under the column labeled “Basis Point Change:”

Moody's	S&P	Fitch	Basis Point Change
A2 or higher	A or higher	A or higher	-10 bps
A3	A-	A-	0 bps
Baa1	BBB+	BBB+	+10 bps
Baa2 or lower	BBB or lower	BBB or lower	+20 bps

In the event that the Rating Agencies do not assign equivalent Authority Bond Ratings, the lowest Authority Bond Rating assigned shall be used for purposes of determining the Margin in accordance with this definition. If the rating system of any Rating Agency, as applicable, shall change, the Authority and the Purchaser shall negotiate in good faith to amend this definition to reflect such changed rating system or the unavailability of ratings from any such Rating Agency and, pending the effectiveness of any such amendment, the Margin shall be determined by reference to the Authority Bond Ratings most recently in effect prior to such change or cessation; provided, however, that the provisions of this definition shall be without prejudice to clause (iv) of the definition of the term “Extraordinary Mandatory Purchase Event” set forth in Section 102 of the Certificate of Determination.

“**Margin Stock**” has the meaning assigned to that term in Regulation U promulgated by the Board of Directors of the Federal Reserve System, as now and hereafter from time to time in effect.

“**Material Adverse Change**” means the occurrence of any event or change which results in a material and adverse change in the business, condition (financial or otherwise), operations or prospects of the Authority since the last day of the period reported in the audited annual financial statements of the Authority dated as of December 31, 2018, or which materially and adversely affects (a) the enforceability of this Agreement or any of the other Related Documents, (b) the ability of the Authority to perform its obligations hereunder or thereunder or (c) the rights of, or benefits or remedies available to, the Purchaser under the General Bond Resolution, the Series 2020 Resolution, this Agreement or any other Related Document.

“**Material Adverse Effect**” means (a) a materially adverse effect upon the Authority’s business, assets, liabilities, condition (financial or otherwise), results of operations or business prospects, (b) with respect to this Agreement or any of the other Related Documents or any of the Authority’s obligations arising under this Agreement or any of the other Related Documents, an adverse effect upon the binding nature, validity or enforceability of such agreement or obligation, (c) an adverse effect on the exclusion of the interest paid or to be paid on the Series 2020 A Bonds from gross income for purposes of federal income taxation or the exemption of such interest from State personal income taxes, or (d) a materially adverse effect (i) on the authority or ability of the Authority to perform any of its obligations under any Related Document or the ability of the Authority to complete the Transactions or (ii) on the rights or remedies of the Purchaser hereunder or under the other Related Documents or on the pledge of the Pledged Revenues under the General Bond Resolution or on the priority of the Liens created thereby.

“**Material Litigation**” has the meaning assigned in Section 4.07.

“Matters Contested in Good Faith” means the imposition of charges, assessments, taxes or other payments, the application of any Applicable Laws or policies, or any other matters (a) then being contested in good faith by appropriate proceedings diligently and continuously pursued, (b) of which the Purchaser has been notified in writing and is being kept informed in such detail as the Purchaser may from time to time reasonably request, (c) the enforcement of which is effectively stayed during the period of the contest, and (d) with respect to which either (i) adequate reserves in the nature of a cash deposit or pledge of bonds or other securities, or a payment bond of a corporate surety in the face amount equal to the total amount in controversy, reasonably satisfactory to the Purchaser, have been furnished or (ii) adequate provision therefor, reasonably satisfactory to the Purchaser, has been reserved on the financial statements of the Authority.

“Maturity Date” means January 1, 2024.

“Maximum Interest Rate” means (a) with respect to the Series 2020 A Bonds, the lesser of (i) 12.0% per annum and (ii) the Maximum Lawful Rate and (b) with respect to all other obligations of the Authority hereunder, the Maximum Lawful Rate.

“Maximum Lawful Rate” means the respective maximum, non-usurious, lawful rate of interest that may be contracted for, charged or received in connection with the Required Payments under this Agreement, under Applicable Law presently in effect or, to the extent permitted by law, under Applicable Law that may hereafter be in effect and that allows a higher maximum and non-usurious rate of interest than Applicable Law now allows.

“Mode” has the meaning assigned to such term in the Certificate of Determination.

“Mode Change Date” has the meaning assigned to such term in the Certificate of Determination.

“Moody’s” means Moody’s Investors Service, Inc., or any successor thereto.

“Obligor Rating” shall mean any rating by a Rating Agency on any Bonds that is not guaranteed by any other Person or subject to any third-party credit enhancement.

“Operating Expenses” has the meaning assigned to such term in the General Bond Resolution.

“Optional Prepayment” means (a) any optional redemption of all or any portion of the Series 2020 A Bonds under Section 302 of the Certificate of Determination or (b) any purchase of all or any portion of the Series 2020 A Bonds on a Mode Change Date.

“Outstanding” has the meaning assigned to such term in the General Bond Resolution.

“Owner” has the meaning assigned to such term in the General Bond Resolution, and, when used with respect to the Series 2020 A Bonds, means any Owner or Beneficial Owner of the Series 2020 A Bonds.

“Owners”, when used with respect to the Series 2020 A Bonds, means, collectively, the Owners or Beneficial Owners of the Series 2020 A Bonds.

“Parity Debt” means (i) all Bonds, (ii) the Authority’s reimbursement obligations with respect to any Credit Facility (as such term is defined in the Resolution) supporting the Bonds, and (iii) if authorized by a Series Resolution (as such term is defined in the Resolution), the Authority’s payment obligations to any Qualified Swap Provider (as such term is defined in the General Bond Resolution) under a Qualified Swap Agreement (as such term is defined in the General Bond Resolution) where payments from the Qualified Swap Provider have been pledged under the Resolution as part of the Pledged Revenues.

“Pension Plan” means any “employee pension benefit plan” which is maintained by the Authority or to which the Authority contributes or has an obligation to contribute, or has made contributions at any time during the immediately preceding six (6) plan years.

“Permitted Liens” means Liens permitted to be incurred with respect to the Authority and the Turnpike System under the General Bond Resolution.

“Person” means an individual, a corporation, a partnership, an association, a joint venture, a trust, a business trust, a limited liability company or any other entity or organization, including a governmental or political subdivision or an agency or instrumentality thereof.

“Pledged Revenues” means the Turnpike Revenues, the Revenue Fund and the other revenues, receipts, funds and income included in the definition of “Pledged Revenues” in the General Bond Resolution.

“PP&E” means all real and personal property of the Authority that is “property, plant and equipment” under GAAP.

“Prepayment Price” means in connection with any Optional Prepayment of the Series 2020 A Bonds under the Certificate of Determination, 100% of the principal amount of the Series 2020 A Bonds redeemed or purchased, together with all accrued and unpaid interest thereon.

“Property” means all real, mixed and personal property of the Authority, tangible and intangible, wherever located, in which the Authority shall have any right, title or interest, including (without limitation) the Turnpike System, all PP&E, all Pledged Revenues and other income, receipts, accounts and cash and investment property, and any such property constructed, acquired or leased from time to time by the Authority after the Closing Date.

“Purchase Price” means (a) in the case of any purchase of the Series 2020 A Bonds which constitutes an Optional Prepayment, the Prepayment Price, and (b) otherwise means the aggregate principal amount of, plus all accrued interest on, all Outstanding Series 2020 A Bonds.

“Purchaser” means, while the Series 2020 A Bonds bear interest at the Direct Purchase Rate, the Owner of the Series 2020 A Bonds, provided that there is only one Owner of all of the Series 2020 A Bonds and provided further that the Series 2020 A Bonds are not then held under the Book-Entry System. If there is more than one Owner of the Series 2020 A Bonds, “Purchaser” means Owners owning a majority of the aggregate principal amount of the Series 2020 A Bonds then Outstanding. If the Series 2020 A Bonds are then held under the Book-Entry System, “Purchaser” means the Beneficial Owner of the Series 2020 A Bonds, provided that there is only one Beneficial Owner of all of the Series 2020 A Bonds. If there is more than one Beneficial

Owner of the Series 2020 A Bonds, “Purchaser” means Beneficial Owners who are the beneficial owners of a majority of the aggregate principal amount of the Series 2020 A Bonds then Outstanding. The initial Purchaser is _____; and upon receipt by the Authority and the Trustee of a notice described in Section 9.09(a), the “Purchaser” shall mean the Person identified in such notice as the Purchaser.

“**Rate Determination Date**” has the meaning assigned to such term in the Certificate of Determination.

“**Rating Agency**” means S&P, Moody’s, Fitch or any successor or additional rating agency that rates any Parity Debt at the written request of the Authority.

“**Redemption Price**” has the meaning assigned to such term in the Certificate of Determination.

“**Refunded Bonds**” has the meaning set forth in the recitals hereto.

“**Related Documents**” means, collectively, this Agreement, the General Bond Resolution, the Series 2020 Resolution, the Certificate of Determination and the Series 2020 A Bonds and any exhibits, instruments or agreements relating thereto, as the same may be amended from time to time in accordance with their respective terms and the terms hereof.

“**Required Payments**” means all present and future debts, obligations and liabilities of the Authority to the Purchaser and any other Owners or Beneficial Owners arising pursuant to, or on account of, the provisions of this Agreement, the Series 2020 A Bonds or any of the other Related Documents to which the Authority is a party (or to the Trustee, for the benefit of any of the foregoing Persons), including the obligations: (a) to pay all principal, interest, late charges, Prepayment Price, Redemption Price and Purchase Price (in each case, as applicable) and other amounts due at any time under the Series 2020 A Bonds in accordance with the provisions of the Series 2020 Resolution and Article II of this Agreement and to make all other payments required under the General Bond Resolution, the Series 2020 Resolution and this Agreement; (b) to pay all other amounts, charges, costs, fees (including reasonable attorneys’ fees as set forth), expenses, reimbursement payments, fees and other amounts due and payable by the Authority at any time under any of the Related Documents whether in the form of a direct or reimbursement payment obligation, and including all payment obligations of the Authority to the Purchaser, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against the Authority of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, together with interest thereon as provided in the applicable Related Document; and (c) to perform, observe and comply with all of the terms, covenants and conditions, expressed or implied, which the Authority is required to perform, observe or comply with pursuant to the terms of any of the other Related Documents to which the Authority is a party.

“**Resolution**” means the General Bond Resolution as supplemented by the Series 2020 Resolution.

“**Revenue Fund**” has the meaning assigned to such term in the General Bond Resolution.

“**S&P**” means S&P Global Ratings, acting through Standard & Poor’s Financial Services, LLC, and any successor thereto.

“**Securities Depository**” has the meaning assigned to such term in the Certificate of Determination.

“**Series 2020 A Bonds**” has the meaning set forth in the recitals hereto.

“**Series 2020 Resolution**” means the resolution entitled “Series 2020 Turnpike Revenue Bond Resolution” adopted by the Authority on January 28, 2020, as supplemented by the Certificate of Determination.

“**Settlement Amount**” means, with respect to the Authority and any Hedge Agreement, any amount payable by the Authority under the terms of such Hedge Agreement in respect of, or intended to compensate the other party for, the value of such Hedge Agreement upon early termination thereof.

“**Solvent**” means, with respect to any Person on a particular date, that on such date (a) the fair value of the property of such Person is greater than the total amount of Debts and liabilities, including contingent, subordinated, unmatured and unliquidated Debts and liabilities, of such Person; (b) the present fair salable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its Debts and liabilities as they become absolute and matured; (c) such Person does not intend to, and does not believe that it will, incur Debts or liabilities beyond such Person’s ability to pay as such Debts and liabilities mature; and (d) such Person is not engaged in a business or transaction, and is not about to engage in a business or transaction, for which such Person’s property would constitute an unreasonably small capital. The amount of contingent Debts or liabilities (such as litigation and State Pension System liabilities) at any time shall be computed as the amount that, in light of all the facts and circumstances existing at the time, represents the amount that can be reasonably be expected to become an actual or matured liability.

“**State**” means the State of New Jersey.

“**State Pension System**” means the Public Employees Retirement System, an actuarially funded pension system operated by the State, and any successor pension system or plan thereto.

“**Step Coupon Rate**” means seven and one-half percent (7.50%) per annum.

“**Subordinated Indebtedness**” has the meaning assigned to such term in the General Bond Resolution.

“**Taxable Date**” means the date as of which interest on the Series 2020 A Bonds is first includable in the gross income of the Owner (including, without limitation, any previous Owner) thereof as determined pursuant to a Determination of Taxability.

“**Taxable Rate**” means, from and after the occurrence of a Determination of Taxability and as of any date of calculation, a per annum rate of interest equal to the product of the Direct

Purchase Rate which otherwise would have been in effect for the Series 2020 A Bonds multiplied by 1.265822.

“Taxable Period” has the meaning assigned in Section 2.08.

“To the best knowledge of” (or any similar knowledge qualifier) means, when modifying a representation, warranty or other statement of any Person, that the fact or situation described therein is known by the Person (or, in the case of a Person other than a natural Person, known by an authorized representative of such Person) making the representation, warranty or other statement, or with the exercise of reasonable due diligence under the circumstances (in accordance with the standard of what a reasonably prudent Person in similar circumstances would have done) would have been known by the Person (or, in the case of a Person other than a natural Person, by such Person’s authorized representative).

“Transactions” means the issuance of the Series 2020 A Bonds, the execution and delivery by the Authority of this Agreement and the other Related Documents, the performance by the Authority of its obligations (including payment obligations) hereunder and thereunder, the purchase by the Purchaser of the Series 2020 A Bonds and the use by the Authority of the proceeds of the Series 2020 A Bonds.

“Trustee” means The Bank of New York Mellon or its permitted successor as Co-Trustee under the General Bond Resolution.

“Turnpike Revenues” has the meaning assigned to such term in the General Bond Resolution.

“Turnpike System” has the meaning assigned to such term in the General Bond Resolution.

“Verification Report” means, with respect to the deemed payment of the Series 2020 A Bonds pursuant to Section 1201 of the General Bond Resolution, a report of an Accountant verifying that the Federal Securities (as defined in the General Bond Resolution) and cash, if any, deposited in connection with such deemed payment satisfy the requirements of Section 1201 of the General Bond Resolution.

“Written” or **“in writing”** means any form of written communication, a communication by means of facsimile device and as described in Section 9.04.

Section 1.02. Incorporation of Certain Definitions by Reference. Each capitalized term used herein and not otherwise defined herein shall have the meaning provided therefor in the General Bond Resolution, the Series 2020 Resolution, the Certificate of Determination and the Series 2020 A Bonds, as applicable, unless the context requires otherwise.

Section 1.03. Accounting Matters. All accounting terms used herein without definition shall be interpreted in accordance with GAAP, and except as otherwise expressly provided herein all accounting determinations required to be made pursuant to this Agreement shall be made in accordance with GAAP.

Section 1.04. Computation of Time Periods. In this Agreement, in the computation of a period of time from a specified date to a later specified date, unless otherwise specified herein, the word “from” means “from and including” and the words “to” and “until” each mean “to but excluding.”

Section 1.05. New York City Time Presumption. All references herein to times of the day shall be presumed to refer to New York City time unless otherwise specified.

Section 1.06. Relation to Other Documents. Nothing in this Agreement shall be deemed to amend, or relieve the Authority of any of its obligations under, any Related Document. To the extent that the Authority undertakes in any provision of this Agreement representations, covenants or obligations which conflict with, or are more exacting than, a provision of any other Related Document to which the Authority is a party, such provisions of this Agreement shall control for all purposes of this Agreement.

Section 1.07. Interpretation. All words used herein shall be construed to be of such gender as the circumstances require. Unless the context of this Agreement otherwise clearly requires, references to the plural include the singular, the singular includes the plural and the part includes the whole. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”. Unless otherwise specified (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth in such document or herein), (b) any reference herein to any Person shall be construed to include such Person’s permitted successors and assigns, (c) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not be limited to any particular provision of this Agreement, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement and (e) the words “asset” and “property” shall be construed to have the same meaning and effect and, when used in connection with any Person, to refer to all rights, title and interests of such Person in and to any and all property whether real, personal or mixed, or tangible or intangible, and wherever situated, including cash, securities, investment property, accounts, land, buildings, general intangibles, chattel, intellectual property, contract rights and other property and assets.

ARTICLE II

PAYMENT AND REIMBURSEMENT OBLIGATIONS

The Authority hereby unconditionally, irrevocably and absolutely agrees to make prompt and full payment of all payment and reimbursement obligations owed to the Purchaser under the Series 2020 A Bonds and this Agreement and each of the other Related Documents and to pay any other Required Payments owing to the Purchaser whether now existing or hereafter arising, irrespective of their nature, whether direct or indirect, absolute or contingent, with interest thereon at the rate or rates provided in such Related Document and under such Required Payments.

Section 2.01. Payment of Series 2020 A Bonds and Other Required Payments. The Authority shall pay the principal, Prepayment Price, Redemption Price and Purchase Price of, and interest on, the Series 2020 A Bonds, when due, at the times, in the manner and on the terms and conditions set forth in the General Bond Resolution, the Series 2020 Resolution (including the Certificate of Determination) and the Series 2020 A Bonds. The Authority shall pay all other Required Payments as and when required hereunder and under the other Related Documents and, if not previously paid, shall pay all Required Payments due and owing on the first to occur of any Mandatory Purchase Date or Amortization End Date.

Section 2.02. Interest Rate. The Outstanding principal amount of the Series 2020 A Bonds shall bear interest at the Interest Rate from time to time in effect pursuant to the General Bond Resolution, the Series 2020 Resolution (including the Certificate of Determination) and the Series 2020 A Bonds. Upon the occurrence and during the continuance of an Event of Default, any amount becoming due and payable and, if any principal of or interest on the Series 2020 A Bonds or any fee or other amount payable by the Authority hereunder or under the Series 2020 A Bonds or any other Related Document is not paid when due, whether at stated maturity, upon required prepayment, acceleration or otherwise, such overdue amount, shall bear interest, after as well as before judgment, at a rate per annum equal to the Default Rate from time to time in effect. Interest that is unpaid when due shall be payable on demand.

Section 2.03. Extraordinary Prepayment.

(a) The Authority covenants and agrees to inform the Trustee and the Purchaser in writing within five (5) Business Days after the day upon which the Authority is notified of, or otherwise obtains knowledge of, an Extraordinary Mandatory Purchase Event.

(b) The deemed date of occurrence of an Extraordinary Mandatory Purchase Event shall be the earliest of the date any of the Authority or the Purchaser learns of the occurrence of such event.

(c) Upon the occurrence of an Extraordinary Mandatory Purchase Event, (i) the Purchaser agrees to provide written notice to the Authority and the Trustee specifying the Mandatory Prepayment Date, which shall be a Business Day not less than ninety (90) days following the deemed date of occurrence of the Extraordinary Mandatory Purchase Event, and (ii) the Purchase Price of the Series 2020 A Bonds and all other amounts due and owing under the Series 2020 A Bonds and hereunder and all amounts due and owing under any of the other Related Documents shall automatically become due and payable on the Mandatory Prepayment Date in accordance with the provisions of the Certificate of Determination, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Authority; provided that, notwithstanding the foregoing, the provisions of Section 408(g) of the Certificate of Determination shall apply and provide for the payment of the Redemption Price of the Series 2020 A Bonds on the terms stated therein.

Section 2.04. Optional Prepayment. In connection with any Optional Prepayment of all or any portion of the Series 2020 A Bonds, the Authority shall pay to the Purchaser the Prepayment Price in accordance with the provisions of the relevant Certificate of Determination.

Section 2.05. Payments Generally.

(a) All payments of the principal, Prepayment Price, Redemption Price and Purchase Price of, and interest on, the Series 2020 A Bonds shall be made by the Authority at the times, in the manner and on the terms and conditions set forth in the General Bond Resolution, the Series 2020 Resolution (including the Certificate of Determination) and the Series 2020 A Bonds. All payments to be made by or on behalf of the Authority to the Purchaser under the other Related Documents and this Agreement shall be fully earned when due and nonrefundable when paid and made in lawful currency of the United States of America and in immediately available funds. All Required Payments payable to the Purchaser hereunder, unless otherwise directed by the Purchaser in writing, shall be paid by wire transfer to the Purchaser's account at _____ (or to such other account of the Purchaser as the Purchaser may specify by written notice to the Authority or the Trustee) not later than 3:30 p.m. New York, New York time, on the date payment is due. Any payment received by the Purchaser after 3:30 p.m., New York, New York time, shall be deemed to have been received by the Purchaser on the next Business Day. If any payment hereunder is due on a day that is not a Business Day, then such payment shall be due on the next succeeding Business Day, and, in the case of the computation of the interest or fees hereunder, such extension of time shall, in such case, be included in the computation of the payment due hereunder.

(b) If at any time insufficient funds are received by and available to the Purchaser to pay fully all amounts of principal, interest and fees then due under the Series 2020 A Bonds or hereunder, such funds shall be applied first, to payment of that portion of the Required Payments constituting fees, indemnities, expenses and other amounts (including fees, charges and disbursements of counsel to the Purchaser and amounts payable under Section 2.06) payable to the Purchaser, second, to payment of that portion of the Required Payments constituting accrued and unpaid interest on the Series 2020 A Bonds or other amount unpaid hereunder (and, in any such case, first to past due interest and second to current interest), and third, to payment of that portion of the Required Payments constituting unpaid principal of the Series 2020 A Bonds.

Section 2.06. Costs and Expenses.

The Authority agrees to pay on demand all costs and expenses incurred by the Purchaser and its Counsel in connection with the preparation, negotiation, execution and delivery of this Agreement, the Related Documents and any other documents and certificates which may be delivered in connection with this Agreement and the other Related Documents on the Closing Date, including, without limitation, the fees, expenses and disbursements of Counsel for the Purchaser, which shall not exceed \$_____ due and payable on the Closing Date. In addition, the Authority shall pay or cause to be paid on demand, upon not less than ten (10) days prior written notice to the Authority, the necessary and reasonable out-of-pocket expenses and disbursements of the Purchaser and the necessary and reasonable fees, expenses and disbursements of Counsel to the Purchaser in connection with (a) the administration of this Agreement including any waiver or consent under this Agreement or any Related Document or other document or certificate delivered in connection with the Transactions or any amendment or requested amendment

hereof or thereof (whether or not the transactions contemplated thereby shall be consummated) or any Default or alleged Default hereunder, (b) the preparation, execution, delivery, administration and enforcement or preservation of rights in connection with a workout, refinancing, restructuring or waiver with respect to this Agreement, or any of the Related Documents and (c) the occurrence of an Event of Default and collection and other enforcement proceedings resulting therefrom.

Section 2.07. Cure. The Authority agrees to pay to the Purchaser on demand, any amounts advanced by or on behalf of the Purchaser, to the extent required to cure any Default or Event of Default under this Agreement or any Related Document. The Purchaser shall give the Authority reasonably prompt notice of any such advances. The Purchaser shall have the right, but not the obligation, to cure any such Default or Event of Default.

Section 2.08. Tax Gross-Up. In the event a Determination of Taxability occurs, in addition to the amounts required to be paid pursuant to the Related Documents, the Authority hereby agrees to pay to the Purchaser and any other Owner, as applicable, on demand therefor (A) an amount equal to the difference between (1) the amount of interest paid to the Purchaser and such other Owner on the Series 2020 A Bonds during the period (the “**Taxable Period**”) in which interest on the Series 2020 A Bonds is includable in the gross income of the Purchaser or such other Owner beginning on the Taxable Date and (2) the amount of interest that would have been paid to the Purchaser and such other Owner during such Taxable Period had the Series 2020 A Bonds borne the Taxable Rate, and (B) an amount equal to any interest, penalties or charges owed by the Purchaser and such other Owner as a result of interest on the Series 2020 A Bonds becoming includable in the gross income of the Purchaser or such other Owner, together with any and all attorneys’ fees, court costs, or other out of pocket costs incurred by the Purchaser or such other Owner in connection therewith. The obligations of the Authority under this Section 2.08 shall survive the termination of this Agreement and the redemption or other payment in full of the Series 2020 A Bonds.

Section 2.09. Required Payments. The obligations of the Authority to pay the fees, expenses and other Required Payments payable by the Authority under this Agreement, other than the principal, Prepayment Price, Redemption Price or Purchase Price of, and interest on, the Series 2020 A Bonds, are payable from the General Reserve Fund as defined in the General Bond Resolution and shall be (i) limited in all respects to the amounts on deposit in the General Reserve Fund created and established under the General Bond Resolution from time to time available to be used by the Authority to make such payments, and (ii) special and limited obligations of the Authority which are subject and subordinate and junior in all respects to the lien and pledge created by the General Bond Resolution to secure the payment of the Bonds, including the Series 2020 A Bonds, and the other Parity Debt.

ARTICLE III

CONDITIONS PRECEDENT

Section 3.01. Documentary and Related Closing Conditions. As conditions precedent to the purchase of the Series 2020 A Bonds by the Purchaser, the Purchaser shall have received the following items on or before the Closing Date, each in form and substance satisfactory to the

Purchaser and its counsel and the Authority shall satisfy the Purchaser that the following conditions have been fulfilled:

(a) *Issuance of Series 2020 A Bonds.* All conditions to the issuance of the Series 2020 A Bonds shall have been satisfied and the Authority shall have duly executed, issued and delivered the Series 2020 A Bonds, in form and substance satisfactory to the Purchaser, to the Trustee and the Trustee shall have duly authenticated the Series 2020 A Bonds in the principal amount of \$33,875,000 and delivered the Series 2020 A Bonds to the Purchaser through the Securities Depository.

(b) *Agreement and Related Documents.* The Authority shall have duly authorized the execution, delivery and performance of, and shall have duly executed and delivered, the Certificate of Determination and this Agreement, and each of the Certificate of Determination, this Agreement and the General Bond Resolution (as supplemented by the Series 2020 Resolution), is in full force and effect, and each of the other Related Documents shall have been duly authorized, executed and delivered by the respective parties thereto. The Purchaser shall have received (i) an executed counterpart of this Agreement duly executed by the Authority and (ii) executed originals (or, when the Purchaser is not a party thereto, copies thereof) of the other Related Documents (other than the Series 2020 A Bonds) and of each other agreement, document, instrument or certificate required to be delivered by any Person pursuant to the Related Documents; and each of the foregoing shall be in form and substance satisfactory to the Purchaser, shall have been duly authorized, executed and delivered by each of the respective parties thereto, shall not have been modified, amended or rescinded, and shall be in full force and effect on and as of the Closing Date (and certified as of the Closing Date by the Authority if executed and delivered prior to the Closing Date).

(c) *Incumbency of Authority.* The Purchaser shall have received (i) an incumbency certificate of the Assistant Secretary of the Authority certifying as to the name and true signature of the Authorized Authority Representative(s) authorized to execute this Agreement, the other Related Documents and any other document or certificate to be delivered by the Authority hereunder or under the other Related Documents and (ii) a certified copy of the By-Laws of the Authority.

(d) *Resolutions.* (i) The Authority shall have duly adopted the General Bond Resolution and the Series 2020 Resolution authorizing the issuance and delivery of the Series 2020 A Bonds and the execution, delivery and performance by the Authority of this Agreement and each of the other Related Documents to which the Authority is a party and approving each such Related Document and the transactions contemplated hereby and thereby and (ii) the Purchaser shall have received a certificate of the Authority, in form and substance satisfactory to the Purchaser, executed by the Authorized Authority Representative and dated the Closing Date, (A) to the effect that all actions required to be taken by, and all resolutions required to be adopted under Applicable Law by the Authority in connection with the execution, delivery and performance of and under the Related Documents have been done and adopted and (B) attaching copies of the General Bond Resolution and the Series 2020 Resolution (including the Certificate of Determination) certified by an Authorized Authority Representative as (x) being in full force and effect on

the Closing Date, (y) not having been amended or supplemented through the Closing Date, and (z) being the only resolution adopted by the Authority relating to the issuance of the Series 2020 A Bonds and the execution, delivery and performance by the Authority of this Agreement and each of the other Related Documents to which the Authority is a party or the transactions contemplated hereby and thereby.

(e) *Opinions.* The Purchaser shall have received:

(i) the opinion of bond counsel to the Authority, in customary form, to the effect that (A) the Series 2020 A Bonds have been duly authorized and validly issued, (B) the General Bond Resolution creates the valid pledge that it purports to create of the proceeds of the sale of the Bonds, the Pledged Revenues and the amounts on deposit in all Funds established by the General Bond Resolution (except for moneys provided by governmental authorities whose availability is conditioned on such amounts not being subject to the pledge of the Resolution), subject only to the provisions of the General Bond Resolution permitting the application thereof for the purposes and on the terms set forth in the General Bond Resolution, and (C) interest on the Series 2020 A Bonds will not be included in gross income of the Owners thereof for federal tax purposes, such opinion to be dated the Closing Date and in form and substance acceptable to the Purchaser;

(ii) a written opinion of counsel to the Authority, which counsel shall be satisfactory to the Purchaser, addressed to the Purchaser, dated the Closing Date and in form and substance acceptable to the Purchaser, opining (A) as to the due authorization, execution and delivery of this Agreement and the other Related Documents to which the Authority is a party and (B) that this Agreement and the other Related Documents to which the Authority is a party constitute the legal, valid and binding obligations thereof, enforceable in accordance with their respective terms (subject, as to enforceability, to applicable bankruptcy, moratorium, insolvency or similar laws affecting the rights of creditors generally and to general principles of equity), and (C) that (1) all conditions precedent to the issuance and delivery of the Series 2020 A Bonds shall have occurred, the General Bond Resolution and the Series 2020 Resolution (including the Certificate of Determination) are in full force and effect and the Series 2020 A Bonds will be entitled to the benefits of the General Bond Resolution and the Series 2020 Resolution (including the Certificate of Determination), (2) the Series 2020 A Bonds constitute “Bonds” under the General Bond Resolution secured by the Lien of the General Bond Resolution and pledge of the Pledged Revenues on a parity basis with all Bonds issued pursuant to the General Bond Resolution, (3) no further actions or filings are necessary to create the valid first lien pledge that the General Bond Resolution purports to create in favor of the Trustee for the benefit of the Owners to secure the payment of the Series 2020 A Bonds and the performance by the Authority of its other obligations under the General Bond Resolution, and (D) with respect to such other matters relating to this Agreement, the General Bond Resolution, the Series 2020 Resolution (including the Certificate of Determination), the Series 2020 A Bonds or any of the other Related Documents or the proceedings of the Authority, as the Purchaser may reasonably request; and

(iii) each other opinion delivered by any Person pursuant to the Related Documents, each of which shall be in form and substance satisfactory to the Purchaser;

and in the case of each such opinion, either addressed to the Purchaser or accompanied by a letter addressed to the Purchaser from the counsel rendering such opinion stating that the Purchaser is entitled to rely upon such opinion as if such opinion were addressed to it.

(f) *No Default, Etc.* The Purchaser shall be satisfied that the following statements are true and correct on and as of the Closing Date and the Purchaser shall have received a certificate signed by an Authorized Authority Representative and dated the Closing Date and stating that on and as of the Closing Date: (i) the representations and warranties contained (or incorporated by reference) in Article IV hereof are true and correct, in all material respects, on and as of the Closing Date, as though made on and as of such date; (ii) no Material Litigation has been filed since December 31, 2018; (iii) no Material Adverse Change has occurred since December 31, 2018; (iv) no Default or Event of Default has occurred and is continuing or would result from the issuance of the Series 2020 A Bonds or the purchase by the Purchaser of the Series 2020 A Bonds or the execution, delivery and performance by the Authority of this Agreement or any of the other Related Document to which the Authority is a party; (v) the Authority is in compliance with all of the terms, provisions and conditions of each rate or financial covenant and any other material provision of the Related Documents and any Contract entered into in connection with any Debt; (vi) except as otherwise set forth on Schedule 4.19 attached to this Agreement, there is no pending legislation, decision or other matter described in Section 4.19 of this Agreement which might adversely affect the consummation of the transactions contemplated hereby or by the Related Documents; (vii) all requirements and preconditions to the issuance, execution, delivery and purchase by the Purchaser of the Series 2020 A Bonds shall have been satisfied; (viii) the Authority has complied with all agreements and covenants and satisfied all conditions stated in this Agreement on its part to be performed or satisfied at or prior to the Closing Date; (ix) there has been no change in Law (or its interpretation or administration) that may adversely affect the consummation of the transactions contemplated by the Related Documents; (x) no petition by or against the Authority has at any time been filed under the United States Bankruptcy Code or under any similar Law; and (xi) covering such other matters of fact as shall be reasonably requested by the Purchaser.

(g) *Governmental Approvals; Financial Statements.* The Purchaser shall have received originals or certified copies of the approval letters referenced in Section 907 of the Certificate of Determination and the audited financial statements of the Authority for the Fiscal Years concluding on the 31st day of December 2016, 2017 and 2018, respectively.

(h) *Miscellaneous.* The Purchaser shall have received such other agreements, documents, instruments, certificates (and, if requested by the Purchaser, certified duplicates of executed copies thereof) and opinions as the Purchaser may reasonably request.

(i) *Ratings.* The Purchaser shall have received satisfactory evidence that the Series 2020 A Bonds shall have been assigned a long-term rating by at least two Rating Agencies, which long-term rating shall be at least “A+” in the case of S&P, at least “A” in the case of Fitch and at least “A2” in the case of Moody’s.

(j) *CUSIP and DTC.* The Purchaser shall have received written evidence satisfactory to the Purchaser that a CUSIP Number has been obtained from Standard & Poor’s CUSIP Service for the Series 2020 A Bonds and that the Series 2020 A Bonds are eligible for inclusion in DTC’s FAST automated transfer program (“FAST Eligible Bonds”).

(k) *Other Documents.* The Purchaser shall have received such other documents, certificates, approvals, filings, and opinions as the Purchaser shall have reasonably requested.

(l) *Legality.* The Purchaser shall have determined (in its sole discretion) that (i) the consummation by the Authority, by the Purchaser and by any other Person of any of the transactions contemplated by the General Bond Resolution, the Series 2020 Resolution (including the Certificate of Determination), the Series 2020 A Bonds, this Agreement and each other Related Document will not violate any Applicable Law and (ii) all legal requirements provided herein or by law incident to the execution, delivery and performance of the General Bond Resolution, the Series 2020 Resolution (including the Certificate of Determination), the Series 2020 A Bonds and the other Related Documents and the transactions contemplated hereby and thereby, shall have been satisfied.

(m) *Trustee’s Opinion.* The Purchaser shall have received an opinion of counsel for the Trustee, which counsel shall be satisfactory to the Purchaser, as to such matters as the Purchaser may reasonably request.

(n) *Trustee’s Documents.* The Purchaser shall have received (i) copies of the resolution(s) of the Trustee authorizing the execution, delivery and performance of the Related Documents to which it is a party and the performance of any duties of the Trustee under or in connection with the Related Documents including this Agreement and (ii) a certificate of an authorized representative of the Trustee (A) certifying as to the authority, incumbency and specimen signatures of the authorized representatives of the Trustee authorized to sign the Related Documents to which they are a party and any other documents to be delivered by them hereunder and who will be authorized to represent the Trustee in connection with this Agreement, upon which the Purchaser may rely until it receives a new certificate and certifying that the resolution(s) referred to under (ii) is/are presently in full force and effect and (B) covering such matters relating to the other Related Documents as the Purchaser may reasonably request.

(o) *Parity Debt No Default.* The Purchaser shall have received a certificate, in form and substance satisfactory to the Purchaser, dated and effective as of the Closing Date, and executed by an Authorized Authority Representative, and stipulating that no default or event of default exists with respect to any of the Bonds or any of the other outstanding Parity Debt.

Section 3.02. Credit Requirements. Prior to the Closing Date, the Purchaser shall have determined, in its sole discretion, based in part upon the information and reports submitted by the Authority, that (i) the Authority has met the Purchaser's credit requirements, (ii) there has been no adverse change in the financial condition, manner of operation, properties or prospects of the Authority and that all information, representations and materials submitted to the Purchaser by the Authority in connection with the purchase of the Bonds are accurate in all material respects, and (iii) there has been no change in any law, rule or regulation (or their interpretation or administration) nor is there any pending or threatened litigation, that, in each case, may adversely affect the consummation of the Transactions. Provided, that, notwithstanding the foregoing terms and any investigation and/or determination by the Purchaser, the Authority expressly acknowledges and agrees that no such investigation or determination by the Purchaser shall in any respect whatsoever qualify, or release the Authority from, any representation, warranty or covenant contained in this Agreement or create or constitute any defense to the enforcement of the provisions of this Agreement.

Section 3.03. Additional Conditions Precedent. On or prior to the Closing Date, the Authority shall have paid to the Purchaser the reasonable fees and expenses of counsel to the Purchaser incurred in connection with the transactions contemplated by the Related Documents as set forth in Section 2.06.

ARTICLE IV

REPRESENTATIONS, WARRANTIES AND COVENANTS

The Authority represents, warrants and covenants to and with the Purchaser as of the Closing Date and as of each day during the term of this Agreement, as follows:

Section 4.01. Due Organization; Power and Authority. The Authority is a body corporate and politic of the State of New Jersey created and existing under the laws of the State of New Jersey with the powers and authority, among others, set forth in the Act, including all requisite power and authority to execute and deliver the Related Documents to which the Authority is a party, to own and operate the Turnpike System and to perform its obligations under the Related Documents to which the Authority is a party, including the power and authority to issue and deliver the Series 2020 A Bonds.

Section 4.02. Authorization and Validity of Agreement, Related Documents and Borrowing. The execution, delivery and performance by the Authority of this Agreement and the other Related Documents to which it is a party, and the issuance and delivery of the Series 2020 A Bonds by the Authority have been duly authorized by all necessary action of the governing body of the Authority. Each of this Agreement and the Related Documents (other than the Series 2020 A Bonds) to which the Authority is a party constitutes a legal, valid and binding obligation of the Authority, enforceable against the Authority in accordance with its terms, except as such enforceability may be limited by applicable reorganization, insolvency, liquidation, readjustment of debt, moratorium or other similar laws affecting the enforcement of the rights of creditors generally and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law). Each Series 2020 A Bond when issued, and as authenticated and delivered by the Trustee against payment therefor, as contemplated by the

General Bond Resolution and the Series 2020 Resolution (including the Certificate of Determination) and this Agreement, will have been duly issued, authenticated and delivered under the Act and in conformity with the General Bond Resolution and the Series 2020 Resolution (including the Certificate of Determination) and will constitute the legal, valid and binding obligations of the Authority enforceable in accordance with their terms, and will be entitled to the benefits of the General Bond Resolution and the Series 2020 Resolution (including the Certificate of Determination). The obligation of the Authority to pay Debt Service under the General Bond Resolution is absolute and unconditional.

Section 4.03. Compliance of Agreement, Related Documents with Applicable Law, Organizational Documents, Etc. The execution, delivery and performance of this Agreement and each of the other Related Documents in accordance with its and their respective terms, the assignment and pledge of the Pledged Revenues pursuant to the General Bond Resolution and the Series 2020 Resolution (including the Certificate of Determination) and the consummation of the Transactions do not and will not (a) contravene or conflict with the Authority's By-Laws or other organizational documents or with any provision of the Act, (b) require any consent or approval of any creditor of the Authority, (c) violate any Applicable Law (including, without limitation, Regulations G, T, U or X of the Board of Governors of the Federal Reserve System, or any successor regulations), (d) conflict with, result in a breach of or constitute a default under any Contract to which the Authority is a party or by which any of its Property may be bound or (e) result in or require the creation or imposition of any charge, pledge, security interest, encumbrance or other Lien upon or with respect to any Property now owned or hereafter acquired by the Authority except such Liens, if any, created under and pursuant to this Agreement or the General Bond Resolution. The Resolution has been adopted in compliance with all requirements of Applicable Law.

Section 4.04. Governmental Approvals. Other than the approval letters provided to the Purchaser pursuant to Section 3.01(g), no authorizations, consents, or other Governmental Approvals are necessary for the Authority to enter into this Agreement and the other Related Documents and perform the transactions contemplated hereby and thereby and such approval letters remain in full force and effect and are subject to no further executive, legislative, administrative or judicial review. No other authorization or approval or other action by, and no notice to or filing with, any Governmental Authority is required for the due execution, delivery and performance by the Authority of this Agreement or the due execution, delivery or performance by the Authority of the Related Documents to which it is a party.

Section 4.05. Compliance with Law. Other than as set forth on Exhibit A attached hereto, the Authority is in compliance with all Applicable Law, including all Governmental Approvals, except for noncompliance that, singly or in the aggregate, has not had and will not have a Material Adverse Effect or have an adverse effect on the Authority's ability to perform its obligations under this Agreement and under the other Related Documents. The Authority has not received any complaint or other notice alleging a violation of or failure to comply with, any judgment, order, writ, injunction or decree of any Governmental Authority applicable to the Authority or the Turnpike System, or any statute, law, rule or regulation applicable to the Authority or the Turnpike System. The collection of Pledged Revenues and the accounting and recordkeeping therefor are in material compliance with all Applicable Law and all applicable resolutions, ordinances and rules of the Authority.

Section 4.06. Title to Properties. The Authority has good, marketable title to or a leasehold interest in its respective Property. None of the Property of the Authority is subject to any Lien, except Permitted Liens. The Authority has complied with all obligations under all leases to which it is a party and under which it is in occupancy, and all such leases are in full force and effect. The Authority enjoys peaceful and undisturbed possession under all such leases.

Section 4.07. Litigation. There is no action, suit, proceeding, inquiry or investigation pending nor, to the best knowledge of the Authority after due inquiry, is there any action, suit, proceeding, inquiry or investigation threatened against or affecting, the Authority or any property of the Authority in any court or before any arbitrator of any kind or before or by any other Governmental Authority, (i) wherein an unfavorable decision, ruling or finding could have a Material Adverse Effect, (ii) which seeks to restrain or enjoin any of the Transactions, or (iii) which could adversely affect (A) the status of the Authority as a public body corporate and politic of the State of New Jersey created and validly existing under the laws of the State, (B) the exclusion of interest on the Series 2020 A Bonds from gross income for federal income tax purposes, (C) the validity, binding effect and perfection of the pledge of and lien on the Pledged Revenues or (D) the ability of the Authority to perform its obligations under this Agreement, the General Bond Resolution or any other Related Document (any such action, suit, proceeding, inquiry or investigation being herein referred to as “**Material Litigation**”).

Section 4.08. Absence of Defaults and Events of Default.

(a) No Default or Event of Default has occurred and is continuing.

(b) The Authority is not in material default under (i) any order, writ, injunction or decree of any court or governmental body, agency or other instrumentality applicable to the Authority, or (ii) any law or regulation applicable to the Authority, or (iii) any Contract, default under which would have an adverse effect on the Properties, business, condition (financial or other), results of operations or prospects of the Authority or the Transactions, or which would have an adverse effect on the validity or enforceability of this Agreement or any of the other Related Documents, or on the authority or ability of the Authority to perform its obligations under this Agreement or any of the other Related Documents to which the Authority is a party. The Authority is not in breach of any rate or financial covenant or any other material provision of any Contract entered into in connection with any Debt.

Section 4.09. Financial Statements. The balance sheets of the Authority as of December 31, 2017 and 2018, and the related statement of revenues and expenses and changes in financial position for the years then ended and the auditors’ reports with respect thereto, copies of which have heretofore been furnished to the Purchaser, are complete and correctly and fairly present the financial condition, changes in financial position and results of operations of the Authority at such dates and for such periods, and were prepared in accordance with GAAP consistently applied, except as stated in the notes thereto. Since December 31, 2018, there has been no Material Adverse Change nor, except as set forth on Schedule 4.09 attached hereto and made a part hereof, any increase in the Authority’s Debt. The Authority has no material contingent liabilities or other material contracts or commitments payable from the Pledged Revenues which are not reflected in such financial statements or in the notes thereto.

Section 4.10. Accuracy and Completeness of Information. All information, reports and other papers and data furnished by the Authority to the Purchaser were, at the time the same were so furnished, complete and correct in all material respects, to the extent necessary to give the recipient a true and accurate knowledge of the subject matter and were provided in expectation of the Purchaser's reliance thereon in purchasing the Series 2020 A Bonds. No fact is known to the Authority which has had or, so far as the Authority can now reasonably foresee, may in the future have a Material Adverse Effect, which has not been set forth in the financial statements referred to in Section 4.09 or in such other information, reports or other data disclosed in writing to the Purchaser prior to the Closing Date. Any financial, budget and other projections furnished to the Purchaser by the Authority or its agents were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair and reasonable in light of the conditions existing at the time of delivery of such financial, budget or other projections, and represented, and as of the date of this representation, represent the Authority's best estimate of its future financial performance. No document furnished nor any representation, warranty or other written statement made to the Purchaser in connection with the negotiation, preparation or execution of this Agreement or the Related Documents contains or will contain any untrue statement of a material fact or omits or will omit (as of the date made or furnished) to state any material fact necessary in order to make the statements contained herein or therein, in the light of the circumstances under which they were or will be made, not misleading.

Section 4.11. Sovereign Immunity. The Authority is not entitled to claim the defense of sovereign immunity in any action, suit or proceeding arising under or relating to the Series 2020 A Bonds, this Agreement or any Related Document.

Section 4.12. Incorporation of Representations and Warranties. The Authority hereby makes to the Purchaser the same representations and warranties made by the Authority in each Related Document to which it is a party, which representations and warranties, together with the related definitions of terms contained therein, are incorporated herein by this reference with the same effect as if each and every such representation and warranty and definition were set forth herein in its entirety. No amendment to or waiver of such representations, warranties or definitions made pursuant to the relevant Related Document shall be effective to amend such representations and warranties and definitions as incorporated by reference herein without the prior written consent of the Purchaser.

Section 4.13. Insurance. The Authority currently maintains insurance of such type and in such amounts or in excess of such amounts as are necessary to comply with the requirements of the General Bond Resolution.

Section 4.14. Series 2020 A Bonds. Each Series 2020 A Bond has been duly and validly issued under the General Bond Resolution and is entitled to the benefits thereof. The Series 2020 A Bonds as purchased by the Purchaser are free and clear of any pledge, security interest, claim or other Lien of any Person.

Section 4.15. Compliance with Code.

(a) The Authority does not maintain nor contribute to a Pension Plan, nor has it ever contributed to a Pension Plan, other than the State Pension System.

(b) (i) The Authority's participation in the State Pension System is in compliance in all material respects with the applicable provisions of the Code and other federal or state law; (ii) there are no pending or, to the best knowledge of the Authority, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to the Authority's participation in the State Pension System which has resulted or could reasonably be expected to result in a Material Adverse Effect; (iii) the Authority does not have any past due unfunded obligations to the State Pension System; and (iv) to the best knowledge of the Authority, the State Pension System is a governmental plan as defined in Section 3(32) of ERISA.

Section 4.16. Interest. None of the Related Documents to which the Authority is a party or the Series 2020 A Bonds provide for any payments that would violate any Applicable Law regarding permissible maximum rates of interest or the calculation or collection of interest upon interest. In particular, and not in limitation of the foregoing, under the laws of the State, the obligation of the Authority under this Agreement and under the Series 2020 A Bonds to pay interest at the Interest Rate is a valid, binding and enforceable contractual obligation, which the Purchaser is entitled to enforce and collect in accordance with the laws of the State and is not subject to any limitation, restriction or cap on the per annum rate of interest that may be charged or recovered by the Purchaser or paid by the Authority.

Section 4.17. Investment Company Act. The Authority is not an "investment company" or a company "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940 (15 U.S.C. §80a-1 et seq.), as amended.

Section 4.18. Federal Reserve Board Regulations. The Authority is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying Margin Stock. The Authority will not use any part of the proceeds of the Series 2020 A Bonds and has not incurred any Debt to be reduced, retired or purchased by the Authority out of such proceeds, for the purpose of purchasing or carrying any Margin Stock.

Section 4.19. No Proposed Legal Changes. Except as otherwise set forth on Schedule 4.19 attached hereto, there is no amendment, or to the best knowledge of the Authority, proposed amendment to the Constitution of the State or any State law or any published administrative interpretation of the Constitution of the State or any State law, or any proposition or referendum (or proposed proposition or referendum) or other ballot initiative or any legislation that has passed either house of the legislature of the State, or any published judicial decision interpreting any of the foregoing, the effect of which could reasonably be expected to affect adversely (a) the issuance of, or security for, any of the Series 2020 A Bonds, (b) the rights or remedies of the Purchaser or of any Owner of the Series 2020 A Bonds, or (c) the Authority's existence or its power or ability to perform its obligations hereunder or under any of the other Related Documents including without limitation the Authority's ability to repay when due its obligations under this Agreement and the Series 2020 A Bonds.

Section 4.20. Environmental Matters. In the ordinary course of its business, the Authority conducts an ongoing review of the effect of Environmental Laws on the business, operations and properties of the Authority, in the course of which it identifies and evaluates associated liabilities and costs (including, without limitation, any capital or operating expenditures

required for clean-up or closure of properties presently or previously owned or operated, any capital or operating expenditures required to achieve or maintain compliance with environmental protection standards imposed by law or as a condition of any license, permit or contract, and related constraints on operating activities, and any actual or potential liabilities to third parties, including employees, and any related costs and expenses). Except as otherwise set forth on Schedule 4.20 attached hereto, the Authority and its Property (i) has not become subject to any Environmental Liability nor does the Authority know of any basis for any Environmental Liability, (ii) has not received notice of any Environmental Claim or of any failure or alleged failure to comply with applicable federal, state or local health and safety statutes or regulations, and (iii) to the best knowledge of the Authority, is in compliance with all Environmental Laws and has obtained and maintains and is in material compliance with any permit, license or other approval required under any Environmental Law.

Section 4.21. Anti-Terrorism Representation.

(a) The Authority is not in violation of any laws relating to terrorism or money laundering (“**Anti-Terrorism Laws**”), including Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (the “Executive Order”), and the USA Patriot Act, Title III of Pub. L. 107-56, 115 Stat. 272 (the “**Patriot Act**”);

(b) The Authority is not any of the following:

(i) a Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(ii) a Person owned or controlled by, or acting for or on behalf of, any Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(iii) a Person with which the Purchaser is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law;

(iv) a Person that commits, threatens or conspires to commit or supports “terrorism” as defined in the Executive Order; or

(v) a Person that is named as a “specially designated national and blocked person” on the most current list published by the Office of Foreign Asset Control (“**OFAC**”) or any list of Persons issued by OFAC pursuant to the Executive Order at its official website or any replacement website or other replacement official publication of such list;

(c) The Authority does not (i) conduct any business or engage in making or receiving any contribution of funds, goods or services to or for the benefit of any Person described in subsection (b)(ii) above, (ii) deal in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order or (iii) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

Section 4.22. Valid Lien. The Authority’s irrevocable pledge and assignment of the Pledged Revenues under the General Bond Resolution to and for the payment of the Series 2020 A Bonds, as authorized under and in accordance with the Act: (i) is valid and binding as of the Closing Date and all Pledged Revenues now or hereafter received by the Authority are immediately subject to the lien thereof; and (ii) requires no act, instrument, approval, filing, registration, recording or publication of the General Bond Resolution or any other instrument nor any prior separation or physical delivery of the Pledged Revenues or notice to any Person, to validly establish the pledge provided for under the General Bond Resolution or to create, attach, perfect, protect or maintain the first priority Lien and security interest created thereby on and in the Pledged Revenues to secure the Series 2020 A Bonds and the other Bonds for the benefit of all of the Owners of the Bonds, including the Owners of the Series 2020 A Bonds. Neither the issuance and delivery of the Series 2020 A Bonds nor the pledge and assignment of the Pledged

Revenues requires any act of appropriation for the application thereof to the purposes for which issued, delivered and pledged, respectively.

Section 4.23. Obligations; Other Debt. The obligations of the Authority to pay the principal, Prepayment Price, Redemption Price and Purchase Price of, and interest on, the Series 2020 A Bonds are payable and secured on a parity with the Parity Debt, are payable from the Pledged Revenues, are secured (together with the other Parity Debt) by a valid first lien on, pledge of and security interest in the Pledged Revenues as provided in the General Bond Resolution and are not subordinate to any payment secured by a Lien on the Pledged Revenues or any other claim, and are prior as against all Persons having claims of any kind in tort, contract or otherwise, whether or not such Persons have notice of the Lien established by the General Bond Resolution. All Required Payments hereunder other than Required Payments constituting principal, Prepayment Price, Redemption Price or Purchase Price of, or interest on, the Series 2020 A Bonds are payable from the General Reserve Fund as defined in the General Bond Resolution and shall be (i) limited in all respects to the amounts on deposit in the General Reserve Fund created and established under the General Bond Resolution from time to time available to be used by the Authority to make such payments, and (ii) special and limited obligations of the Authority which are subject and subordinate and junior in all respects to the lien and pledge created by the General Bond Resolution to secure the payment of the Bonds, including the Series 2020 A Bonds, and the other Parity Debt. As of the Closing Date, the Authority has not incurred, issued, created or assumed (i) any Debt payable from or secured by the Pledged Revenues or any portion thereof which is senior in right of payment or security to any of its obligations under the Series 2020 A Bonds or any of the other Parity Debt, (ii) any Debt payable from or secured by the Pledged Revenues or any portion thereof which is pari passu in right of payment or security with the Series 2020 A Bonds other than the Parity Debt or (iii) any Debt payable from or secured by the Pledged Revenues or any portion thereof other than the Parity Debt and Subordinated Indebtedness.

Section 4.24. Solvency. Both before and after giving effect to the issuance of the Series 2020 A Bonds and the undertaking of the other obligations contemplated by this Agreement, the General Bond Resolution, the Series 2020 Resolution (including the Certificate of Determination) and the other Related Documents, the disbursement of the proceeds of the Series 2020 A Bonds and the payment and accrual of all transaction costs in connection with the foregoing, the Authority is and will be Solvent.

Section 4.25. General Bond Resolution a Contract. The provisions of the General Bond Resolution constitute a contract between the Authority and the Owners, and any such Owner, subject to the provisions of the General Bond Resolution and the Series 2020 A Bonds, may at law or in equity, by suit, action, mandamus or other proceedings, enforce and compel the performance of all duties required to be performed by the Authority under the Resolution and the Series 2020 A Bonds.

ARTICLE V

AFFIRMATIVE COVENANTS

The Authority covenants and agrees that until the principal, Prepayment Price, Redemption Price and Purchase Price of, and all interest on, the Series 2020 A Bonds has been paid to the

Purchaser and all other Required Payments have been indefeasibly paid in full, and all other obligations of the Authority under this Agreement and under the Series 2020 A Bonds have been performed:

Section 5.01. Compliance With Laws and Regulations. The Authority shall comply with all Applicable Laws, including Environmental Laws, to which it or its property may be subject; provided, however, that the Authority may contest the validity or application thereof and appeal or otherwise seek relief therefrom, so long as the Authority continues to perform all of its obligations hereunder and under the Related Documents and provided such acts do not affect the Authority's power and authority to execute this Agreement and the Related Documents to which it is a party or to perform its obligations and pay all amounts payable by it hereunder and thereunder, or otherwise result in a Default or Event of Default hereunder or under any of the other Related Documents.

Section 5.02. Reporting Requirements. The Authority shall furnish to the Purchaser each of the following:

(a) *Financial Statements.* Concurrently with the delivery thereof to the Trustee, copies of all financial statements, reports, summaries and other information required to be delivered by the Authority to the Trustee pursuant to Section 717 of the General Bond Resolution and copies of each Annual Budget and any amendment thereof or supplement thereto required to be delivered by the Authority to the Trustee pursuant to Section 710 of the General Bond Resolution; provided, however, with respect to (i) the annual audited financial statements prepared in accordance with Section 717 of the General Bond Resolution, such annual financial statements shall be delivered to the Purchaser as soon as available and in any event within 120 days after the end of each fiscal year of the Authority and (ii) the quarterly financial statements prepared in accordance with Section 717 of the General Bond Resolution, such quarterly financial statements shall be delivered to the Purchaser as soon as available and in any event within 60 days after the end of each fiscal quarter of the Authority.

(b) *Hedge Agreements.* As soon as available, and in any event within 60 days after the end of each fiscal quarter, the Authority shall provide to the Purchaser (i) a detailed list of its investments and (ii) a detailed list of each Hedge Agreement of the Authority (including, without limitation, the counterparties to each Hedge Agreement, the interest rates applicable in each Hedge Agreement and the mark to market value of each Hedge Agreement as of the end of such fiscal quarter).

(c) *Certificate of Compliance.* Simultaneously with the delivery of each set of financial statements referred to in (a) above, a certificate of the Authority stating that, to the best knowledge of the Executive Director (or his/her designee) of the Authority, there exists on the date of such certificate no Default or Event of Default or, if any Default or Event of Default then exists, setting forth the details thereof and the action which the Authority is taking or proposes to take with respect thereto.

(d) *Notice of Default.* Promptly after knowledge thereof by the Authority, written notice of the occurrence of any Default or Event of Default, together with a

statement of the Authority setting forth the details thereof and the action which the Authority is taking or proposes to take with respect thereto.

(e) *Material Event Notices.* Immediately following any dissemination, distribution or provision thereof to any Person, notice of the filing of any Material Event Notice disseminated, distributed or provided in satisfaction of or as may be required by the provisions of Rule 15c2 12 promulgated pursuant to the Securities Exchange Act of 1934, as amended (17 C.F.R. Sec. 240 15c2 12), or any successor or similar legal requirement.

(f) *Additional Parity Debt.* Promptly following the date of issuance or incurrence of any Parity Debt, a copy of the final official statement, offering memorandum or other final disclosure statement prepared with respect to such additional Parity Debt, if any.

(g) *Legal Proceedings.* Promptly after process has been served on the Authority, notice of any action, suit or proceeding before any court or Governmental Authority in which there is a reasonable probability of an adverse decision which could (A) have a Material Adverse Effect on the business, financial position or results of operations of the Authority or the ability of the Authority to perform its obligations hereunder or under the Series 2020 A Bonds or any other Related Document or (B) draw into question the validity or enforceability of this Agreement, the Series 2020 A Bonds or any other Related Document.

(h) *Change in Ratings.* Promptly after obtaining knowledge thereof, written notice of any change in any Obligor Rating.

(i) *Legislation.* As soon as available to the Authority, copies of all enacted legislation which, to the best knowledge of the Authority, relates to, in any material way, or impacts upon this Agreement, the Series 2020 A Bonds or the other Related Documents or the ability of the Authority to perform its obligations in connection herewith or therewith

(j) *Other Information.* Such other information respecting the business, properties or the condition or operations, financial or otherwise, of the Authority as the Purchaser may from time to time reasonably request.

Section 5.03. Notices. In addition to the notices described in Section 5.02 hereof, the Authority will provide promptly to the Purchaser the following:

(a) *Notice of Potential Material Adverse Effect.* Notice in writing of any event or development that results in, or could reasonably be expected to result in, a Material Adverse Effect.

(b) *Amendments.* Promptly after the adoption or execution thereof, copies of any amendments of or supplements to any of the Related Documents.

Section 5.04. Further Assurances. The Authority will from time to time promptly execute and deliver to the Purchaser (or as directed by the Purchaser) all further financing statements, amendments, confirmation statements and will register, record and file and re-register,

re-record and re-file all such documents and instruments, at such time or times, in such manner and at such place or places, and shall take any and all other actions as may be necessary or reasonably required by the Purchaser to (a) perfect and protect, any lien, pledge or security interest or other right or interest given, or purported to be given to the Trustee, the Purchaser or any other Person under or in connection with the General Bond Resolution, this Agreement or the Related Documents, (b) enable the Trustee and the Purchaser to exercise and enforce their respective rights under this Agreement, the General Bond Resolution and the other Related Documents or (c) further and more fully vest in the Trustee and the Purchaser all rights, interests, powers, benefits, privileges, and advantages conferred or intended to be conferred upon them by any of the Related Documents. Except to the extent it is exempt therefrom, the Authority will pay or cause to be paid all filing, registration and recording fees incident to such filing, registration and recording, and all expenses incident to the preparation, execution and acknowledgment of such instruments of further assurance, and all federal or state fees and other similar fees, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of such instruments of further assurance.

Section 5.05. Right of Entry; Communication with Accountant. The Authority shall permit the agents or representatives of the Purchaser during normal business hours and upon reasonable notice, to enter the premises of the Authority, or any parts thereof, to examine and copy the Authority's financial and corporate books, records and accounts, and to discuss the affairs, finances, business and accounts of the Authority with the Authority's officers, employees and agents. The Authority authorizes the Purchaser, after the occurrence and during the continuance of an Event of Default and upon reasonable notice to the Authority, to communicate directly with its Accountant, including KPMG, LLP, its current accountant, and authorizes and shall instruct those accountants and advisors to communicate with, disclose and make available to, the Purchaser, any and all financial statements and other supporting financial documents, schedules and information relating to the Authority with respect to the business, results of operations and financial condition and other affairs of the Authority.

Section 5.06. Payment of Obligations; Removal of Liens. The Authority will pay (a) all Debts and obligations of the Authority in accordance with the terms thereof, (b) all amounts payable by it hereunder and under the Related Documents in accordance with the terms hereof or thereof and (c) all assessments or other governmental charges as the same respectively become due, all taxes, assessments (general or special) and governmental charges of any kind whatsoever that may be at any time lawfully assessed or levied against or with respect to any of its or their property or any interest thereon and promptly discharge or cause to be discharged all Liens (other than Permitted Liens), fees and charges on such property; provided that the Authority may withhold payment of sums described under subpart (c) where (i) the validity or amount thereof is being contested in good faith by appropriate proceedings, (ii) the Authority has set aside on its books adequate reserves with respect thereto in accordance with GAAP and (iii) the failure to make payment pending such contest could not result in a Material Adverse Effect. Notwithstanding the foregoing, the Authority will pay and discharge any and all lawful claims for labor, materials or supplies which, if unpaid, might become a Lien on the Pledged Revenues, or on any funds in the hands of the Authority or the Trustee pledged to pay the Parity Debt prior or superior to the Lien of the Parity Debt or which might impair the security of the Parity Debt.

Section 5.07. Incorporation of Covenants.

(a) The covenants of the Authority set forth in the General Bond Resolution and each of the other Related Documents to which the Authority is a party, as well as related defined terms contained therein, are hereby incorporated by reference herein with the same effect as if each and every such provision were set forth herein in its entirety for the benefit of the Purchaser and shall be enforceable by the Purchaser against the Authority. All such incorporated covenants shall be in addition to the express covenants contained herein and shall not be limited by the express covenants contained herein nor shall such incorporated covenants be a limitation on the express covenants contained herein. To the extent that any such incorporated provision permits any Person to waive compliance with or consent to such provision or requires that a document, opinion, report or other instrument or any event or condition be acceptable or satisfactory to any Person, the waiver, or consent or approval, as applicable, of the Purchaser shall be required under this Agreement and such compliance shall be waived, or such provision shall be consented to, only if it is waived or consented to, as the case may be, by the Purchaser and such document, opinion, report or other instrument shall be acceptable or satisfactory to the Purchaser. No amendment to such covenants (or the defined terms relating thereto) made pursuant to the Related Documents or cessation of the effectiveness of any such covenants shall be effective to amend or cease the effectiveness of such incorporated covenants without the written consent of the Purchaser. Notwithstanding the termination or expiration of any Related Document, the Authority shall, unless such Related Document has terminated or expired in accordance with its terms and has been replaced by a new Related Document, continue to observe the covenants therein contained for the benefit of the Purchaser until the termination of this Agreement.

(b) The Authority shall diligently and in good faith pursue enforcement of each of the Related Documents to which it is a party against each of the other parties thereto and shall in particular and not in limitation of the foregoing cause the Trustee at all times to comply with the terms of the Related Documents to which it is a party.

Section 5.08. Maintenance of Governmental Approvals. The Authority shall at all times maintain in effect, renew and comply with all the terms and conditions of all consents, licenses, approvals, authorizations and other Governmental Approvals which are necessary or appropriate under Applicable Law to conduct its activities and operations as of the Closing Date or at any time thereafter and for the execution, delivery and performance of this Agreement and the Related Documents to which it is a party.

Section 5.09. Books and Records. The Authority will keep proper books of record and account in which full, true and correct entries shall be made of all dealings and transactions in relation to its business and activities to the extent necessary to prepare its financial statements in conformity with GAAP.

Section 5.10. Performance of This and Other Agreements. The Authority shall promptly pay all amounts payable by it under this Agreement, the Series 2020 A Bonds and the General Bond Resolution and the Series 2020 Resolution (including the Certificate of Determination) according to the terms hereof and thereof and shall duly perform each of its obligations under this Agreement, the Series 2020 A Bonds and each of the other Related Documents to which it is a party; and the Authority will take all such action as may be requisite to

enforce or to cause the enforcement of the obligations of the other parties to the Related Documents under and in accordance with the Related Documents.

Section 5.11. Maintenance of Existence. Except as otherwise required by law, the Authority will preserve and maintain its existence as a body corporate and politic of the State of New Jersey and maintain all rights, privileges and franchises necessary and desirable in the normal conduct of its business and in the performance of its obligations under the Related Documents to which it is a party. Except as otherwise required by law, the Authority will continue to conduct in the ordinary course the activities in which it is presently engaged and activities ancillary thereto.

Section 5.12. Use of Proceeds. The Authority shall use the proceeds of the Series 2020 A Bonds solely for the purposes of (i) currently refunding and redeeming the Refunded Bonds, and (ii) paying the costs of issuing the Series 2020 A Bonds. The Authority will not use the proceeds of the Series 2020 A Bonds in a manner which violates Regulation U, as it may be amended or interpreted from time to time by the Board of Governors of the Federal Reserve System.

Section 5.13. CUSIP Number. The Authority shall at all times cause the Series 2020 A Bonds to be assigned a CUSIP Number.

Section 5.14. Government Regulation. The Authority shall not (a) be or become subject at any time to any law, regulation, or list of any Governmental Authority of the United States (including, without limitation, the U.S. Office of Foreign Asset Control list) that prohibits or limits the Purchaser from making any advance or extension of credit to the Authority or from otherwise conducting business with the Authority, or (b) fail to provide documentary and other evidence of the identity of the Authority as may be requested by the Purchaser at any time to enable the Purchaser to verify the identity of the Authority or to comply with any applicable law or regulation, including, without limitation, Section 326 of the USA Patriot Act of 1 U.S.C. Section 5318.

Section 5.15. Insurance. The Authority shall comply with all requirements of the General Bond Resolution and Applicable Law with regard to the procurement and maintenance of insurance with respect to the Authority and its Property.

Section 5.16. Parity Creditors and Covenants. In the event that the Authority has previously entered into or hereafter shall enter into any agreement or instrument (or any amendment, supplement or modification thereto) providing for the incurrence of or relating to Parity Debt, which provides to the related trustee, purchaser, credit facility provider or other obligee thereunder (a) any preference or priority with respect to the Pledged Revenues or other collateral or the allocation of the Pledged Revenues or other collateral as compared to the pledge and allocation to, in favor, or for the benefit, of the Trustee or the Purchaser or (b) any additional or materially different rights and remedies as compared to the rights and remedies of the Purchaser as set forth in the Related Documents and this Agreement (any such provision, a “**Parity Covenant**”) than are provided to the Purchaser, then each such Parity Covenant shall automatically be deemed to be incorporated into this Agreement for the duration of this Agreement and the Purchaser shall have the benefits of such Parity Covenant as if it were specifically set forth in this Agreement. Upon request of the Purchaser, the Authority shall promptly enter into an

amendment to this Agreement to include the Parity Covenant (provided that the Purchaser shall maintain the benefit of such Parity Covenant even if the Authority fails to provide such amendment).

ARTICLE VI

NEGATIVE COVENANTS AND COVENANTS ANCILLARY THERETO

The Authority covenants and agrees that until the principal, Prepayment Price, Redemption Price and Purchase Price of, and all interest on, the Series 2020 A Bonds has been paid to the Purchaser and all other Required Payments have been indefeasibly paid in full, and all other obligations of the Authority under this Agreement and under the Series 2020 A Bonds have been performed:

Section 6.01. Amendments. Without the prior written consent of the Purchaser, the Authority will not agree to any amendment to, or waive any default under, any Related Document in a manner (a) which would have a Material Adverse Effect or (b) which would adversely affect the rights and remedies of the Purchaser thereunder or alter any covenant therein to the detriment of the Purchaser. The Authority agrees to provide written notice to the Purchaser in advance of any proposed amendment (together with a copy of the proposed text of the amendment) or waiver of a default. Notwithstanding the foregoing, the Authority shall be entitled to adopt one or more supplemental resolutions authorizing the issuance of “Bonds” (as defined in the Resolution) or Subordinated Indebtedness under the Resolution without the need to obtain the consent of the Purchaser so long as the Authority complies with the provisions of the Resolution and the issuance of such “Bonds” (as defined in the Resolution) or Subordinated Indebtedness would not otherwise result in a Default or an Event of Default. The Authority shall not take any action, nor cause the Trustee to take any action under any of the Related Documents, which is inconsistent with, or could reasonably be expected to impair, the Authority’s obligations, or the rights of the Purchaser or the Trustee, under this Agreement or any of the other Related Documents including, without limitation, any right or remedy of the Purchaser upon an Event of Default, the Authority’s obligations to make payments to the Purchaser or any other Owner under the Series 2020 A Bonds or this Agreement, and the pledge of the Pledged Revenues under the General Bond Resolution and the priority of the Lien and security interest created thereby.

Section 6.02. Preservation of Existence, Etc. Except as otherwise required by law, the Authority will not directly or indirectly liquidate, wind up, terminate, reorganize, dissolve, merge or consolidate with any other Person (or suffer any liquidation, winding up, termination, reorganization or dissolution), or form or acquire any subsidiary (other than in the ordinary course of business as conducted as of the Closing Date), nor shall it sell, lease, assign, transfer or otherwise dispose of (in a single transaction or a series of transactions) all or substantially all of its property. Except as otherwise required by law, the Authority will not sell, transfer, dispose of or abandon any material portion of the Turnpike System or condemn, or consent to any condemnation of, any material portion of the Turnpike System.

Section 6.03. Certain Information. The Authority shall not include in an offering document or circular or reoffering supplement for the Series 2020 A Bonds any information

concerning the Purchaser that is not supplied in writing, or otherwise approved in writing, by the Purchaser expressly for inclusion therein.

Section 6.04. Trustee. The Authority, without the prior written consent of the Purchaser, which consent shall not be unreasonably withheld, conditioned or delayed, shall not take any action or refrain from taking any action that results in a change of the Trustee, the Tender Agent or the Paying Agent.

Section 6.05. Accounting Methods; Fiscal Year; Entity Classification. Except as may be required by law or any governmental or accounting rule or regulation or as may be recommended by the Governmental Accounting Standards Board, the Authority will not adopt, permit or consent to any change in accounting practices other than as required by GAAP and will not adopt, permit or consent to any change in its Fiscal Year or take (or permit to be taken) any action that results in a change to its entity classification for U.S. federal income tax purposes.

Section 6.06. Exempt Status. The Authority shall not take any action or omit to take any action, respectively, that, if taken or omitted, respectively, could cause any revocation or adverse modification of its federal income tax-exempt status or which would cause the interest with respect to the Series 2020 A Bonds to be included in the gross income of the Owners thereof for purposes of federal income taxation under the Code.

Section 6.07. Conversion; Redemption; Defeasance.

(a) The Authority may exercise its option under Section 209 of the Certificate of Determination to cause a change in the Mode with respect to all or a portion of the Series 2020 A Bonds on any Interest Payment Date upon compliance with the provisions of the Certificate of Determination applicable thereto and upon providing for payment to the Purchaser of the Prepayment Price of the Series 2020 A Bonds in accordance with Section 404 of the Certificate of Determination.

(b) The Authority promptly shall notify the Purchaser of the amount of any redemption of any Series 2020 A Bonds, together with the date of each such redemption and otherwise comply with the provisions of this Agreement and the General Bond Resolution and the Series 2020 Resolution (including the Certificate of Determination) applicable thereto.

(c) *Defeasance.* The Authority will not defease, nor allow the defeasance of, the Series 2020 A Bonds without (i) procuring a Verification Report and providing a copy thereof to the Purchaser and (ii) contemporaneously paying all Required Payments and satisfying all obligations of the Authority hereunder.

Section 6.08. Pension Plans. The Authority shall participate in the State Pension System in compliance in all material respects with the applicable provisions of the Code and other federal, state or local law and shall make all required contributions to the State Pension System.

Section 6.09. Additional Debt. The Authority shall not issue, incur, assume, guarantee or otherwise become obligated under any Debt that is payable from or secured by the Pledged Revenues or any portion thereof prior to the Parity Debt or otherwise preferred to the Parity Debt.

Section 6.10. No Sovereign Immunity; Waiver of Related Defenses. To the fullest extent permitted by applicable law, the Authority hereby waives any exemption or immunity, whether on the basis of sovereign immunity or any similar legal or equitable principle, doctrine or rule of law and whether now or at any time hereafter arising, of the Authority with respect to its contractual obligations under the Series 2020 A Bonds, this Agreement and the other Related Documents or with respect to any of its revenues, assets or property (irrespective of their use or intended use), from (a) jurisdiction, (b) liability, suit or other legal or equitable remedy for the amounts due and payable under the Series 2020 A Bonds, this Agreement or any of the other Related Documents or the performance of any of its other obligations hereunder or thereunder, and (c) enforcement of any judgment, order or decree to which it or its revenues, assets or property may be made subject.

ARTICLE VII

EVENTS OF DEFAULT

Section 7.01. Events of Default. The occurrence of any of the following events shall constitute an “Event of Default”:

(a) Failure of the Authority to pay or cause to be paid when due any amount owed by the Authority hereunder or under any of the other Related Documents;

(b) Failure of the Authority to observe or perform the covenants set forth in Sections 5.02, 5.03, 5.05, 5.07, 5.09, 5.11, 5.12, 5.16, 6.01, 6.02, 6.04, 6.06, 6.07, 6.08, 6.09 or 6.10;

(c) Failure of the Authority to observe or perform any covenant, condition or provision of this Agreement (other than as specified in (a) or (b) above) and such failure remains uncured thirty (30) days after written notice of such failure from the Purchaser to the Authority and the Trustee, or failure to observe or perform any covenant, condition or provision contained in any Related Document and, in the case of any covenant incorporated by reference pursuant to Section 5.07 hereof which is not a payment or financial covenant, after the expiration of any applicable grace period contained in the relevant Related Document;

(d) The occurrence and continuation of a default, event of default or termination event under the General Bond Resolution or any of the other Related Documents, irrespective of whether said default, event of default or termination event is declared, undeclared or has been waived under the terms of such respective document, or a mandatory redemption, prepayment or acceleration has occurred with respect to the Series 2020 A Bonds or any other Parity Debt or Subordinate Obligation; or

(e) The occurrence of an Event of Insolvency with respect to the Authority.

Section 7.02. Rights and Remedies; Consequences of an Event of Default. If an Event of Default specified in Section 7.01 hereof shall occur, then in addition to any other rights or remedies available to the Trustee or the Purchaser under any other Related Documents or under applicable Law, the Purchaser may exercise any one or more of the following rights and remedies:

(a) by notice to the Authority, accelerate all of the Required Payments (other than the Series 2020 A Bonds, which are subject to mandatory purchase as provided in Section 7.02(c)) whereupon such Required Payments shall become immediately due and payable without presentment, demand for payment, protest or notice of nonpayment or dishonor, or other notice of any kind or character, all of which are hereby expressly waived, and an action therefor shall immediately accrue; provided that, if any Event of Default described in Section 7.01(e) hereof shall occur, the Required Payments under this Agreement and the other Related Documents shall automatically mature and be due and payable on the date of the occurrence of such Event of Default without presentment, demand, protest, notice of default or intention to accelerate, notice of acceleration or other notice of any kind to the Authority or any other Person, all of which are hereby expressly waived;

(b) (i) apply to any court of competent jurisdiction for, and obtain appointment of, a receiver, (ii) either personally or by attorney or agent and without bringing any action or proceeding, or by such a receiver, take whatever action at law or in equity may appear necessary or desirable to collect the amounts due and payable under the Related Documents or to enforce performance or observance of any of the Required Payments under the Related Documents, whether for specific performance of any agreement or covenant of the Authority or in aid of the execution of any power granted to the Purchaser in the Related Documents or as otherwise available at law or in equity;

(c) deliver a notice to the Trustee and the Authority that an Event of Default has occurred and is continuing and directing the Trustee to purchase the Series 2020 A Bonds on the designated Mandatory Purchase Date;

(d) cure any Default, Event of Default or event of nonperformance hereunder or under any other Related Document; provided, however, that the Purchaser shall have no obligation to effect such a cure; and

(e) exercise, or cause to be exercised, any and all remedies as it may have under the other Related Documents, including without limitation, any rights it holds as an Owner singly or together with other Owners of Parity Debt to accelerate the Series 2020 A Bonds and the other Parity Debt as provided in the General Bond Resolution and to take any and all actions otherwise available under the General Bond Resolution, and any and all remedies as are otherwise available at law and at equity.

Section 7.03. Remedies Cumulative; Solely for the Benefit of the Purchaser. To the extent permitted by, and subject to the mandatory requirements of, Applicable Law, each and every right, power and remedy herein specifically given to the Purchaser shall be cumulative, concurrent and nonexclusive and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity or by statute, and each and every right, power and remedy (whether specifically herein given or otherwise existing) may be exercised from time to time and as often and in such order as may be deemed expedient by the Purchaser, and the exercise or the beginning of the exercise of any power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy.

The rights and remedies of the Purchaser specified herein are for the sole and exclusive benefit, use and protection of the Purchaser, and the Purchaser is entitled, but shall have no duty or obligation to the Authority, the Trustee or any other Person or otherwise, to exercise or to refrain from exercising any right or remedy reserved to the Purchaser hereunder or under any of the other Related Documents.

Section 7.04. Waivers or Omissions. No delay or omission by the Purchaser in the exercise of any right, remedy or power or in the pursuit of any remedy shall impair any such right remedy or power or be construed to be a waiver of any default on the part of the Purchaser or to be acquiescence therein. No express or implied waiver by the Purchaser of any Event of Default shall in any way be a waiver of any future or subsequent Event of Default. No delay or omission on the part of the Purchaser (or the Trustee) in exercising any right to acceleration of the maturity of the Series 2020 A Bonds or any of the other Required Payments, or any remedy under the Related Documents following any Event of Default as aforesaid, or any other option granted to the Purchaser (or the Trustee) hereunder in any one or more instances, or the acceptance by the Purchaser (or the Trustee) of any partial payment on account of the Required Payments shall constitute a waiver of any such Event of Default and each such option shall remain continuously in full force and effect.

Section 7.05. Discontinuance of Proceedings. In case the Purchaser shall proceed to invoke any right, remedy or recourse permitted hereunder or under the Related Documents and shall thereafter elect to discontinue or abandon the same for any reason, the Purchaser shall have the unqualified right so to do and, in such event, the Authority and the Purchaser shall be restored to their former positions with respect to the Required Payments, the Related Documents and otherwise, and the rights, remedies, recourse and powers of the Purchaser hereunder shall continue as if the same had never been invoked.

Section 7.06. Injunctive Relief. The Authority recognizes that in the event an Event of Default occurs, any remedy of law may prove to be inadequate relief to the Purchaser; therefore, the Authority agrees that the Purchaser, if the Purchaser so requests, shall be entitled to temporary and permanent relief in any such case.

ARTICLE VIII

NATURE OF OBLIGATIONS; REIMBURSEMENT

Section 8.01. Obligations Absolute. The obligations of the Authority to pay all Required Payments under this Agreement and the other Related Documents shall be absolute, unconditional and irrevocable, notwithstanding any other provision of this Agreement or any other Related Document, and shall not be subject to any right of setoff, recoupment or counterclaim against the Purchaser or any Participant and shall be paid and performed strictly in accordance with the terms of this Agreement under all circumstances whatsoever. Until the principal, Prepayment Price, Redemption Price and Purchase Price of, and all interest on, the Series 2020 A Bonds and all other Required Payments have been indefeasibly paid in full and all other obligations of the Authority hereunder and under the Related Documents have been performed and discharged, the Authority will not suspend or discontinue any Required Payments for any reason or terminate any of the Related Documents and the Authority waives and covenants not to assert any right of setoff or

recoupment against its obligation to make all payments of principal, Prepayment Price, Redemption Price and Purchase Price of, and all interest on, the Series 2020 A Bonds and all other Required Payments due hereunder and under the other Related Documents in the amounts and at the times required hereby and thereby, and without abatement, diminution, deduction, counterclaim or defense for any reason, including, without limitation, in the following circumstances:

- (a) any lack of validity or enforceability of any of the Related Documents;
- (b) any amendment or waiver of any provision, term or condition of any of the Related Documents;
- (c) any failure of any portion of the Turnpike System to be delivered, constructed or completed, any defects, malfunctions, breakdowns or infirmities in the Turnpike System, any accident, condemnation, destruction or unforeseen circumstances, or any damage, destruction or condemnation of the Turnpike System or any part thereof or any acts or circumstances that may constitute failure of consideration or commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State, or any political subdivision of either thereof;
- (d) the existence of any dispute with, or any claim, right of setoff or recoupment, defense or other rights which the Authority may have at any time against, the Trustee, the Purchaser (other than the defense of payment to the Purchaser in accordance with the terms of this Agreement), any Participant or any other Person, whether in connection with this Agreement, the other Related Documents or any transaction contemplated thereby or any unrelated transaction;
- (e) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section, constitute a legal or equitable discharge of, or provide a right of setoff or recoupment against, the Authority's obligations hereunder or under any of the other Related Documents.

Section 8.02. Continuing Obligation. All covenants, agreements, representations and warranties made by the Authority in this Agreement and in the certificates or other instruments delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the Purchaser and shall survive the execution and delivery of this Agreement and the issuance and purchase by the Purchaser of the Series 2020 A Bonds, regardless of any investigation made by the Purchaser or on its behalf and notwithstanding that the Purchaser may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal, Prepayment Price, Redemption Price and Purchase Price of, and all interest on, the Series 2020 A Bonds or any other Required Payments remain outstanding and unpaid. The obligations of the Authority under this Agreement shall continue until the date upon which the principal, Prepayment Price, Redemption Price and Purchase Price of, and all interest on, the Series 2020 A Bonds and all other Required Payments due and owing to the Purchaser under the Series 2020 A Bonds and this Agreement shall have been paid in full and are no longer subject to being set aside or otherwise required to be repaid by the Purchaser as described in Section 9.13; *provided, however*, that the

obligations of the Authority pursuant to Article II and Sections 8.03, 8.04 and 9.13 shall survive any expiration or termination of this Agreement.

Section 8.03. Liability of the Purchaser. The Authority hereby releases the Purchaser, its Affiliates and each other Owner, and each of their respective officers, directors, employees and agents (each, a “**Releasee**”), from all liability or responsibility for any losses, liabilities, damages, claims, costs (including attorneys’ fees), judgments or causes of action (collectively, “**Liabilities**”) arising out of or in connection with any of the following: (a) the use that may be made of the proceeds of the Series 2020 A Bonds or for any acts or omissions of the Authority or the Trustee; (b) any of the acts, omissions, agreements, circumstances or conditions covered by the reimbursement provided in Section 8.04; and (c) any other act or omission of the Purchaser, excepting only to the extent of any direct, actual damages suffered by the Authority, and not required to be mitigated by the Authority, which direct, actual damages are determined by a final and nonappealable judgment of a court of competent jurisdiction to have been directly caused by the Purchaser’s willful misconduct or gross negligence in the performance or non-performance of a duty owed to the Authority. The Authority further releases the Releasees from all Liabilities for or constituting lost profits and from all Liabilities for or constituting consequential, special, indirect or punitive (or exemplary) damages (the right to recover or receive lost profits, consequential, special, indirect or punitive (or exemplary) damages being hereby waived), suffered by the Authority.

Section 8.04. Reimbursement. To the extent permitted by law, the Authority agrees to reimburse and hold harmless the Purchaser, its Affiliates, each Owner and each Participant and each of the respective officers, directors, employees and agents of the foregoing Persons (each a “**Reimbursed Party**”) from and against any and all claims, damages, losses, liabilities, reasonable costs or expenses (including without limitation reasonable attorneys’ fees) whatsoever which a Reimbursed Party may incur or be subject to (or which may be claimed against a Reimbursed Party by any Person) by reason of or in connection with the execution and delivery of and consummation of the Transactions contemplated under this Agreement, the Resolution and the other Related Documents, including, without limitation, (i) the issuance, offering, purchase, sale, remarketing or resale of the Series 2020 A Bonds (including, without limitation, by reason of any untrue statement or alleged untrue statement contained or incorporated by reference in this Agreement or any other Related Document, or otherwise furnished to the Purchaser in connection with the Series 2020 A Bonds, or the omission or alleged omission to state therein a material fact necessary to make such statements, in the light of the circumstances under which they are or were made, not misleading), (ii) the execution and delivery of, or payment or failure to pay by any Person under, the Series 2020 A Bonds, this Agreement or the other Related Documents, (iii) the untruth or material inaccuracy of any warranty or representation undertaken or given by the Authority in this Agreement or any other Related Document or in any certificate furnished hereunder or thereunder or (iv) any act or omission of the Authority in connection with the Turnpike System or the Authority’s violation of Applicable Law or breach or nonperformance of any covenant of this Agreement or any other Related Document; *provided, however*, that the Authority shall not be required to reimburse the Purchaser for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the willful misconduct or gross negligence of the Purchaser. Nothing in this Section 8.04 is intended to limit the obligations of the Authority under the Series 2020 A Bonds or of the Authority to pay its obligations hereunder, under the Resolution

and under the other Related Documents. The Purchaser shall notify the Authority of any amounts which are owed to such party pursuant to this Section 8.04.

The provisions of this Section 8.04 shall survive the termination of this Agreement and the payment in full of the Series 2020 A Bonds and the obligations of the Authority thereunder and hereunder.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Purchase of Bonds.

(a) Upon and subject to the conditions precedent and the terms and conditions provided herein and based on the representations, warranties and covenants of the Authority set forth in the Related Documents and herein, the Purchaser hereby agrees to purchase from the Authority, and the Authority agrees to sell to the Purchaser, all, but not less than all, of the Series 2020 A Bonds at an aggregate purchase price of \$33,875,000.00. The Bonds are to be dated the date of delivery thereof, and are to mature, be subject to redemption prior to maturity and bear interest as set forth in the Series 2020 Resolution (including the Certificate of Determination).

(b) The Purchaser represents that (i) it is a "qualified institutional buyer" as defined in Rule 144A promulgated under the Securities Act of 1933, as amended, (ii) the Purchaser is purchasing the Series 2020 A Bonds for investment for its own account and not with a present view toward resale or the distribution thereof, in that it does not now intend to resell or otherwise dispose of all or any part of its interests in the Series 2020 A Bonds; provided, however, that the Purchaser may, (A) transfer the Series 2020 A Bonds to any affiliate or other party related to the Purchaser, (B) sell or transfer the Series 2020 A Bonds to a trust or custodial arrangement, from which trust or custodial arrangement the Series 2020 A Bonds are not expected to be sold except to beneficial owners who are qualified institutional buyers and who will sign a representation to substantially the same effect as this Section 9.01(b), or (C) sell or transfer the Series 2020 A Bonds to any other qualified institutional buyer who will sign a representation to substantially the same effect as this Section 9.01(b), (iii) the Purchaser will comply with all federal and state securities laws in connection with any subsequent resale of the Series 2020 A Bonds, (iv) the Purchaser acknowledges that no official statement or other disclosure document has been prepared by the Authority in connection with the issuance and sale of the Series 2020 A Bonds, and (v) the Purchaser has made its own independent investigation and evaluation of the financial condition and business of the Authority and that it has received all documents and information requested from the Authority in connection with such independent investigation and evaluation.

Section 9.02. Right of Setoff. Upon the occurrence of an Event of Default, the Purchaser and its Affiliates may, at any time and from time to time, without notice to the Authority or any other Person (any such notice being expressly waived), set off and appropriate and apply, against and on account of, any obligations and liabilities of the Authority to the Purchaser or its Affiliates,

whether or not arising under or connected with this Agreement or the Related Documents and without regard to whether or not the Purchaser shall have made any demand therefor and although such obligations and liabilities may be contingent or unmatured and regardless of currency, place of payment or booking office thereof, any and all deposits (general or special, including but not limited to Debt evidenced by certificates of deposit, but not including trust accounts) and any other Debt or other payment obligation at any time held or owing by the Purchaser or its Affiliates to or for the credit or the account of the Authority, whether or not arising under or connected with this Agreement or the Related Documents, whether or not matured, whether or not contingent and regardless of the currency, place of payment or booking office thereof. The rights of the Purchaser under this Section are in addition to other rights and remedies (including other rights of setoff) which the Purchaser may have at law or in equity.

Section 9.03. Amendments and Waivers; Remedies Cumulative. No amendment or waiver of any provision of this Agreement nor consent to any departure by the Authority from any such provision shall in any event be effective unless the same shall be in writing and signed by the Purchaser. Any such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. In the event any covenant or agreement contained in this Agreement should be breached by the Authority and thereafter waived by the Purchaser, such waiver shall be limited to the particular breach so waived for the specific period set out in such waiver and such waiver shall not constitute a waiver of such breach for any other period and shall not waive any other or similar breach hereunder. Specifically and not in limitation of the foregoing, this Agreement may not be amended or modified by course of dealing, oral acknowledgement or agreement or by any writing, unless it is a writing which is expressly stated to constitute an amendment of this Agreement and is signed by an authorized officer of the Purchaser and an Authorized Authority Representative. The rights and remedies of the Purchaser hereunder are cumulative and are not exclusive of any rights or remedies that they would otherwise have.

Section 9.04. Notices. All notices, requests, demands, directions and other communications (collectively “notices”) under the provisions of this Agreement shall be in writing (including facsimile communication), unless otherwise expressly permitted hereunder, and shall be properly addressed and sent by registered or certified mail or by express courier for next Business Day delivery and shall be deemed received as follows: (a) if by registered or certified mail, five (5) days after mailing; (b) if by express courier for next Business Day delivery, on the next Business Day; and (c) if by facsimile, when confirmation of transmission is obtained if prior to 5:00 p.m. local time on a Business Day, and otherwise, on the next Business Day; provided that service of a notice prescribed by any applicable statute shall be considered complete when the requirements of that statute are met. Notices by electronic mail (e-mail) shall not constitute notice under this Agreement and are only to be used in addition to notice given as prescribed under (a), (b) or (c) of this Section 9.04. All notices shall be sent to the applicable party at the following address or in accordance with the last unrevoked written direction from such party to the other parties hereto:

if to the Authority, addressed to the Authority at:

New Jersey Turnpike Authority
1 Turnpike Plaza
P.O. Box 5042
Woodbridge, New Jersey 07095
Telecopy No.: _____
Telephone No.: _____
Attention: Executive Director

or if to the Purchaser, addressed to it at:

[Name of Purchaser]

Attention:
Telephone:
Facsimile:
E-Mail:

or if to the Trustee, addressed to it at:

The Bank of New York Mellon
385 Rifle Camp Road
West Patterson, New Jersey 07424
Telecopy No.: _____
Telephone No.: _____
Attention: Corporate Trust

or as to each party at such other address as shall be designated by such party in a written notice to the other parties.

Any notice or other communication shall be sufficiently given and shall be deemed given when delivered to the addressee in writing or when given by telephone immediately confirmed in writing by tested telex, telecopier or other telecommunication device.

Section 9.05. Severability. Any provision of this Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or nonauthorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

Section 9.06. GOVERNING LAW. THIS AGREEMENT SHALL BE DEEMED TO BE A CONTRACT UNDER, AND TOGETHER WITH ANY DISPUTES OR CONTROVERSIES ARISING OUT OF OR RELATING TO THIS AGREEMENT, SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE

LAWS OF THE STATE OF NEW JERSEY AND APPLICABLE FEDERAL LAW, WITHOUT REGARD TO CHOICE OF LAW RULES.

Section 9.07. Consent to Jurisdiction, Venue and Service of Process. The Authority and the Purchaser, irrevocably (a) agree that any suit, action or other legal proceeding arising out of or relating to this Agreement shall be brought and filed in, and be subject to the exclusive jurisdiction of, the courts of the State of New Jersey or the United States District Courts for the State of New Jersey, (b) consent to the jurisdiction of each such court in any such suit, action or proceeding, and (c) waive any objection which it may have to the laying of venue of any such suit, action or proceeding in any of such courts and any claim that any such suit, action or proceeding has been brought in an inconvenient forum. The Authority and the Purchaser also irrevocably consent to the service of any and all process in any such action or proceeding by the mailing of copies of such process to the respective address set forth for such party in Section 9.04. The Authority and the Purchaser agree that a final judgment in any suit, action or proceeding shall be conclusive and may be enforced in appropriate jurisdictions by suit on the judgment or in any other manner provided by law. All mailings under this Section 9.07 shall be by certified mail, return receipt requested.

Nothing in this Section 9.07 shall affect the right of the Purchaser to serve legal process in any other manner permitted by law or affect the right of the Purchaser to bring any suit, action or proceeding against the Authority or its property in the courts of any other jurisdiction.

Section 9.08. Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not have any effect for purposes of interpretation or construction of the terms of this Agreement.

Section 9.09. Successors and Assigns. (a) (i) This Agreement is a continuing obligation and shall be binding upon and inure to the benefit of the Authority, the Purchaser and their respective successors, endorsees and assigns; provided, that, the Authority shall not assign, transfer or delegate all or any portion of its rights or obligations hereunder or under the other Related Documents without the prior written consent of the Purchaser. The Purchaser may from time to time and without the consent of the Authority or any other Person assign, sell or transfer in whole or in part, this Agreement and any of its rights or interests hereunder and all or any part of its interest in the Series 2020 A Bonds and the Related Documents.

(ii) Any successor to, or assignee of, _____, as the initial Purchaser, shall give written notice to the Authority and the Trustee identifying the assignee or successor as the Purchaser for all purposes of this Agreement and the other Related Documents. Insofar as the successor Purchaser is not the sole Owner of the Bonds, the group of Owners then owning a majority of the aggregate principal amount of the Series 2020 A Bonds then Outstanding shall give notice to the Authority and the Trustee that they constitute the Purchaser as herein defined and, provided any such notice on its face establishes the requisite ownership of a majority of the aggregate principal amount of the Series 2020 A Bonds then Outstanding by the Owners identified therein, such Owners shall thereupon constitute the Purchaser and shall succeed to and become vested with all of the rights, powers, privileges and responsibilities of the Purchaser in this Agreement

and each of the other Related Documents. The predecessor Purchaser shall be discharged from its duties and obligations hereunder, provided that the predecessor Purchaser shall continue to be entitled to the benefits of Article II and Sections 8.03, 8.04 and 9.13 and of each other provision of any Related Document granting a right of payment or reimbursement in favor of the Purchaser.

(iii) The Purchaser may designate any nominee, designee or agent to act for and in the name of the Purchaser by written notice to the Authority and the Trustee and any such duly designated nominee, designee or agent shall thereupon be empowered to act for and on behalf of the Purchaser and exercise the rights, powers, privileges and responsibilities of the Purchaser in this Agreement and each of the other Related Documents.

(b) **Certain Pledges.** The Purchaser may at any time, without notice to, or any requirement to seek the consent of, the Authority, pledge or grant a security interest in all or any portion of its rights under the Series 2020 A Bonds, this Agreement and the other Related Documents (including without limitation rights to payment under the Series 2020 A Bonds and this Agreement) to secure obligations of the Purchaser, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release the Purchaser from any of its obligations hereunder or substitute any such pledgee or assignee for the Purchaser as a party hereto.

(c) **Participations.** The Authority acknowledges and agrees that the Purchaser shall have the right to grant participations in all or a portion of the Purchaser's interest in the Series 2020 A Bonds, this Agreement and the other Related Documents to one or more other banking institutions, and such participants shall, except as set forth in the following clause (ii), be entitled to the benefits of this Agreement and the Related Documents to the same extent as if they were a direct party to this Agreement; provided, however, that (i) no such participation by any such participant shall in any way affect the obligations of the Purchaser hereunder and (ii) the Authority and the Trustee shall be required to deal only with the Purchaser, with respect to any matters under this Agreement, the Series 2020 A Bonds and the other Related Documents and no such participant shall be entitled to enforce against the Authority any provision hereunder. The Authority agrees to provide to the Purchaser, promptly upon request, a copy of the most recent financial information concerning the Authority in connection with any such participation or prospective participation. The Purchaser may disclose to any participants or prospective participants any information or other data or material in the Purchaser's possession relating to this Agreement, the Series 2020 A Bonds or any other Related Document, without the consent of or notice to the Authority. The Authority further acknowledges and agrees that upon any such participation the participants will become owners of a pro rata portion of the participated obligations and the Authority waives any right of setoff it may at any time have against the Purchaser or any participant with regard to the participated obligations.

Section 9.10. Counterparts; Complete and Controlling Agreement. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Related Documents completely set forth the agreements

between the Purchaser and the Authority and supersede all prior and contemporaneous understandings, agreements and contracts, both written and oral, between the Purchaser and the Authority relating to the issuance, sale and purchase of the Series 2020 A Bonds and all matters set forth herein and in the Related Documents.

Section 9.11. Waiver of Rule of Construction. The Authority hereby waives any and all provisions of law to the effect that an ambiguity in a contract or agreement should be interpreted against the party responsible for its drafting.

Section 9.12. WAIVER OF JURY TRIAL. THE AUTHORITY AND THE PURCHASER EACH HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHTS THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION (WHETHER AS CLAIM, COUNTER-CLAIM, AFFIRMATIVE DEFENSE OR OTHERWISE) BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH, THIS AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF THE AUTHORITY OR THE PURCHASER. THE AUTHORITY ACKNOWLEDGES AND AGREES THAT IT HAS RECEIVED FULL AND SUFFICIENT CONSIDERATION FOR THIS PROVISION AND RECOGNIZES AND AGREES THAT THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PURCHASER ENTERING INTO THIS AGREEMENT AND PURCHASING THE SERIES 2020 A BONDS. THE AUTHORITY REPRESENTS AND ACKNOWLEDGES THAT IT HAS REVIEWED THIS PROVISION WITH ITS LEGAL COUNSEL AND THAT IT HAS KNOWINGLY AND VOLUNTARILY WAIVED ANY JURY TRIAL RIGHTS IT MAY HAVE FOLLOWING CONSULTATION WITH SUCH LEGAL COUNSEL.

Section 9.13. Payments Set Aside. To the extent that any payment by or on behalf of the Authority is made to the Purchaser, or the Purchaser exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Purchaser in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred.

Section 9.14. Usury. If, notwithstanding the application of Section 204(f) of the Certificate of Determination, Applicable Law shall be interpreted by a court of competent jurisdiction to render usurious any amount or amounts payable to the Purchaser under this Agreement or under the Series 2020 A Bonds, or contracted for, charged or received by the Purchaser with respect to the obligations of the Authority hereunder or under the Series 2020 A Bonds, or if any acceleration or optional or extraordinary prepayment results in the Authority having paid any interest (or other amounts construed under Applicable Law to be interest) in excess of that permitted by Applicable Law, then it is the Purchaser's express intent that all excess amounts theretofore collected by the Purchaser shall be credited against the principal balance of the Authority's obligations to the Purchaser and the provisions of this Agreement and the other Related Documents shall immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder modified, without the necessity of the execution of any new documents, so as to comply with the Applicable Law, but so as to permit the recovery of the fullest amount

otherwise called for hereunder or thereunder. All sums paid or agreed to be paid to the Purchaser, which may be characterized as interest under Applicable Law shall, to the extent permitted thereby, be amortized, prorated, allocated, and spread throughout the full stated term of the Series 2020 A Bonds or other obligations of the Authority until payment in full so that the rate or amount of interest on account of such obligations does not exceed the Maximum Lawful Rate from time to time in effect and applicable to such obligations for so long as the obligations are outstanding.

Section 9.15. Electronic Signature; Electronically Signed Document. For purposes hereof, “electronic signature” means a manually-signed original signature that is then transmitted by electronic means; “transmitted by electronic means” means sent in the form of a facsimile or sent via the Internet as a pdf (portable document format) or other replicating image attached to an e-mail message; and, “electronically signed document” means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature. The parties agree that the electronic signature of a party to this Agreement (or any amendment or supplement of this Agreement) shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. The parties agree that any electronically signed document (including this Agreement) shall be deemed (i) to be “written” or “in writing,” (ii) to have been signed, and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or “printouts”, if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule.

Section 9.16. No Advisory or Fiduciary Responsibility. In connection with all aspects of the transactions contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Related Document), the Authority acknowledges and agrees that: (a) (i) the arranging, structuring and other services regarding this Agreement provided by the Purchaser and any of its Affiliates are arm’s-length commercial transactions between the Authority, on the one hand, and the Purchaser and its Affiliates, on the other hand, (ii) the Authority has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the Authority is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Related Documents; (b) (i) the Purchaser and each of its Affiliates is and has been acting solely as a principal and has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Authority or any other Person and (ii) neither the Purchaser nor any of its Affiliates has any obligation to the Authority with respect to the Transactions, except those obligations expressly set forth herein; and (c) the Purchaser and each of its Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Authority, and neither the Purchaser nor any of its Affiliates has any obligation to disclose any of such interests to the Authority. To the fullest extent permitted by Applicable Law, the Authority hereby waives and releases any claims that it may have against the Purchaser and each of its Affiliates with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Bondholder Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

NEW JERSEY TURNPIKE AUTHORITY

By: _____
JOHN M. KELLER
Executive Director

[NAME OF PURCHASER]

By: _____
Name:
Title:

EXHIBIT A
COMPLIANCE WITH LAW DISCLOSURES

None

SCHEDULE 4.09

On February 7, 2019, the Authority issued its Turnpike Revenue Bonds, Series 2019 A, in the aggregate principal amount of \$449,110,000 (the “**Series 2019 A Bonds**”) under and pursuant to the General Bond Resolution. The Series 2019 A Bonds were issued by the Authority for the purpose of providing funds to pay (i) the Cost of Construction of various Projects which are part of the Authority’s ongoing capital improvement program for the Turnpike System, and (ii) the costs of issuance of the Series 2019 A Bonds.

SCHEDULE 4.19

As of the date of this Agreement, four bills have been introduced in the New Jersey State Legislature in the current legislative session ending in January 2020, which, if enacted in their present form, would (i) authorize the Authority to enter into toll reciprocity agreements with surrounding states to recoup non-paid tolls; (ii) modify the penalties to be charged by the Authority in connection with toll violations, (iii) provide exemptions from the payment of tolls on both the Turnpike and the Parkway for certain disabled veterans, (iv) require the Authority to provide electric vehicle recharging stations at certain rest areas on both the Turnpike and Parkway; and, (v) prohibit employees of the Authority from using power tools in inclement weather to perform non-emergency roadside maintenance, require all Authority roadside maintenance operations involving the use of gas-powered landscaping equipment be performed in daylight hours except in emergency situations, and require that portable roadside light towers be used for all Authority roadside maintenance operations taking place at night. In the current and several of its previous legislative sessions, the State Legislature is considering or has considered several other bills which could adversely impact the Authority's revenues and/or expenses and/or require the Authority to alter the way it currently conducts its operations, including, without limitation, bills requiring that the Authority display toll information at each collection point on the Turnpike and Parkway and that it provide natural gas refueling, propane refueling and electric vehicle recharging stations at certain rest areas on both the Turnpike and Parkway. The Authority is unable to predict whether the currently pending bills will be enacted into law, or whether any such previously introduced bills, or substantially similar bills, will be introduced in the current or any future session of the State Legislature or, if introduced, whether any such bills will be enacted into law. If the currently pending bills or any such future bills are enacted into law, the Authority is unable to predict whether or not such bills will have a material impact on the Authority's operations.

SCHEDULE 4.20

The Turnpike

The Authority continues with the remediation of environmental contamination resulting from historical discharges from underground storage tanks located at the service areas, maintenance districts and interchanges along the Turnpike. Progress is being made in addressing the contamination and No Further Action letters or Response Action Outcomes (“RAOs”) have been achieved at several locations. The Authority met the New Jersey Department of Environmental Protection (“NJDEP”) Remedial Investigation (RI) deadline of May 2016 for all applicable Turnpike sites with the focus now on Remedial Action (RA). The remediation progress has eliminated all but two groundwater treatment systems located at two Services Areas on the Turnpike. One of those groundwater treatment systems has been shut down in order to pursue a more aggressive remedial strategy as part of the Authority’s service area improvement program. The second groundwater treatment system will remain in operation for the foreseeable future and will necessitate periodic monitoring, sampling and maintenance under directives issued by the NJDEP.

In the late 1980’s, the NJDEP determined that residues from the processing of chromium ore were distributed as fill material on construction projects throughout Hudson County, New Jersey, and in surrounding environs. The contaminant levels at certain sites receiving chromium ore processing residue exceed the currently established standards. Seven sites owned or controlled by the Authority are included on the NJDEP’s list of sites containing contamination from chromium ore processing residue above the currently established levels; however, the Authority bears no remedial responsibility for these additional sites.

In May 2005, the NJDEP instituted litigation against the three firms which had generated the chromium ore processing residue. The Authority was not named as a defendant in such litigation by the NJDEP. In March 2006, the Authority was named as a third party defendant by one of the firms as a result of the Authority’s ownership of certain parcels impacted by the residue. The Authority accepted responsibility to remediate conditions at three affected sites with the understanding that, by doing so, it will not have any responsibility for any additional sites. The approximate cost to complete the remediation of the three sites is estimated to be approximately \$17 million over a 30 year period. Remediation of one site has been completed and a RAO was submitted to the NJDEP in March of 2015 to close the site. Remediation work is ongoing at the remaining two chrome sites.

The Parkway

Remediation of environmental contamination continues on the Parkway resulting from the operation of service areas, toll plazas, maintenance districts, a former communication tower, and State Police barracks along the Parkway. Progress is being made in addressing the contamination and No Further Action letters or RAOs have been achieved at several locations. The Authority met the NJDEP Remedial Investigation (RI) deadline of May 2016 for all but two Parkway sites. Of these two sites, the Remedial Investigation (RI) for one site was recently completed with the focus now on Remedial Action (RA).

The remediation progress has eliminated all but one groundwater treatment system located at one service area on the Parkway roadway. This groundwater treatment system will be in operation for the foreseeable future and will necessitate periodic monitoring, sampling and maintenance under directives issued by the NJDEP.

Generally

With respect to the Turnpike System generally, soil contamination, groundwater contamination and/or solid waste found on off-site properties, Authority properties, and properties for which the Authority has assumed remediation responsibility, as well as waterway contamination that is alleged to have resulted from operations conducted at Parkway facilities, have resulted in claims against the Authority and may lead to additional claims in the future. Claims for reimbursement of remediation costs and other alleged damages have been asserted or may be forthcoming from other parties responsible for undertaking remediation activities at these properties. As a result, it may be necessary for the Authority to undertake, fund or reimburse others for remediation activities at these properties. The Authority believes the ultimate resolution of these claims will not have a material adverse impact on the financial position of the Authority. As to environmental regulatory compliance expenditures, such costs are also not expected to have a material adverse impact on the financial position of the Authority.